

REF:NS:SEC:  
5<sup>th</sup> February, 2021

National Stock Exchange of India Limited  
"Exchange Plaza", 5th Floor,  
Plot No.C/1, G Block  
Bandra-Kurla Complex  
Bandra (East), Mumbai 400051.

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai 400001.

Bourse de Luxembourg  
Societe de la Bourse de Luxembourg  
Societe Anonyme/R.C.B. 6222,  
B.P. 165, L-2011 Luxembourg.

London Stock Exchange Plc  
10 Paternoster Square  
London EC4M 7LS.

**Sub: SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 -  
Presentation made to the Analyst/Institutional Investor**

This is further to our letter bearing REF:NS:SEC dated 29<sup>th</sup> January, 2021 wherein we had given you an advance intimation of the upcoming Analyst or Institutional Investor Interactions in terms of Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We wish to inform that the Company today virtually conducted M&M Q3FY21 Earnings Con-Call with Several Funds/Investors/Analysts with respect to the Unaudited Standalone and Consolidated Financial Results of the Company for the Third Quarter and Nine Months ended 31<sup>st</sup> December, 2020, and the Presentation(s) which were made to them are attached herewith for your records.

The same is also being uploaded on the Company's website and can be accessed at <https://www.mahindra.com/resources/investor-reports/FY21/Announcements/M-M-Q3FY21-Earnings-call-Presentations-deck-5th-February-2021.pdf>

Kindly take the same on record and acknowledge receipt.

Yours faithfully,  
For MAHINDRA & MAHINDRA LIMITED



NARAYAN SHANKAR  
COMPANY SECRETARY

Encl: a/a



**Analyst Meet Q3 F21**  
Automotive & Farm Sectors

**RAJESH JEJURIKAR**

**5<sup>th</sup> February 2021**

## **WALK**

April - August

**PROTECT THE BUSINESS TODAY**

### **Manage Cash**

- Core WC back to normal
- Capex optimization

### **Manage Margin**

- Improve NVM
- Stringent Cost management

### **Manage Safety**

- Ramp-up with Safety
- Financial health of dealers & suppliers

*Conserve today for a secure tomorrow*

## **RUN**

Sept - March

**RAMP UP WITH FOCUS**

- Focus on Domestic Core
- Capex and Investment prioritization
- Build a Moat through Krish-e (FaaS)
- Simplifying the business

*Turnaround Global Businesses, Manage cash*

## **FLY**

F22 & beyond...

**DIFFERENTIATED & PROFITABLE GROWTH**

- SUV Core brand differentiation
- Launch New Yuvo Star and K2
- Digital transformation
- Leverage Platform synergy to optimise capex

*Turnaround Global Businesses, New Auto Launches*

# Q3 Performance Highlights



## Farm Equipment Segment

Highest ever PBIT: **1,236 Crs**

PBIT %: **23.4%** (improvement of **400 bps** YoY)

Highest ever Quarterly ROCE\*: **242%**

2<sup>nd</sup> Quarter of **negative WC** leading to high cash generation

Revenue: **Rs 8,311 Crs** (grew by **12% vs PY**)

**PBIT Growth\*\* of 18.9%** (YoY)

YoY reduction in fixed expenses

**High negative WC** aiding cash generation



## Automotive Segment

Based on Published Results

\* ROCE based upon annualized PBIT of Q3 F21 and average of Opening and closing Capital employed of Q3 F21

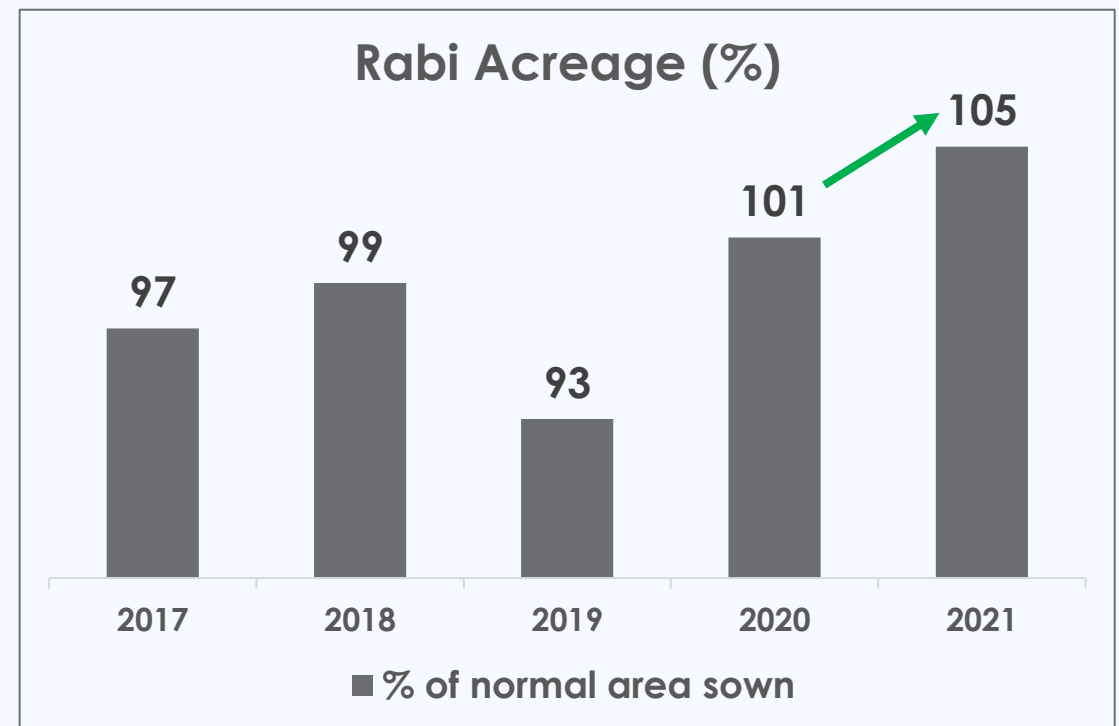
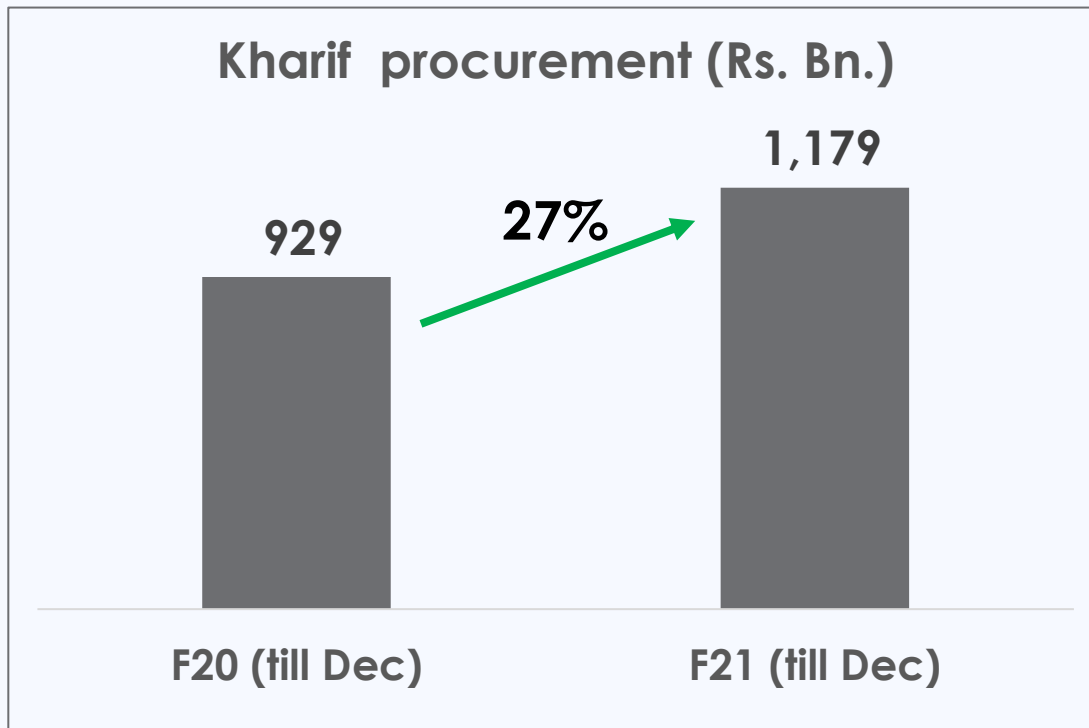
\*\* including one-off gains Rs. 90 Crs and EI gain of Rs 30 Crs

