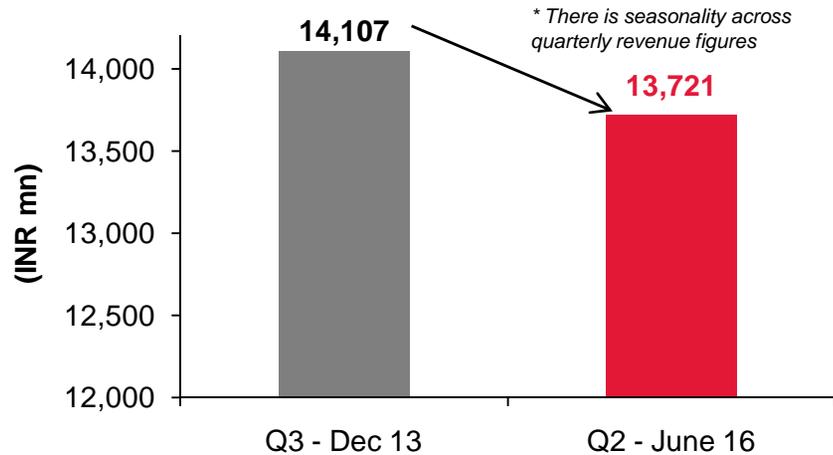


Interim Update

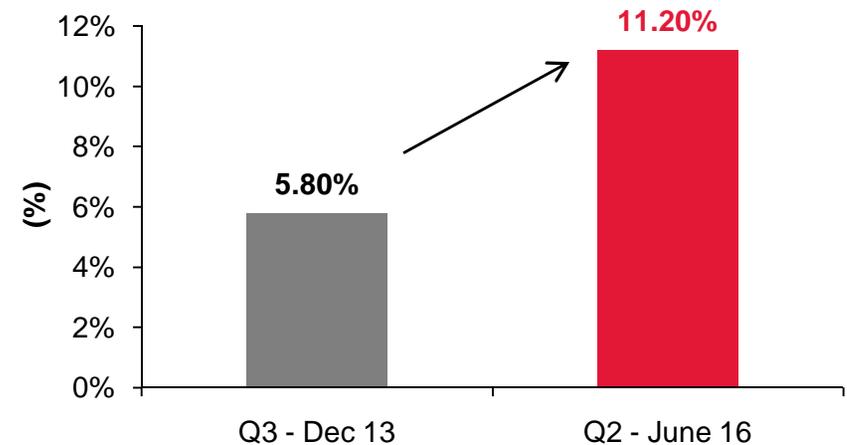


MCIE Evolution

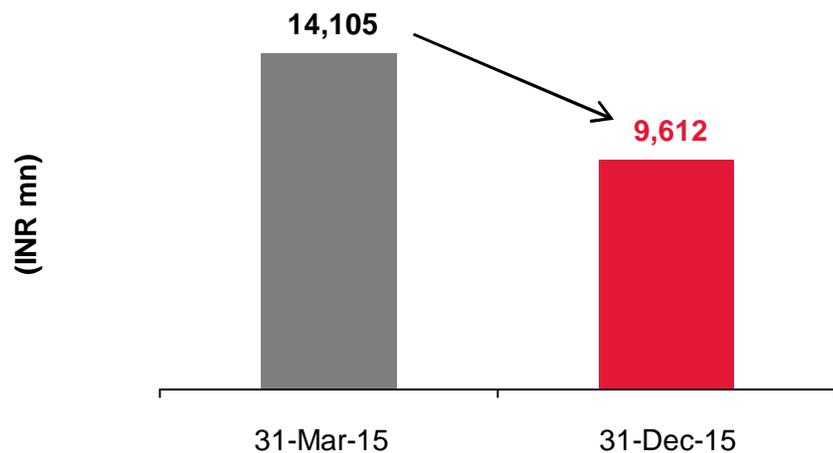
Consolidated Sales*



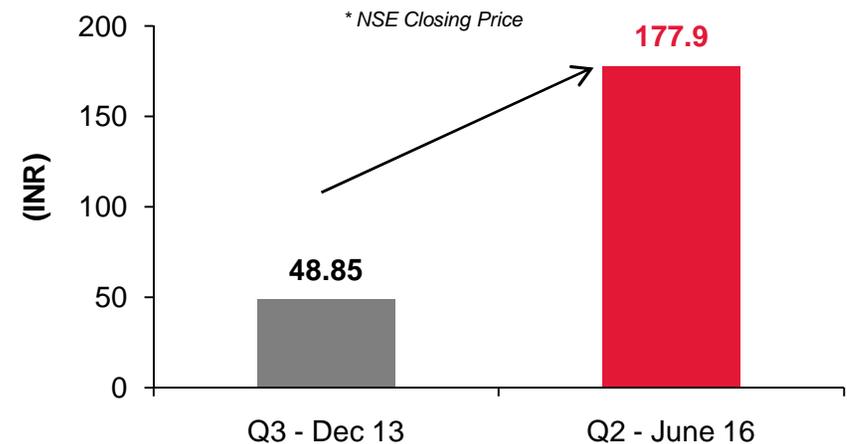
Consolidated EBITDA Margin



Consolidated Net Debt



Share Price*



Note:

1. Quarter ending Dec'13 (Q3F14) was the first quarter for which MCIE Consolidated results are available. They were presented in the Q3F15 update which was the first consolidated investor update put out by the company. These are unaudited results
2. Quarter ending June'16 (Q2C16) is the latest quarter for which the results are available. These are unaudited results
3. EBITDA nos. are normalised and without one-time exceptional costs

MCIE Strategy

MCIE Strategy

MCIE Positioning

MCIE is CIE's vehicle to expand in:

- Forgings Worldwide
- In Asia for all other verticals



Phase 1: 2014-2017 "Consolidate"

- Optimise operations in India
- Turnaround Europe
- Control capex & reduce debt
- Initiate new products & customers (*In Process*)



"Achieve CIE Financial Norms"

Phase 2: 2017-2020 "Expand"

- Capex for expansion
- Expand in India & ASEAN
- Entry into plastics and aluminium products
- Redefine product portfolio at MFE & MC and optimize plant locations



