

MAHINDRA & MAHINDRA LIMITED

Registered Office : Gateway Building, Apollo Bunder, Mumbai 400 001.

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2009

	Quarter Ended 31st March.				Year ended 31st March.				Consolidated Results	
	2009		2008		2009		2008		Year Ended	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
1. Gross Sales / Income from Operations (Note 1).....	404649	362131	1460460	1295485	2848044	2593939				
Less: Excise Duty on sales.....	42731	47910	161935	158639	207218	215482				
(a) Net Sales/Income from Operations.....	361918	314221	1298525	1136846	2640826	2378457				
(b) Other Operating Income.....	3527	10843	10843	15281	34869	42743				
Total.....	365445	315955	1309368	1154127	2675635	2421200				
2. Expenditure :										
a. (Increase)/Decrease in Stock in trade & work in progress.....	17262	14327	15629	(14911)	18025	(62353)				
b. Consumption of raw materials.....	232504	195019	877179	755583	1196026	1110557				
c. Purchase of traded goods.....	5415	8272	34615	31919	92328	114711				
d. Employee cost.....	27239	21732	102461	86814	427486	363012				
e. Depreciation / Amortisation.....	9319	6486	29151	23866	74933	58224				
f. Other Expenses (Net of cost of manufactured products capitalised) (Note 6).....	26901	41403	170221	158065	575116	521599				
g. Total Expenditure (a+b+c+d+e+f).....	318640	287239	1229256	1041336	2383914	2105750				
3. Profit from Operation before Other Income, Interest and Exceptional Items (1-2).....	46805	28716	80112	112791	291721	315450				
4. Other Income (Note 2 & 4).....	6143	1590	27034	13037	16346	23329				
5. Profit from Operation before Interest and Exceptional Items (3 + 4).....	52948	30306	107146	125826	308067	338779				
6. Interest Expense (Net) (Note 3).....	2091	1389	4526	2424	75016	58952				
7. Profit after Interest but before Exceptional Items (5 - 6).....	50857	28917	102620	123404	233051	279827				
8. Exceptional Items (Net).....	-	1563	1027	17273	(7639)	(29428)				
9. Profit from Ordinary Activities Before Tax (7 + 8).....	50857	30480	103647	140677	225412	250399				
10 a. Provision for Current Tax.....	3975	8165	4551	26575	47500	66230				
10 b. Provision for Deferred Tax.....	4863	(65)	14118	2465	3525	(3464)				
10 c. Provision for Fringe Benefit Tax.....	212	270	1300	1300	3192	2954				
11. Net Profit from Ordinary Activities after Tax (9 - 10).....	41807	22110	83678	110337	171195	184679				
12. Special adjustments (net of tax).....	-	-	3073	-	-	-				
13. Profit earned by MHFL for February and March 2008.....	-	-	-	110337	-	-				
14. Net Profit after special adjustments (11+12).....	41807	22110	86751	110337	171195	184679				
15. Prior period adjustments (net of current & deferred tax).....	-	-	-	-	(636)	(222)				
16. Share of Profit of Associates for the year.....	-	-	-	-	1127	1000				
17. Minority Interest.....	-	-	-	-	(31145)	(28345)				
18. Net Profit After Minority Interest (13+14+15+16).....	41807	22110	86751	110337	140541	157112				
19. Paid-up Equity Share Capital (Face value Rs. 10 per share).....	27262	23907	27262	23907	27262	23907				
20. Reserves and Surplus excluding Revaluation Reserve.....	497737	409853	497737	409853	675775	591324				
20 a. Basic Earnings per Share on Net Profit after special adjustments Rs.....	15.34 *	9.25 *	31.83	46.24	51.57	65.84				
20 b. Diluted Earnings per Share on Net Profit after special adjustments Rs.....	10.81 *	9.02 *	30.02	41.52	48.27	59.84				
21 a. Basic Earnings per Share on Net Profit from Ordinary Activities after Tax Rs.....	15.34 *	9.25 *	30.70	46.24	51.57	65.84				
21 b. Diluted Earnings per Share on Net Profit from Ordinary Activities after Tax Rs.....	10.81 *	9.02 *	28.98	41.52	48.27	59.84				
22. Aggregate of public shareholding :										
Number of Shares.....	178877137	170878504	178877137	170878504						
Percentage of Shareholding.....	64.15%	69.54%	64.15%	69.54%						
22. Promoters and promoter group Shareholding:										
a. Pledged/Encumbered										
-Number of Shares.....	17624750	-	17624750	-	-	-				
-Percentage of Shares (as a % of the total shareholding of promoter and promoter group).....	21.65%	-	21.65%	-	-	-				
-Percentage of Shares (as a % of the total share capital of the company).....	6.32%	-	6.32%	-	-	-				
b. Non-encumbered										
-Number of Shares.....	63789662	-	63789662	-	-	-				
-Percentage of Shares (as a % of the total shareholding of promoter and promoter group).....	78.35%	-	78.35%	-	-	-				
-Percentage of Shares (as a % of the total share capital of the company).....	22.88%	-	22.88%	-	-	-				
23. Proposed Dividend per Ordinary (equity) Share (Rupees).....	-	-	10.00	11.50						

Segment wise Revenues, Results and Capital Employed :