# Rural Growth Story

## Kharif Procurement and Rabi acreage

Kharif procurement progressing at an encouraging pace. By end of Dec., Kharif procurement was **~27% higher than PY** and estimated to add **~12% to Farm Revenue\*** over PY

**Rabi acreage at highest level** at 65 Mln hectares (as on 15<sup>th</sup> Jan)



Source: Press Information Bureau

Source: Ministry of agriculture

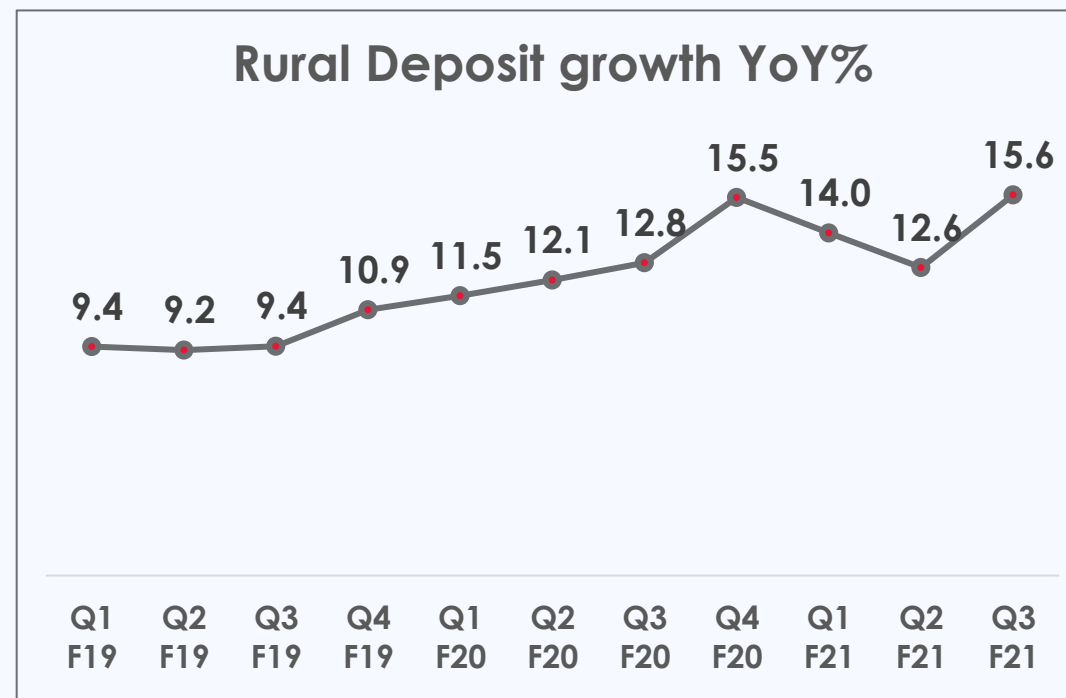
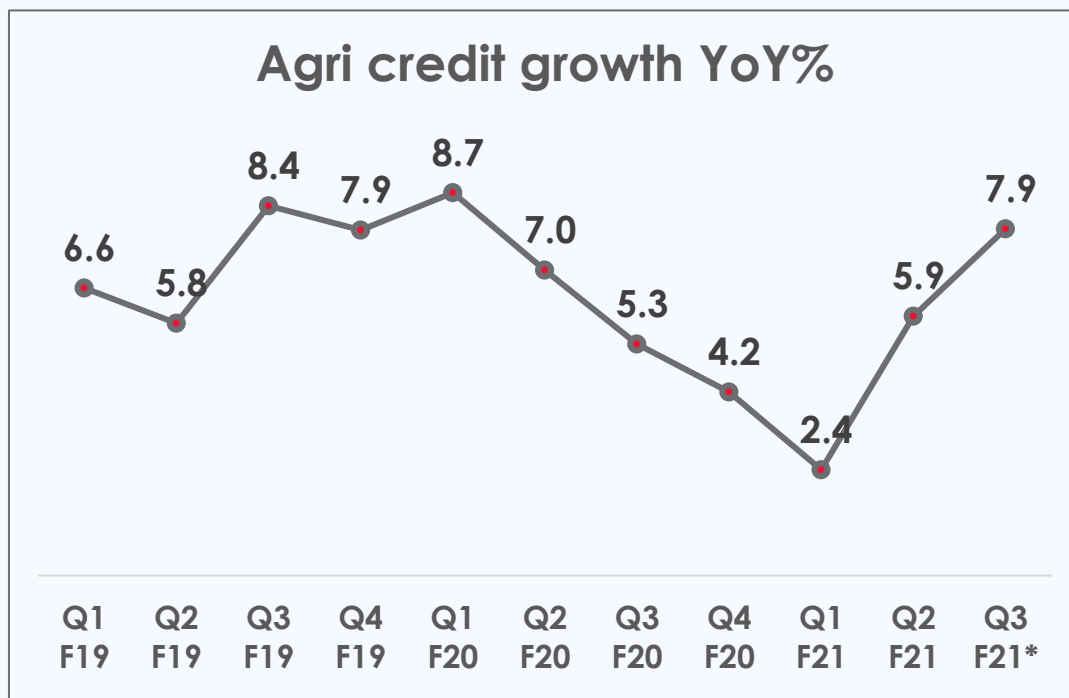
\*M&M's internal estimate

# Rural Growth Story

## Expenditure on productive uses to see growth with increase in agri credit and rural deposits

Agriculture credit growth showed a consistent improvement. Oct-Nov period saw a **growth of ~8% YoY**

**Double-digit growth** in rural deposits for the **8th consecutive quarter**. Direct cash transfers and increase in Jan Dhan accounts is likely to have supported growth