"Grow"

MCIE has made progress towards achieving its Phase 1 strategy and ready to embark on Phase 2



MCIE announces its first acquisition as part of Phase 2 = Bill Forge Pvt Ltd. (BFPL)

Bill Forge: Forging & Machining of Auto Components

Bill Forge is a precision forging and machining company focused on two-wheeler and passenger car auto components, primarily for steering, transmission and wheel-related assemblies



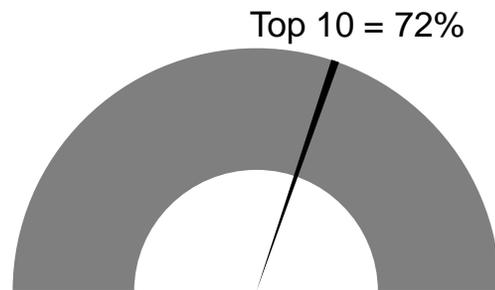
- Currently operates **6 manufacturing facilities across India** : 4 in Bangalore, 1 in Coimbatore and 1 in Haridwar and an upcoming plant in Celaya, **Mexico**



- One of a handful of Indian forging companies with **capabilities in cold and warm forging** in addition to hot forging, as well as experience with horizontal part formers

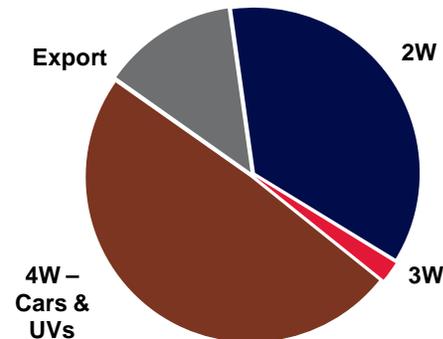
Bill Forge: Unique, Diversified & Complementary Business Mix

Customer Mix (F16)



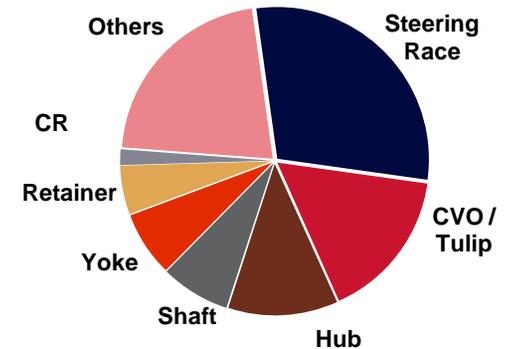
- **Key 2W customers:** Hero, Bajaj, HMSI and TVS
- **Key 4W customers:** Ford, GKN, NTN, Nexteer, Rane NSK
- **Attractive underlying OEM exposure,** with majority of passenger cars business in India's best-selling / fastest-growing OEMs like Maruti, Hyundai and Honda

