

**Environmental, Social &
Governance (ESG) call**
Focus area: Governance

March 14, 2016
Mahindra & Mahindra Ltd.

Investor Relations

Accolades - Corporate Governance



- Golden peacock award for Excellence in Corporate Governance
 - M&M: 2015 & 2006
 - MMFSL: 2013
 - Tech Mahindra: 2014

- ICSI National Awards for excellence in Corporate Governance – M&M 2008 and 2015



**THE INSTITUTE OF
Company Secretaries of India**
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament



- Great Place to Work - 2015
 - Large Organisation Category: M&M Auto and Farm Equipment sector – Rank 4
 - Manufacturing & Production: M&M Auto and Farm Equipment Sector (Rank 3), Mahindra Intertrade (Rank 4)

Accolades - Corporate Governance



- ET-Hay group chooses Mahindra & Mahindra as one of the India's best performing boards in 2014

- ICICI Lombard & CNBC TV 18 India Risk Management Awards.
 - Best Risk Management Framework & Systems – Conglomerate of the Year award
 - Best Supply Chain Risk Management Framework – Company of the Year award



Eminent Board of Directors



Standing (L-R): Anupam Puri*, S.B. Mainak**, Dr.Pawan Goenka (Executive Director), Anand Mahindra (Chairman & MD), M.M.Murugappan*, Nadir Godrej*, Vikram Singh Mehta*

Sitting (L-R): Ravindra Kulkarni*, Deepak Parekh*, Mr. Keshub Mahindra (Chairman Emeritus), Dr. Vishakha N Desai*

* Independent Director, ** Nominee Director

Director's profile is available at <http://www.mahindra.com/investors/board-of-directors>

Key features of the board

- Professional board
 - Only one promoter in the board
- Good representation of Independent directors
 - 7 out of 10 directors are independent
- Directors of great reputation
 - Heads of large businesses
 - Varied industries
 - Known for highest levels of integrity
 - Experts in their fields
- Board Compensation Norms
 - Conservative policy, much within the legally permissible limits

Board has undergone change in the last few years

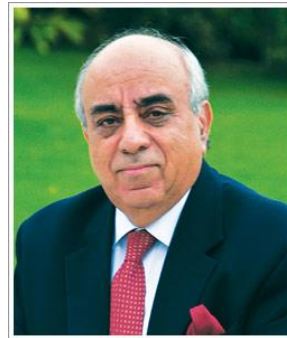
Outgoing



N. Vaghul



Dr. Ashok
Ganguly



Arun Nanda



Bharat Doshi

Incoming



Vikram Singh
Mehta



Dr. Vishakha
Desai



Dr. Pawan
Goenka

Board functions effectively with sub-committees

Audit Committee

Mr. Deepak S. Parekh - Chairman
Mr. Nadir B. Godrej
Mr. M. M. Murugappan
Mr. R. K. Kulkarni

Stakeholders Relationship Committee

Mr. R. K. Kulkarni - Chairman
Mr. Anand G. Mahindra
Dr. Pawan Goenka
Dr. Vishakha N. Desai

Governance, Nomination and Remuneration Committee

Mr. M. M. Murugappan - Chairman
Mr. Nadir B. Godrej
Mr. Vikram Singh Mehta
Mr. R. K. Kulkarni

Corporate Social Responsibility Committee

Dr. Vishakha N. Desai - Chairperson
Mr. Anand G. Mahindra
Dr. Pawan Goenka
Mr. R. K. Kulkarni
Mr. Vikram Singh Mehta

Strategic Investment Committee

Mr. Anand G. Mahindra - Chairman
Mr. Deepak S. Parekh
Mr. Nadir B. Godrej
Mr. Vikram Singh Mehta
Mr. Anupam Puri

Loans & Investment Committee

Mr. Anand G. Mahindra - Chairman
Dr. Pawan Goenka
Mr. R. K. Kulkarni
Mr. Vikram Singh Mehta