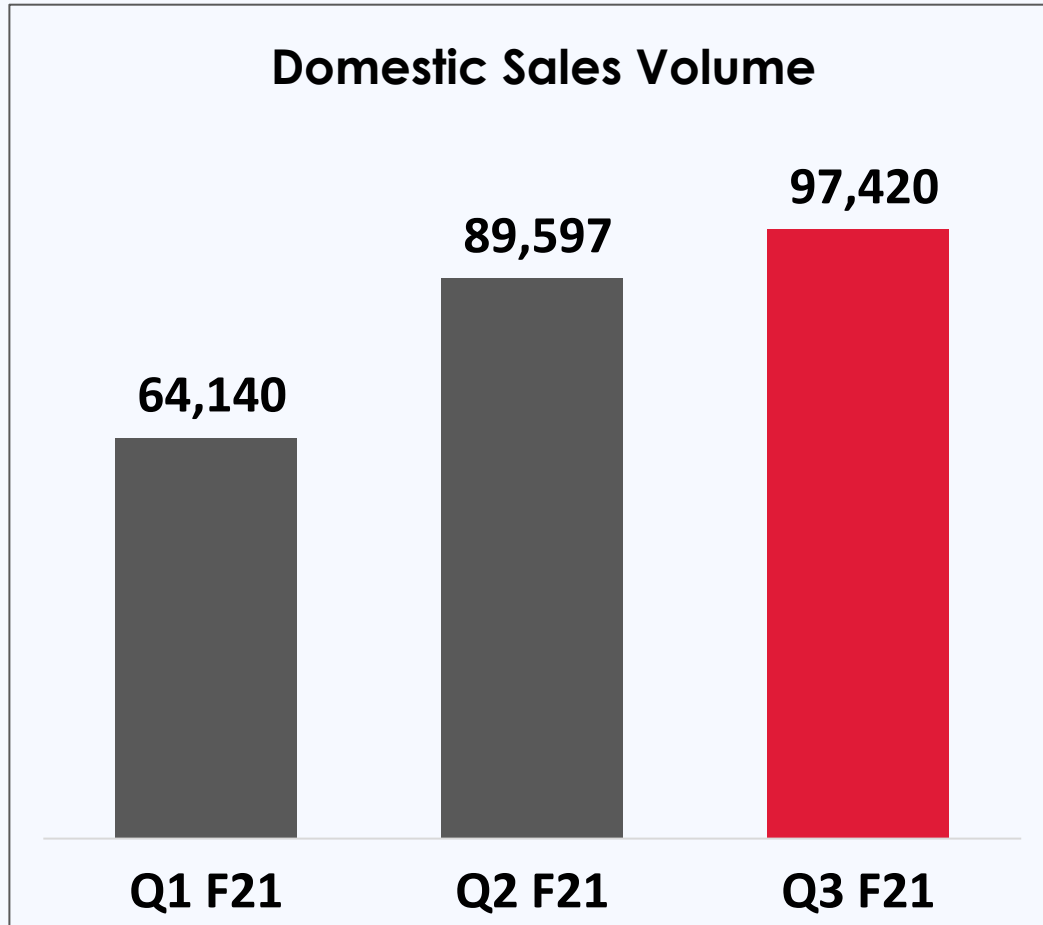
\*fill Nov

Source: RBI

# FES – Sales and Stock Trajectory

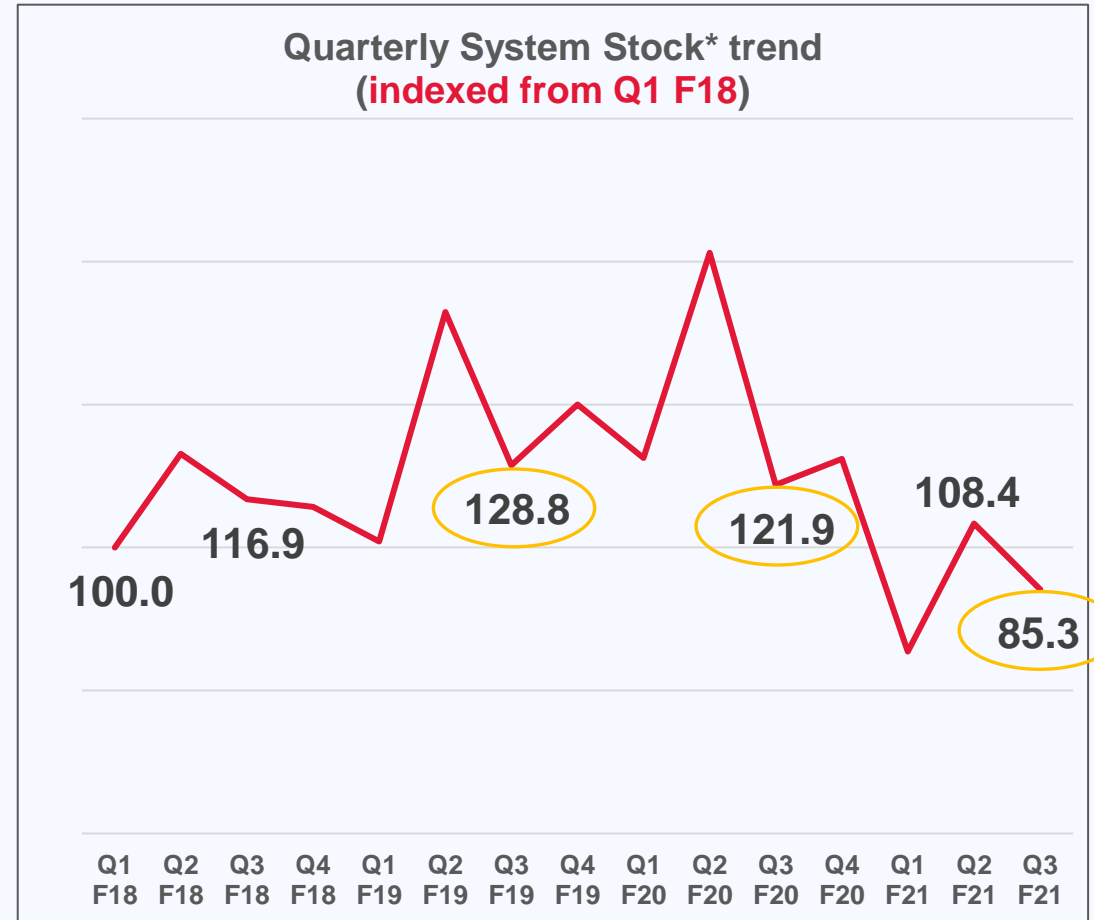


### Domestic Sales Volume



Highest ever quarterly sales in Q3 F21

### Quarterly System Stock\* trend (indexed from Q1 F18)



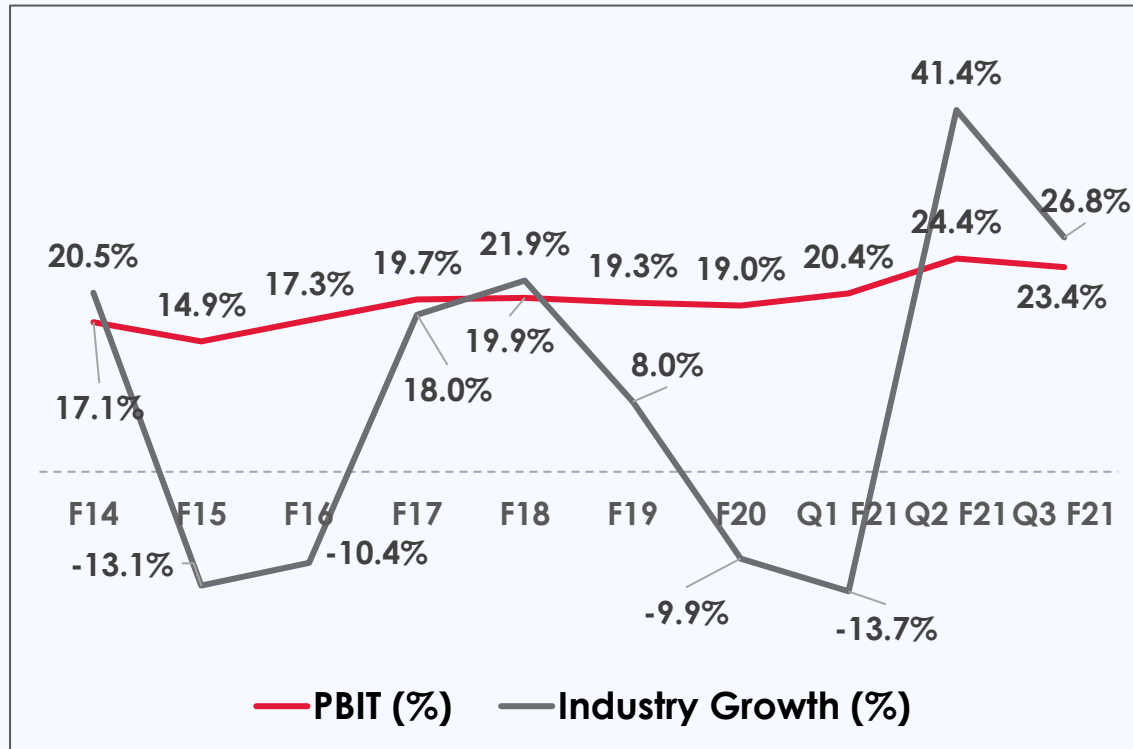
Low System Stock\*

\* System Stock includes FG Inventory with M&M and Dealers

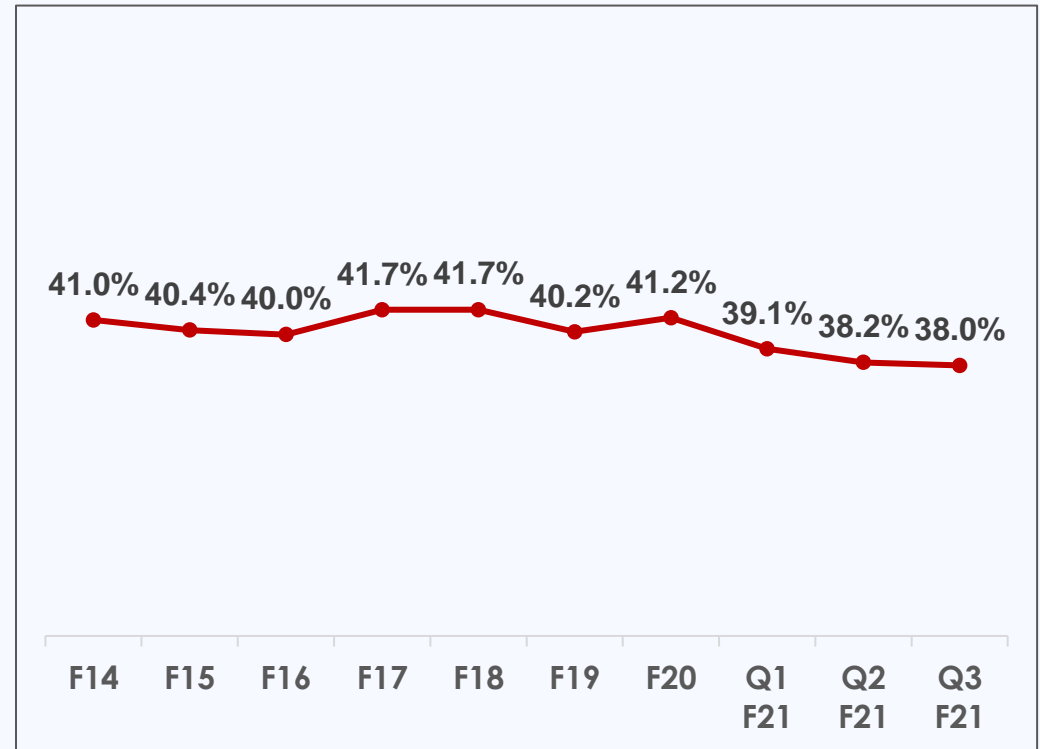
# FES – Performance Highlights



## Stability in Volatility



## Continued Domestic Leadership\*



\*Includes 5 new Players added in the TMA Data from F16

\*Market Share for Q3 F21 is not a good indicator of performance due to supply side issues



# Farm Machinery – High on Growth

## KEY ENABLERS

- Leveraging Tractor Dealership
- Maximizing bundle sales for key products
- Facilitating easy financing
- Strong new product pipeline

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## PERFORMANCE HIGHLIGHTS

- Q3 Revenue: 150 Crs (up 36% YoY)
- YTD Dec F21 Revenue: 380 Crs (up 48% YoY)
- Building exports market