Segment Mix (F16)



- 4W presence to grow further
- Exports to Thailand, China, Mexico, Europe, USA
- Export have grown more than ~2.5x over last two years;

Product Mix (F16)

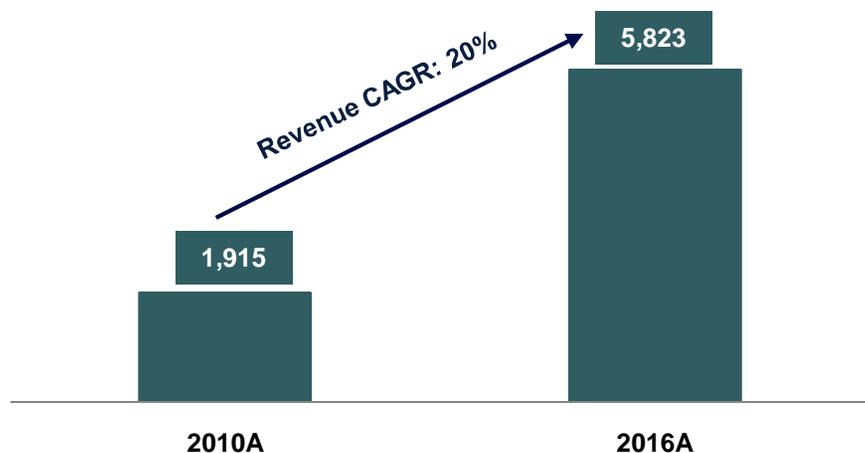


- Key products include **steering races and engine valve retainers** for two-wheelers and **constant velocity joints, tulips, steering shafts, steering yokes and wheel hubs** for passenger cars
- **High value addition** as majority of products are **either fully finished (~60%) or semi-finished (~30%)**

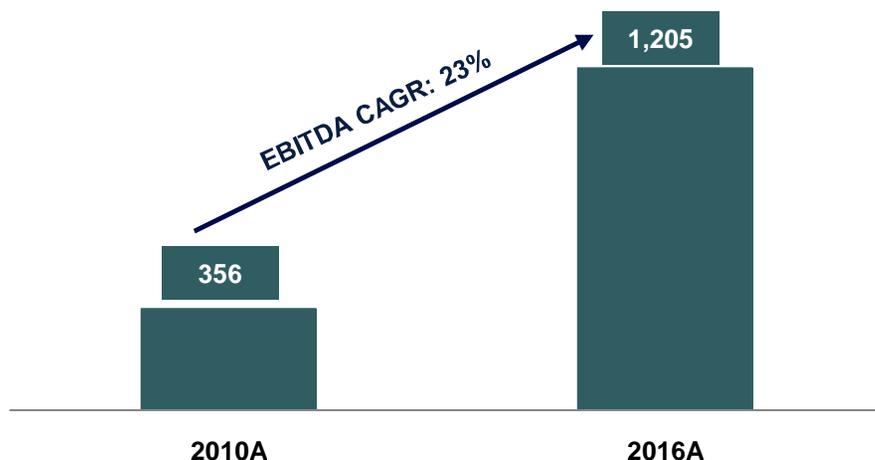
Diversified Customer Portfolio + Exposure to leading 4W OEMs + Strong presence in 2W + Significant Exports
&
Diversified Product Mix + High Machining Content + Competitive position in top products

Bill Forge (BFPL): Excellent Track Record

REVENUE (INR Millions)



EBITDA* (INR Millions)



INR mn	FY16
Sales	5,823
EBITDA	1,205*
PAT	514
Net Financial Debt	754

*After one time adjustments. This is based on MCIE analysis of BFPL's audited FY2016 nos. Other nos. are as per BFPL's audited FY2016 nos.

- **Steady historical revenue growth and profitability** driven by market share, product focus, process engineering capabilities and attractive underlying OEM exposure

Note: Fiscal year based on year ending March 31st. 'A' stands for Actuals.