Research & Development Committee

Mr. M. M. Murugappan - Chairman
Mr. Anand G. Mahindra
Dr. Pawan Goenka
Mr. Nadir B. Godrej

Risk Management Committee

Dr. Pawan Goenka - Chairman
Mr. Deepak S. Parekh
Mr. Nadir B. Godrej
Mr. M. M. Murugappan
Mr. R. K. Kulkarni

Corporate Governance Policies

- Clearly laid down policies on:
 - Code of Conduct for Employees
 - Code of Conduct for Directors
 - Code of Conduct for Insider Trading
 - Corporate Social Responsibility Policy
 - Policy on Materiality of RPTs & dealing with RPTs
 - Policy for determination of materiality for disclosure of events or information
 - Archival Policy
 - Whistleblower Policy
 - Anti-Sexual harassment policy
 - Business responsibility policy

Cordial relationship with Unions

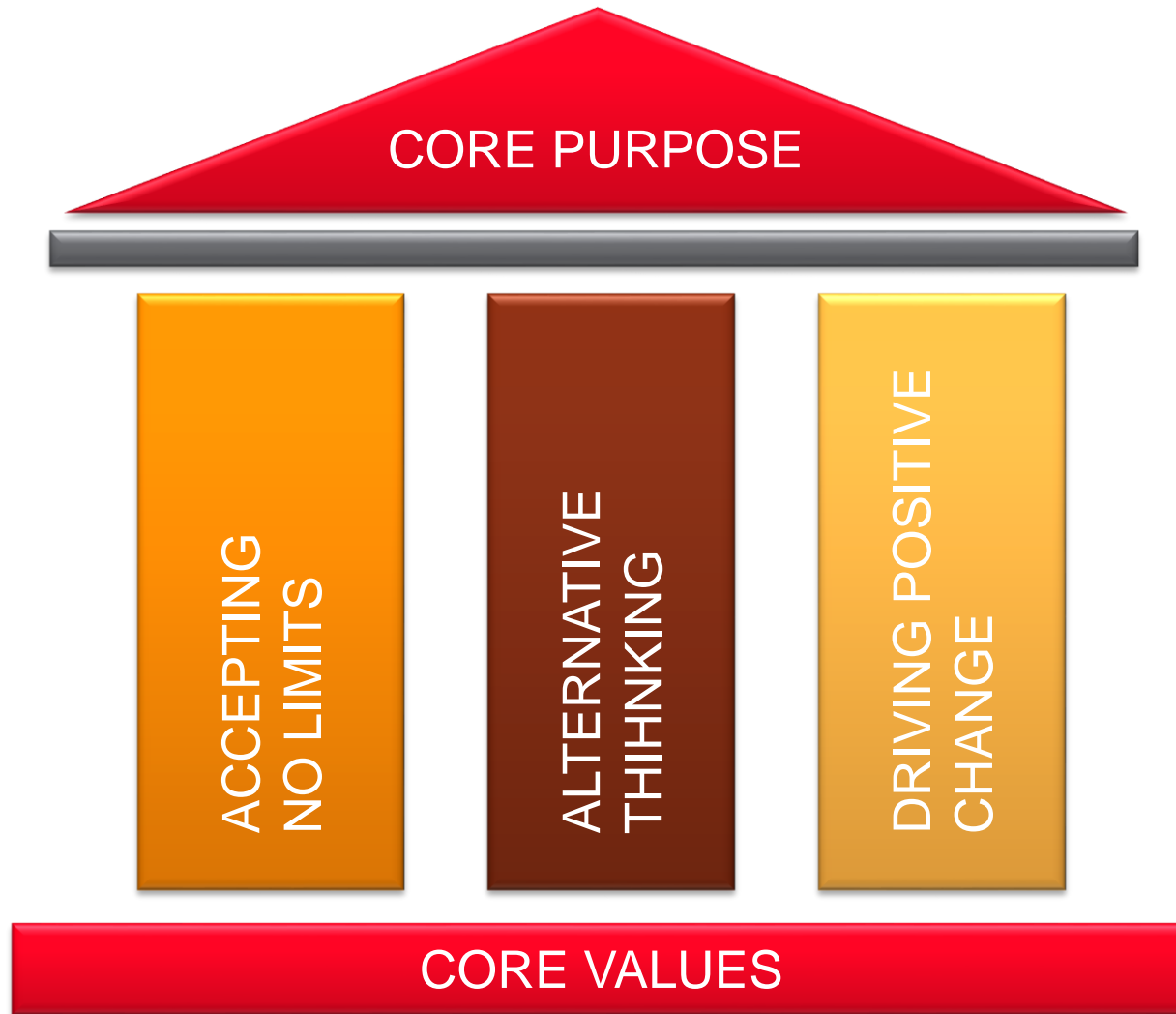
- Auto & Farm Division
 - No production lost during the last 3 years due to worker related issues