TMCH

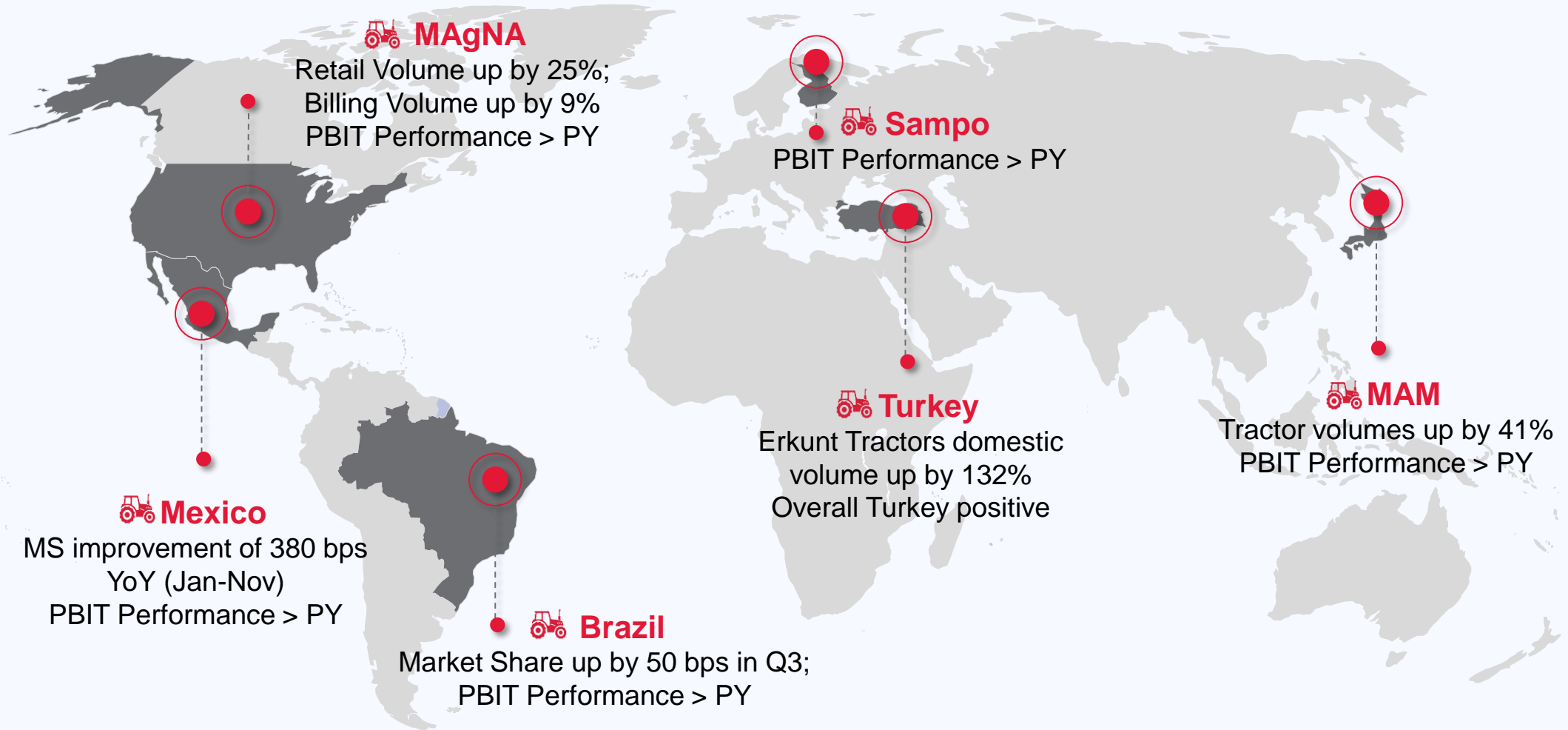


ZLX+ Gyrovator



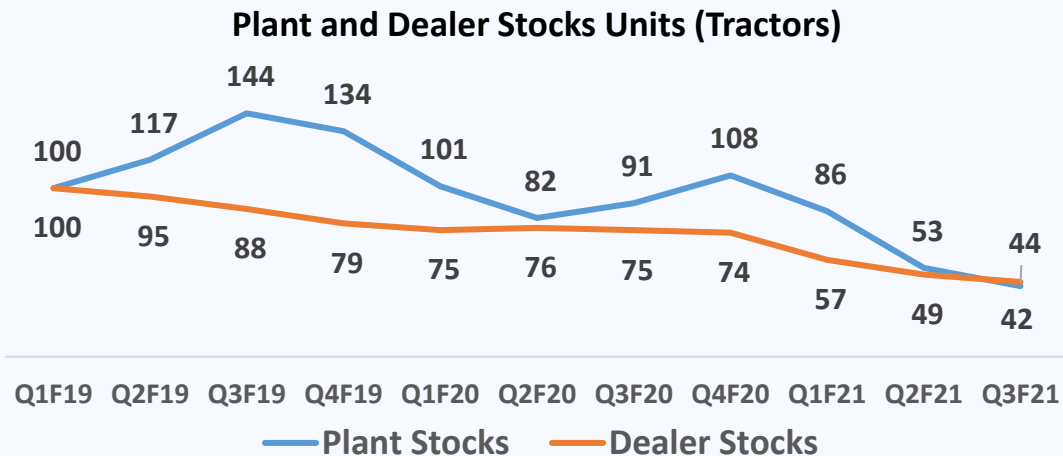
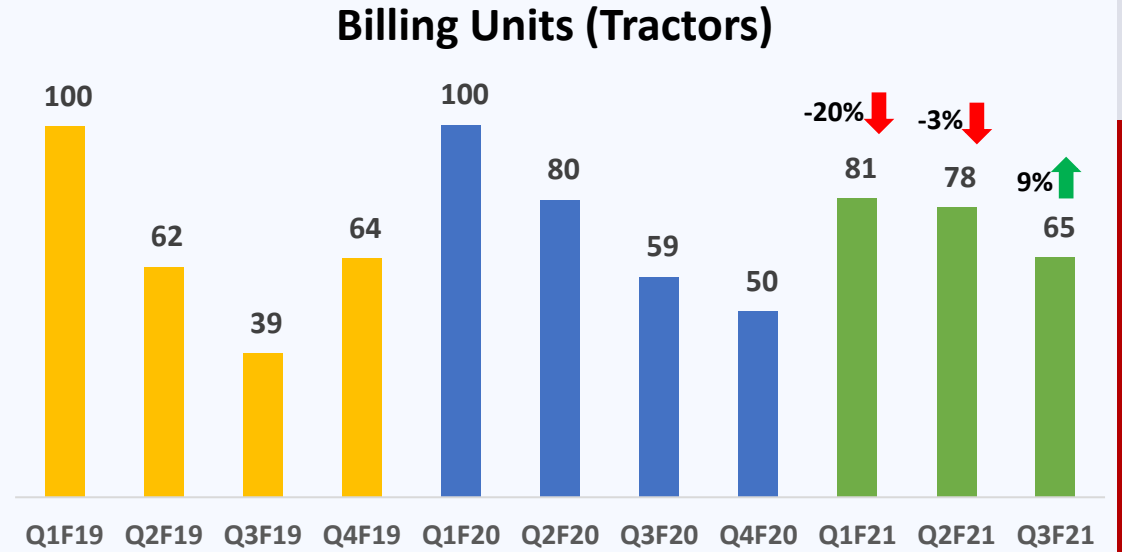
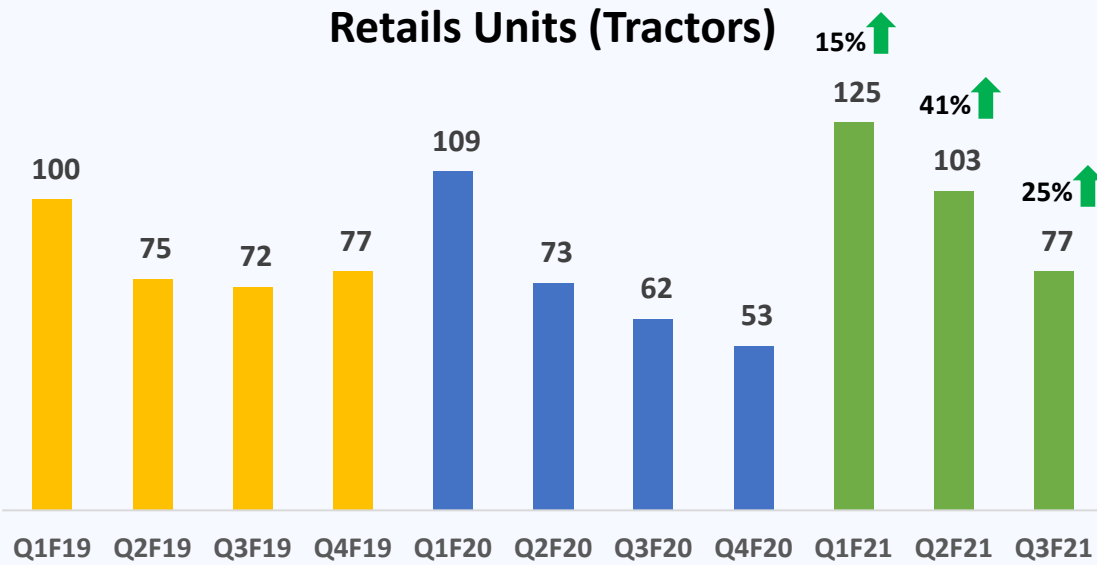