Bill Forge: Rationale for Acquisition

- Substantially increases revenue and profitability from Asian markets
- Reinforces MCIE's position as one of the leading global forgings player (entry into cold/warm forgings)
- Leads to diversification of MCIE India : Complementary product and customer mix, which helps MCIE India to diversify its business portfolio
 - Adds “Eastern OEMs” (70% + market passenger vehicles) as customers - Indirectly supplies to Maruti, Hyundai and Honda (through Tier-1s)
 - Increases exposure to car segment - currently 33% of MCIE India production is for UV's
 - Addresses “South region” and gives entry into the “North region” - currently MCIE caters largely to OEMs in “western region” (Pune cluster)
 - Provides entry into two-wheeler segment
- BFPL is well run
 - Consistently strong historical performance and margins across cycles
 - Strong management team, led by industry veterans, team is being retained fully
 - Diversified product portfolio and customer base
 - Significant machining content
- CIE can help to improve operational & financial parameters further
- Transaction is beneficial for all stakeholders of both MCIE & BFPL – customers, suppliers and employees

Indicative Financial Summary MCIE & Bill Forge

	MCIE – 9Months
Consolidated Sales	38162
India Sales % of Total	32%
LCC Sales % of Total	32%
EBITDA	3780
EBITDA %	9.8%
India EBITDA % of Total	NA
PAT	1362
EPS	5.6
Net Debt	9,612

	BFPL
Sales	5,823
EBITDA	1,205*
EBITDA %	20.7%*
PAT	514
EPS	NA
Net Debt	754

*After one time adjustments. This is based on MCIE analysis of BFPL's audited FY2016 nos.

Note

- MCIE nos 9months CY15 figures. EBITDA is without onetime exceptional cost. Net Debt is as on 31-Dec-2015
- BFPL nos. are as per FY16 audit report

Transactions

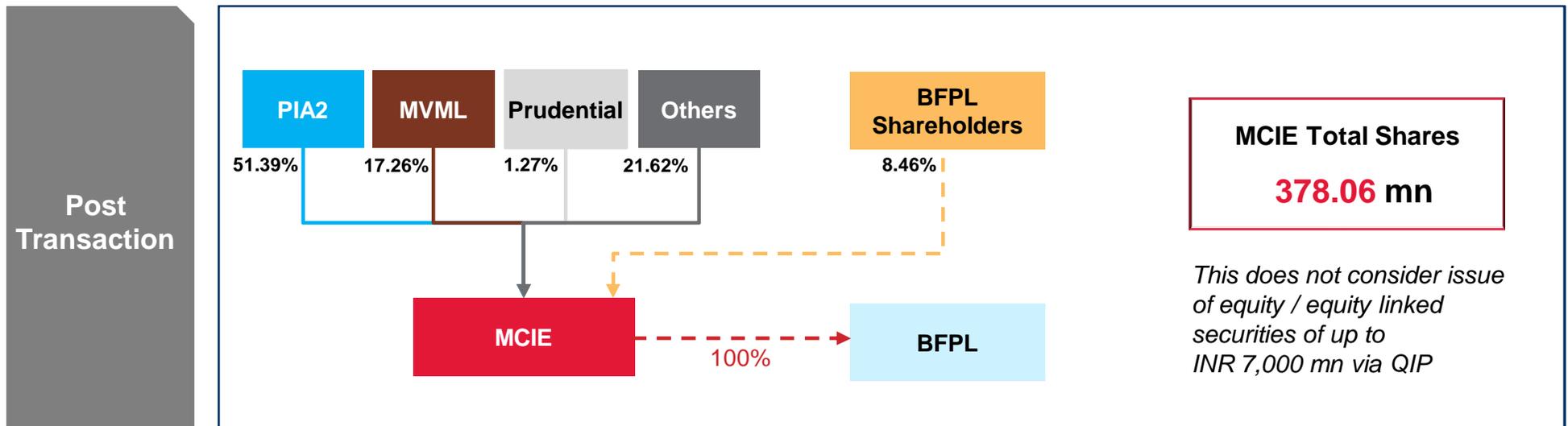
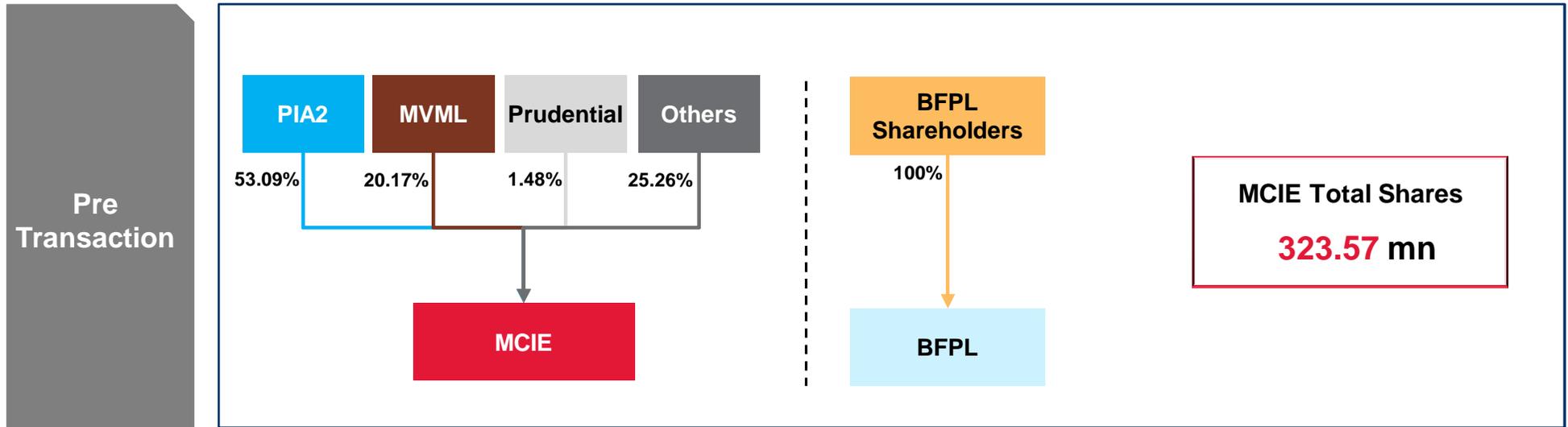
MCIE to acquire 100% of Target (“BFPL”) for INR 13,312 mn