We will challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world, to enable them to
Rise.

United by a common purpose

The House of Mahindra



Mahindra Group in 20 industries



AEROSPACE



AFTERMARKET



AGRI - BUSINESS



AUTOMOTIVE



BOATS



COMPONENTS



CONSTRUCTION
EQUIPMENT



CONSULTING
SERVICES



DEFENCE



ENERGY



FARM
EQUIPMENT



FINANCIAL
SERVICES



INDUSTRIAL
EQUIPMENT



INFORMATION
TECHNOLOGY



LEISURE &
HOSPITALITY



LOGISTICS



REAL ESTATE &
INFRASTRUCTURE



RETAIL



STEEL
PROCESSING



TWO
WHEELERS

Businesses Organised in 10 sectors

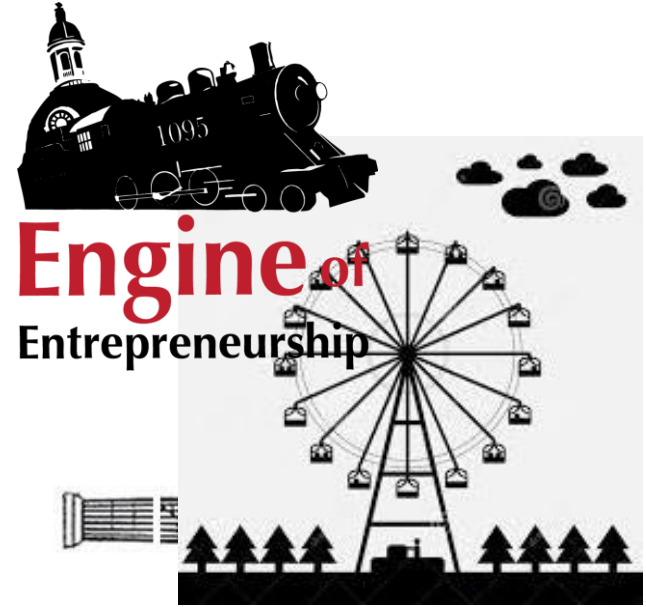
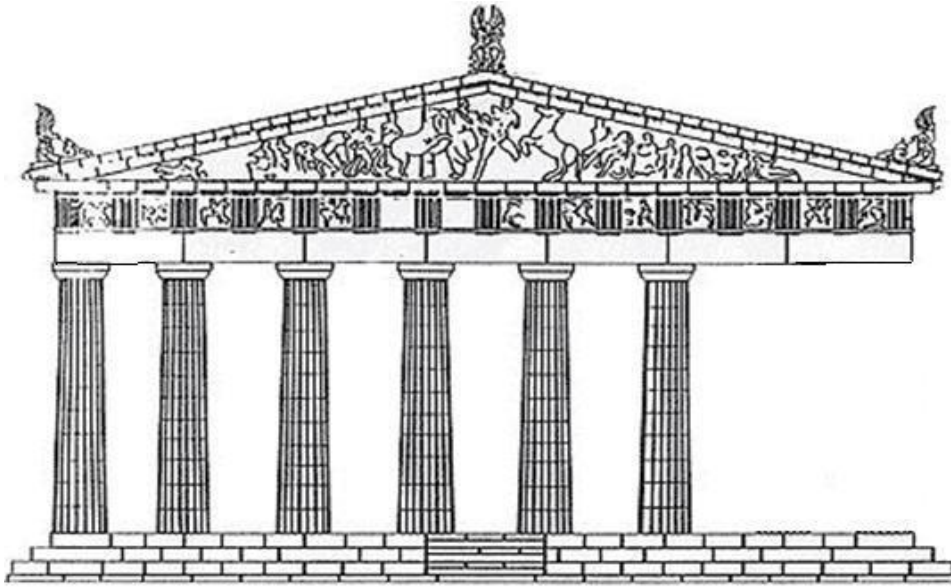