SLX Gyrovator

# TURNAROUND – FES Global Businesses

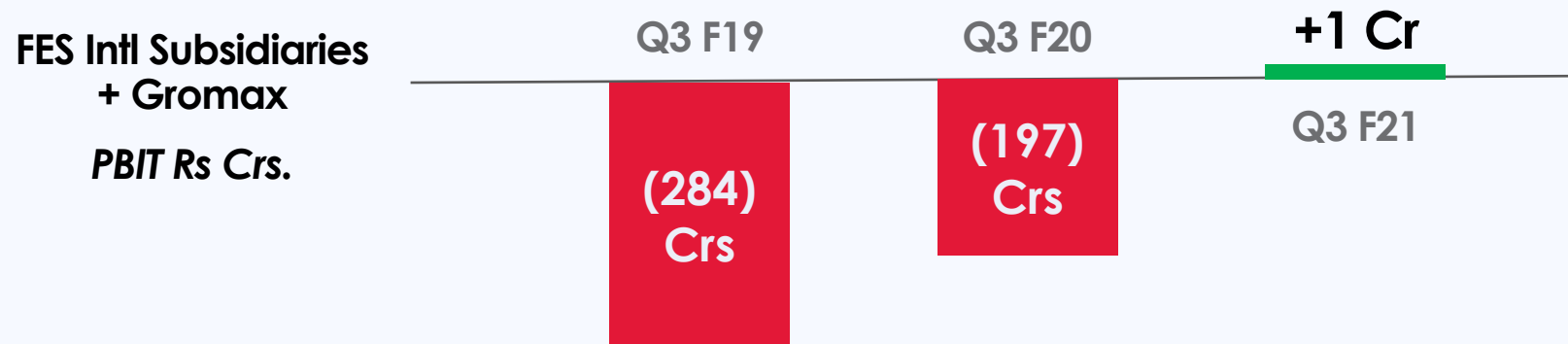
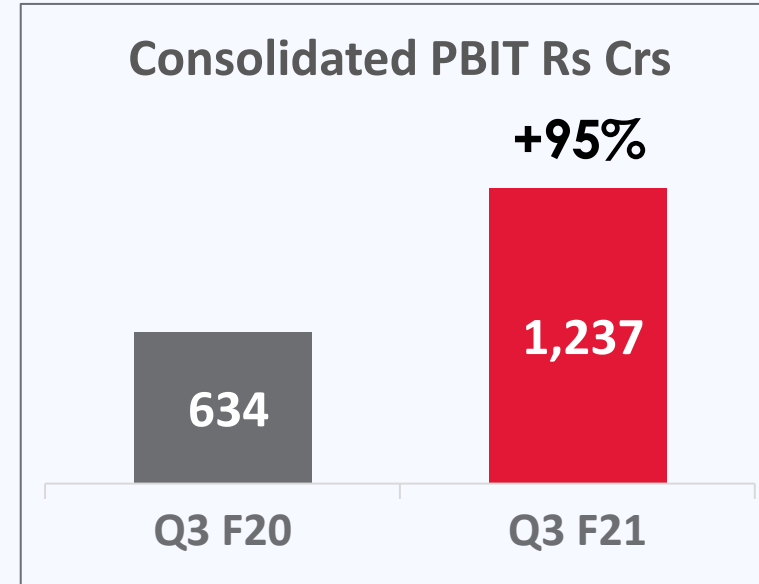
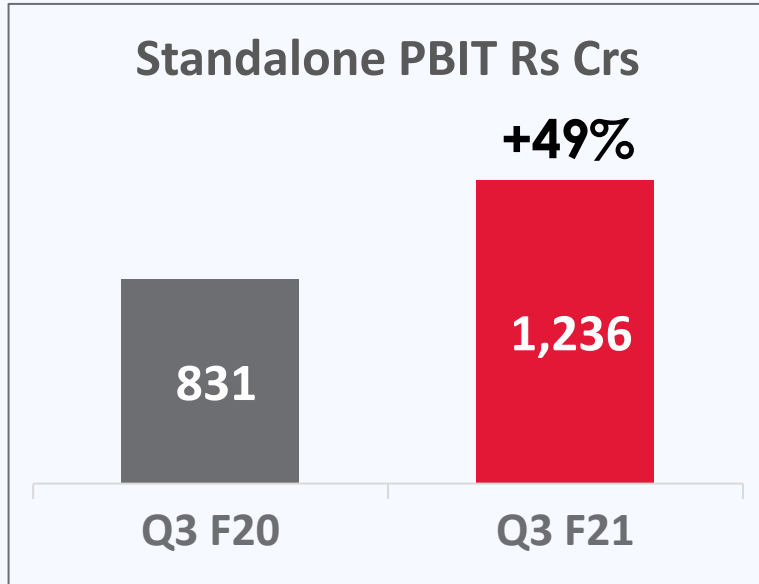