Preferential allotment of 31.99 mn equity shares to shareholders of BFPL at INR 200/share (INR 6,399 mn)

Preferential allotment of 22.5 mn equity shares to PIA2 (subsidiary of CIE) at INR 200/share (INR 4,500 mn)

MCIE Board also resolves to raise funds upto INR 7,000 mn through issue of equity / convertible / equity linked securities including by way of qualified institutional placement

Structure Post Acquisition & Preferential Allotment



Note: PIA2 is subsidiary of CIE; MVML is subsidiary of M&M Ltd.; Prudential is promoter group company; Others & BFPL shareholders are public shareholders

Indicative Timeline for the Transaction

Event	Estimated Timeline
Board Resolutions & Announcement	Sep 12
Shareholder meeting to approve issuance of equity shares	Oct 13
Completion of Acquisition of BFPL and issue of equity shares under preferential allotment to shareholders of BFPL and CIE	Oct 27
Stock Exchange approval for listing of equity shares issued under preferential allotment	Oct 31

Thank you

visit us at mahindracie.com

BSE: 532756

NSE: MAHINDCIE

ISIN: INE536H01010

Disclaimer

Mahindra CIE Automotive Limited, herein referred to as MCAL provides a wide array of presentations and reports, with the contributions of various professionals. These presentations and reports are for informational purposes and private circulation only and do not constitute an offer to buy or sell any securities mentioned therein. They do not purport to be a complete description of the markets conditions or developments referred to in the material. While utmost care has been taken in preparing the above, we claim no responsibility for their accuracy. We shall not be liable for any direct or indirect losses arising from the use thereof and the viewers are requested to use the information contained herein at their own risk. These presentations and reports should not be reproduced, re-circulated, published in any media, website or otherwise, in any form or manner, in part or as a whole, without the express consent in writing of MCAL or its subsidiaries. Any unauthorized use, disclosure or public dissemination of information contained herein is prohibited. Unless specifically noted, MCAL is not responsible for the content of these presentations and/or the opinions of the presenters. Individual situations and local practices and standards may vary, so viewers and others utilizing information contained within a presentation are free to adopt differing standards and approaches as they see fit. You may not repackage or sell the presentation. Products and names mentioned in materials or presentations are the property of their respective owners and the mention of them does not constitute an endorsement by MCAL. Information contained in a presentation hosted or promoted by MCAL is provided "as is" without warranty of any kind, either expressed or implied, including any warranty of merchantability or fitness for a particular purpose. MCAL assumes no liability or responsibility for the contents of a presentation or the opinions expressed by the presenters. All expressions of opinion are subject to change without notice.

Mahindra ***CIE***