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Mahindra FirstChoice signs pact with MyTVS

Our Bureau
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THE maturing after-market segment for cars and the service plank offering are said to be the two key reasons for Mahindra FirstChoice Wheels, a multi-branded pre-owned car company, to enter into a strategic alliance with MyTVS, part of TVS group.

The general maintenance, repair and accident business is pegged at Rs 18,000 crore, Mahindra FirstChoice Wheels president and member of the \$6.3-billion Mahindra management group, Rajeiv Dubey, told reporters here on Wednesday.

TV Sundaram Iyengar & Sons JMD R Dinesh said MyTVS, which has exited the used-car business, seeks to leverage its core-competency in the service business, which is being provided through its network spread across 1,491 cities in India. The B2B partnership with Mahindra FirstChoice is operative pan-India. MyTVS has a revenue mix of 80:20 in the B2B:B2C segment.

The alliance is not a time-bound agreement. On renewal of contract for the second year, the customers would be billed as the first year of service comes free-of-cost, Mr Dubey said. Stating Mahindra FirstChoice has emerged as the biggest player in the organised multi-branded pre-owned car market, he said it sold 10,255 cars valued at Rs 400 crore this year against Rs 140 crore in 2008-09.