TEN SECTORS. MANY COMPANIES. ONE PURPOSE.

Method in Madness...

India	<ul style="list-style-type: none"> • Controlled economy – license Raj • Focus on building infrastructure • Average GDP growth – 4.0% 	<ul style="list-style-type: none"> • Economic liberalisation begins from 1991 • Participation of private sector made easy • ‘Services’ sector of the economy opens up; • Avg. GDP growth – 5.7%; middle class income level goes up. 	<ul style="list-style-type: none"> • India experiences a high average GDP growth 8.1% • Acquiring foreign companies by Indian companies made easier. • Ecosystem for new industries such as Insurance, Retail and renewable energy improves.
	Mahindra	<ul style="list-style-type: none"> • Focuses on Automotive and tractor businesses 	<ul style="list-style-type: none"> • Mahindra group enters <ul style="list-style-type: none"> • Financial Services • IT services • Hospitality • Real Estate
1945		1990	2003

Well balanced portfolio of businesses



Mature businesses

- The existing columns of the Mahindra 'Parthenon'
 - Automotive
 - Farm Equipment
 - Financial Services
 - Information Technology
 - Hospitality

Emerging businesses

- The emerging businesses are on their way to become additional pillars of 'Parthenon'
 - After Market
 - Aerospace
 - Real Estate
 - Two-wheeler

New entrants

- Start-up businesses incubated and nurtured within Mahindra Partners
 - Renewable Energy
 - Boats
 - Logistics

Mahindra Partners

PE format created for incubation of new businesses

- Mahindra Partners was created with the objective of
 - incubating new businesses
 - Supporting struggling businesses
- Mahindra Partners delivers this by combining
 - Advantage of large corporate &
 - PE/VC industry mechanisms of more rigorous, intrusive oversight and mentoring, tailored for start-ups
- The businesses of Mahindra Partners can either be
 - Spun off or harvested for a profit
 - Restructured
 - Retained and nurtured to become established businesses themselves



LOGISTICS



RETAIL



BOATS



SOLAR
ENERGY



CONVEYOR
SYSTEMS



EAST INDIA
COMPANY

Mahindra Partners Businesses

Capital Allocation Process

- Board sub-committees to approve & monitor investments
 - Committee of Strategic Investments (CSI) for cumulative investments above Rs.100cr
 - Loans & Investment Committee for cumulative investments below Rs.100cr
 - CSI committee reviews investments on periodic basis
- Three gateways used to review investments in new businesses
 - Macro-trend that triggered the investment
 - Right to play & Right to Win
 - Leadership managing the business

Our investment guidance is biased towards M&M businesses

- Investment plan for three years (FY16 to FY 18)
 - M&M related businesses – Rs.7500cr
 - Investment into group businesses – Rs.2500cr
 - This includes investment into any M&A activity, both in M&M and other group businesses
- Bulk of company's investments still go into Auto, Tractor and related businesses

A man in a grey suit and red striped tie is giving a thumbs up. In the background, another person is blurred.

AAA Credit Rating for M&M by major credit rating agencies in India

International ratings:
BBB- by S&P
Baa3 by Moody's
(Investment Grade with
Stable Outlook)

Thank you

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