	Quarter Ended 31st March.				Year ended 31st March.			
	2009		2008		2009		2008	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
A. Segment Revenue : (Net Sales / Income from Operations & Other Operating Income)								
Automotive Segment.....	218960	208257	738452	719744				
Farm Equipment Segment.....	144845	93681	566723	401594				
Other Segments.....	3112	21244	8084	67069				
Total.....	366917	328192	1313259	1188407				
Less: Intersegment Revenues.....	1472	12237	3891	34280				
Net Sales / Income from Operations & Other Operating Income.....	365445	315955	1309368	1154127				
B. Segment Results								
Automotive Segment.....	17531	20747	44761	76328				
Farm Equipment Segment.....	16051	14185	62395	54205				
Other Segments.....	677	621	1363	1454				
Total Segment Results.....	34259	35553	108519	131987				
Less :								
Interest (Net).....	2091	1389	4526	2424				
Other un-allocable expenditure net of un-allocable income.....	(18689)	3684	346	(11114)				
Total Profit before Tax.....	50857	30480	103647	140677				
C. Capital Employed : (Segment assets - Segment liabilities)								
Automotive Segment.....	180071	159745	180071	159745				
Farm Equipment Segment.....	128200	85602	128200	85602				
Other Segments.....	4490	2242	4490	2242				
Total Segment Capital Employed.....	312761	247589	312761	247589				

Notes:

- Gross Sales / Income from Operations includes a Government grant in the form of an octroi refund of Rs. 1795 lakhs (net of tax Rs. 1185 lakhs) received by the Company during the quarter, for earlier years.
- Other Income includes dividend received from subsidiaries.
- Interest Expense (Net) is after adjusting interest income of
- The scheme of amalgamation of Punjab Tractors Limited (PTL) a wholly owned subsidiary of the Company, with the Company was sanctioned by the High Court of Bombay on 9th January, 2009 and by the High Court of Punjab and Haryana on 16th January, 2009. The scheme became effective on 16th February, 2009 and is operative from the Appointed date of 1st August, 2008. PTL profits for the period 1st January, 2009 to 31st March, 2009 are included in the profits of the Company for the quarter and year ended 31st March, 2009. Profit after tax of Rs. 6228 lakhs earned by PTL during the period 1st August, 2008 to 31st December, 2008 is included in the profits of the Company for the year ended 31st March, 2009. Profit after tax of Rs. 3401 lakhs on sale of shares of Swaraj Mazda Limited by PTL during the quarter ended 31st March, 2009 has been reported by the Company under other income. The accounting of this amalgamation was done as per the scheme approved by both the High Courts. Under the scheme, the Company transferred, its total holding of 3,92,70,165 shares in PTL as on 1st August, 2008 to a trust, to hold the shares and any additions or accretions thereto exclusively for the benefit of the Company. The Company has under the scheme issued one equity share of Rs. 10 each for every three equity shares of Rs. 10 each held in PTL to the shareholders of PTL. The excess of the value of the net assets of PTL over the face value of the shares allotted, amounting to Rs. 67700 lakhs was credited to the existing Investment Fluctuation Reserve Account in accordance with the scheme.
- During the quarter the Company has provided Rs. 17390 lakhs towards diminution in the value of certain long term investments and advances from out of its Investment Fluctuation Reserve.
- In line with the notification dated 31st March, 2009 issued by the Ministry of Company Affairs, amending Accounting Standard AS11 - Effects of Changes in Foreign Exchange Rates, the Company has chosen to exercise the option under Para 46 inserted in the standard by the notification. Accordingly with retrospective effect from 1st April, 2007 exchange differences on all long term monetary items are:
 - to the extent such items are used for financing fixed assets, added to/subtracted from the cost of those fixed assets and depreciated over the balance useful life of the asset
 - in other cases accumulated in the 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the balance period of such long term monetary item but not beyond 31st March, 2011.
 Arising from the above the Company has
 - charged to the opening General Reserve Rs.6055 lakhs (net of tax Rs.3997 lakhs) which was recognized in the Profit & Loss account in previous financial year ended 31st March, 2009.
 - added to fixed asset/capital work-in-progress Rs.17297 lakhs being the exchange differences on long term monetary items relating to the acquisition of fixed assets.
 - charged to the Profit & Loss account Rs. 2461 lakhs.
 - carried forward Rs. 1811 lakhs in the Foreign Currency Monetary Item Translation Difference Account' being the amount remaining to be amortised as at 31st March, 2009.
 As a result of the above changes in Accounting Policy the net profit before tax for the quarter and the year is higher by Rs. 25163 lakhs (net of tax Rs. 16610 lakhs) out of which Rs. 20532 lakhs (net of tax Rs. 13553 lakhs) pertains to the period April 2008 to December 2008. After giving effect to the above, there was for the year, a net charge of Rs. 23720 lakhs (net of tax Rs.15658 lakhs) on account of difference in exchange.
- During the current quarter Mahindra Defence Land Systems Private Limited and Venturbay Consultants Private Limited have become subsidiaries of the Company and Punjab Tractors Limited and Mahindra Retail Private Limited have ceased to be a subsidiaries of the Company.
- Other Segments include Defence Services, Special Services Group etc.
- There were no undisputed investor complaint that were unresolved as of 1st January, 2009. During the quarter, the Company received 2 investor complaints, both of which have been resolved by the end of the quarter.
- Previous periods / year's figures have been regrouped wherever necessary, in order to make them comparable.
- The above results were approved by the Board of Directors of the Company at the Board Meeting held on 28th May 2009

For and on behalf of the Board of Directors

Anand G. Mahindra
Vice Chairman & Managing Director

Mumbai, 28th May, 2009