# MAGNA: Retails and Billing trend

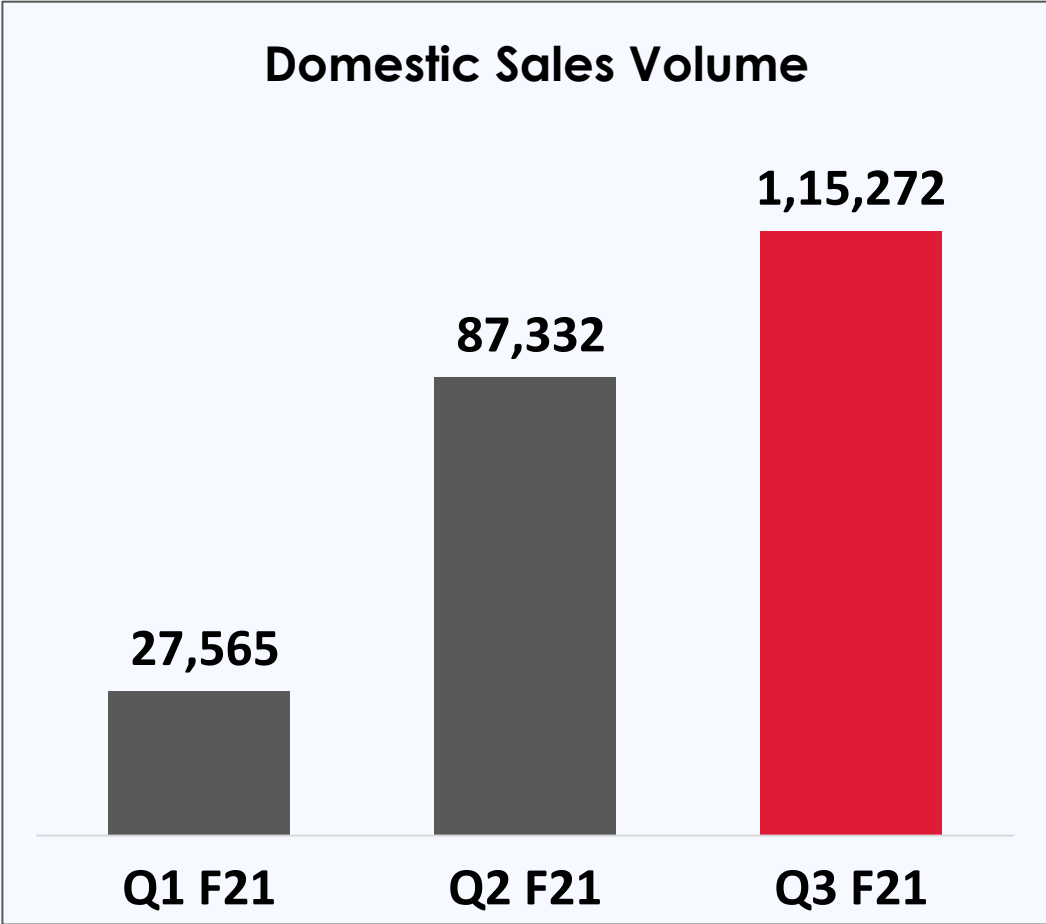
All Numbers indexed from Q1 F19



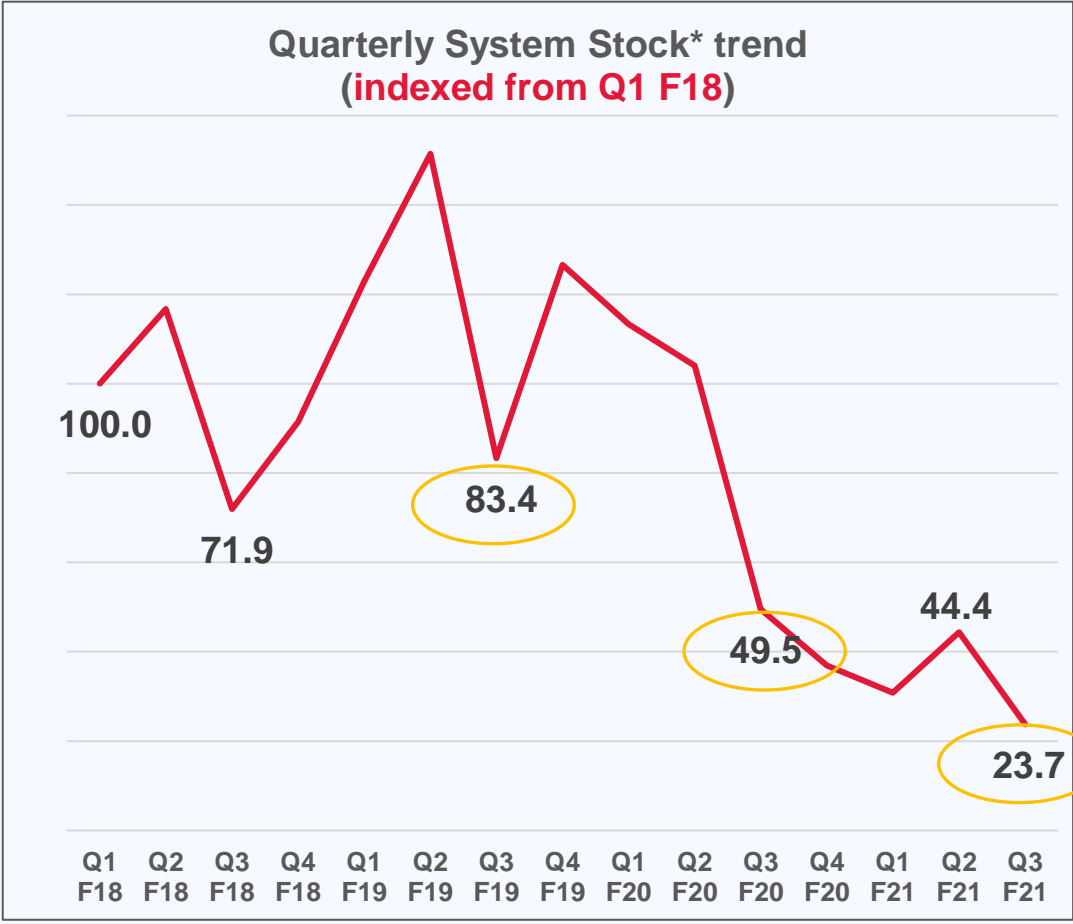
# FES: STANDALONE VS CONSO FINANCIALS



# Automotive – Sales and Stock Trajectory



Improving Quarterly sales trajectory



Low System Stock\*

\* System Stock includes FG Inventory with M&M and Dealers

# Automotive – Financial Performance



	Q3 F21*	Growth YoY (vs Q3 F20)	Growth QoQ (vs Q2 F21)
<b>UV Volumes</b>	<b>52,338</b>	<b>11.0%</b>	<b>34.3%</b>
Total Volumes	121,133	-7.4%	32.3%
<b>Revenue (Rs. Crs)</b>	<b>8,311</b>	<b>12.0%</b>	<b>30.7%</b>
<b>PBIT (Rs. Crs)</b>	<b>644</b>	<b>18.9%</b>	<b>56.4%</b>
<b>PBIT (%)</b>	<b>7.7%</b>	<b>40 bps</b>	<b>120 bps</b>

\*Based on Published Results

including one-off gains Rs. 90 Crs and EI of Rs. 30 Crs

# The All-New THAR – The Story So Far

**39K+**  
Bookings

**~45%**  
Bookings for AT

## Tested: India's Safest Off-Roader



**4-Star Rating** for Adult Safety & Child Safety by GNCAP

## Thumbs-Up from Customers

- Imposing Look and Street Presence
- Refined & Powerful Engines
- Smooth Gearshifts (esp in AT)
- Significant improvement v/s old Thar

## Winner of 6 Awards & Counting!

- **Car of the Year** – Team-BHP
- **SUV of the Year** – Indian Autos Blog/Indian Auto
- **4x4 of the Year** – MotorScribes
- **Readers' Choice Car of the Year** – GaadiWaadi
- **Most Awaited Launch of the Year** – MotorOctane
- **Sensation of the Year** – Motor Vikatan

**Continue the momentum: 6000+ Bookings in January 2021**

# XUV300 Performance



**6K+**

Consistent Bookings in each month of Q3 F21

- Good Festive demand
- 41% growth in retail volume for Q3 F21
- Consistently increasing enquiries
- Improved traction in retails / bookings
- Three-Digit Dealer stock



# TO SUMMARIZE

## WALK

April - August

PROTECT THE BUSINESS TODAY

### Manage Cash

- Core WC back to normal
- Capex optimization

### Manage Margin

- Improve NVM
- Stringent Cost management

### Manage Safety





- Ramp-up with Safety
- Financial health of dealers & suppliers

Conserve today for a  
secure tomorrow 

## RUN

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- Focus on Domestic Core 
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- Build a Moat through Krish-e (FaaS) 
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Turnaround Global Businesses,  
Manage cash 

## FLY

F22 & beyond...

DIFFERENTIATED & PROFITABLE  
GROWTH

- SUV Core brand differentiation 
- Launch New Yuvo Star and K2 
- Digital transformation 
- Leverage Platform synergy to optimise  
capex 

Turnaround Global Businesses,  
New Auto Launches 

 On cruise  On-going, long-term initiative



**THANK YOU**

# Reigniting Value Creation



**Analyst Meet**

Dr Anish Shah | 5<sup>th</sup> February 2021

# KEY MESSAGES

- Continued strong performance for Domestic Farm
- Maintained Industry-leading OPM for both Auto and Farm
- Capital allocation actions ... almost completed
- Accelerate growth focus ... Core Biz + Growth Gems

# DEFINITIONS



## Domestic Farm

Farm equipment business in M&M & domestic subsidiaries



## Domestic Auto

Automotive business in M&M & domestic subsidiaries



## Intl. subsidiaries

International subsidiaries - Auto & Farm



## Group companies

Listed and unlisted entities  
(excl. Auto and Farm)

*The numbers in this presentation have been arrived by aggregating performance of businesses across segments and as a result the aforementioned disclosures are not in line with (or do not correspond to) the segment disclosures in the standalone / consolidated financial results for the quarter and half year ended 30 September 2020.*

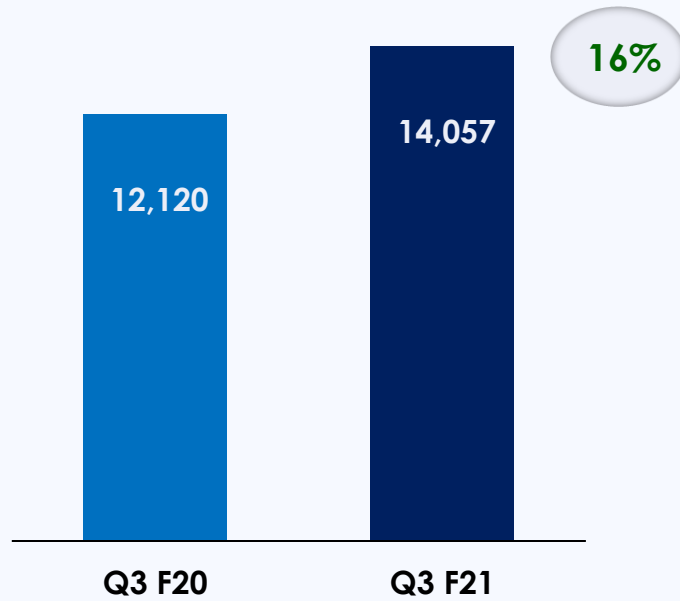
**SAFE HARBOR STATEMENT:** *“Certain statements with regard to our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements.”*

# FINANCIALS (STANDALONE): Q3 F21

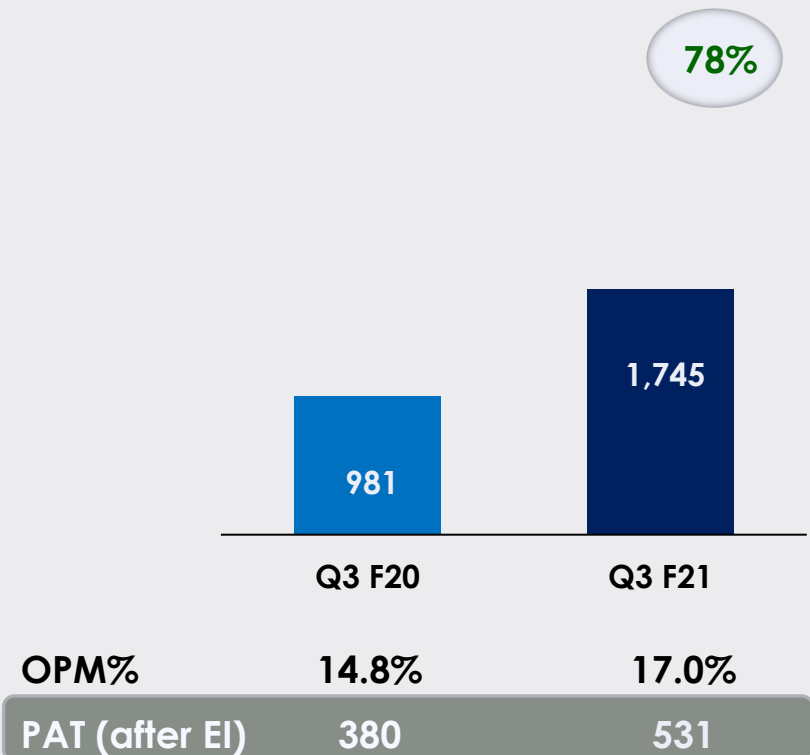
M&M + MVML

Rs Cr

## Revenue







## Operating PAT (before EI)

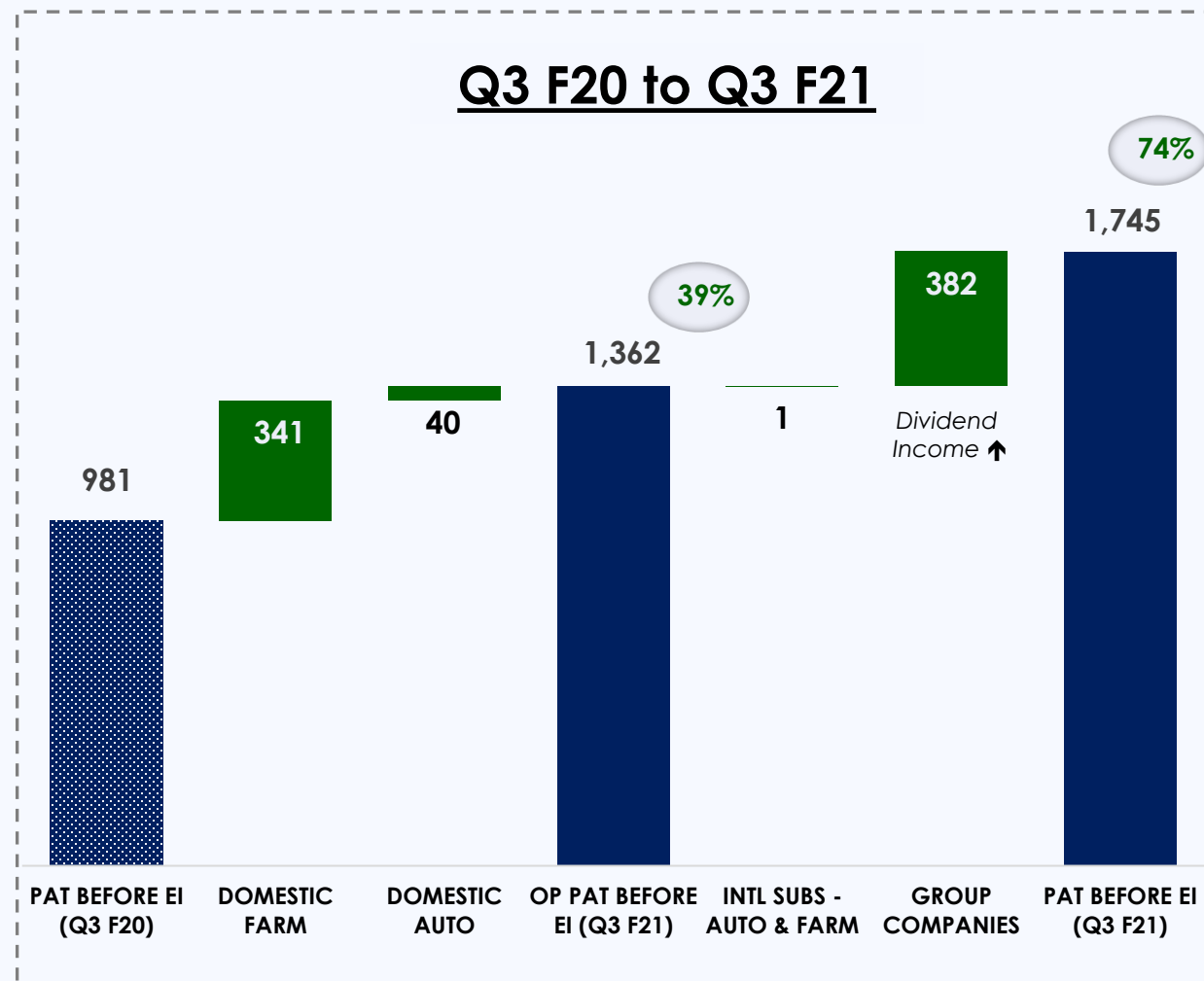


# OPERATING PAT (BEFORE EI): Q3 F21

M&M + MVML

Rs Cr

	Q3 F20	Q3 F21
 Domestic Farm	611	952
 Domestic Auto	402	442
 Intl. Subsidiaries	(10)	(9)
 Group companies	(22)	360
<b>Total</b>	<b>981</b>	<b>1,745</b>

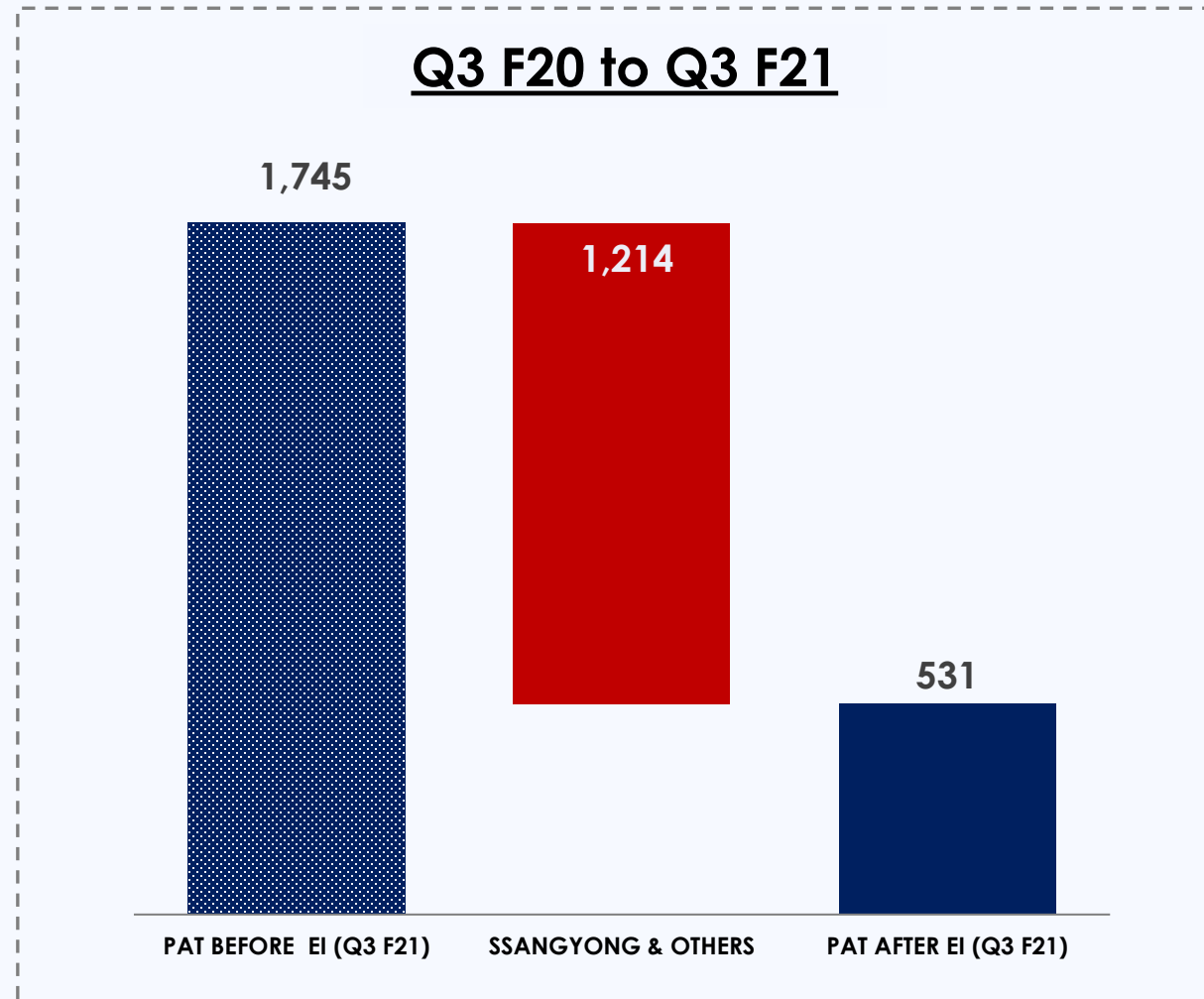


Two Wheeler, Powerol and SBU included in Domestic Auto

# PAT (AFTER EI): Q3 F21

M&M + MVML

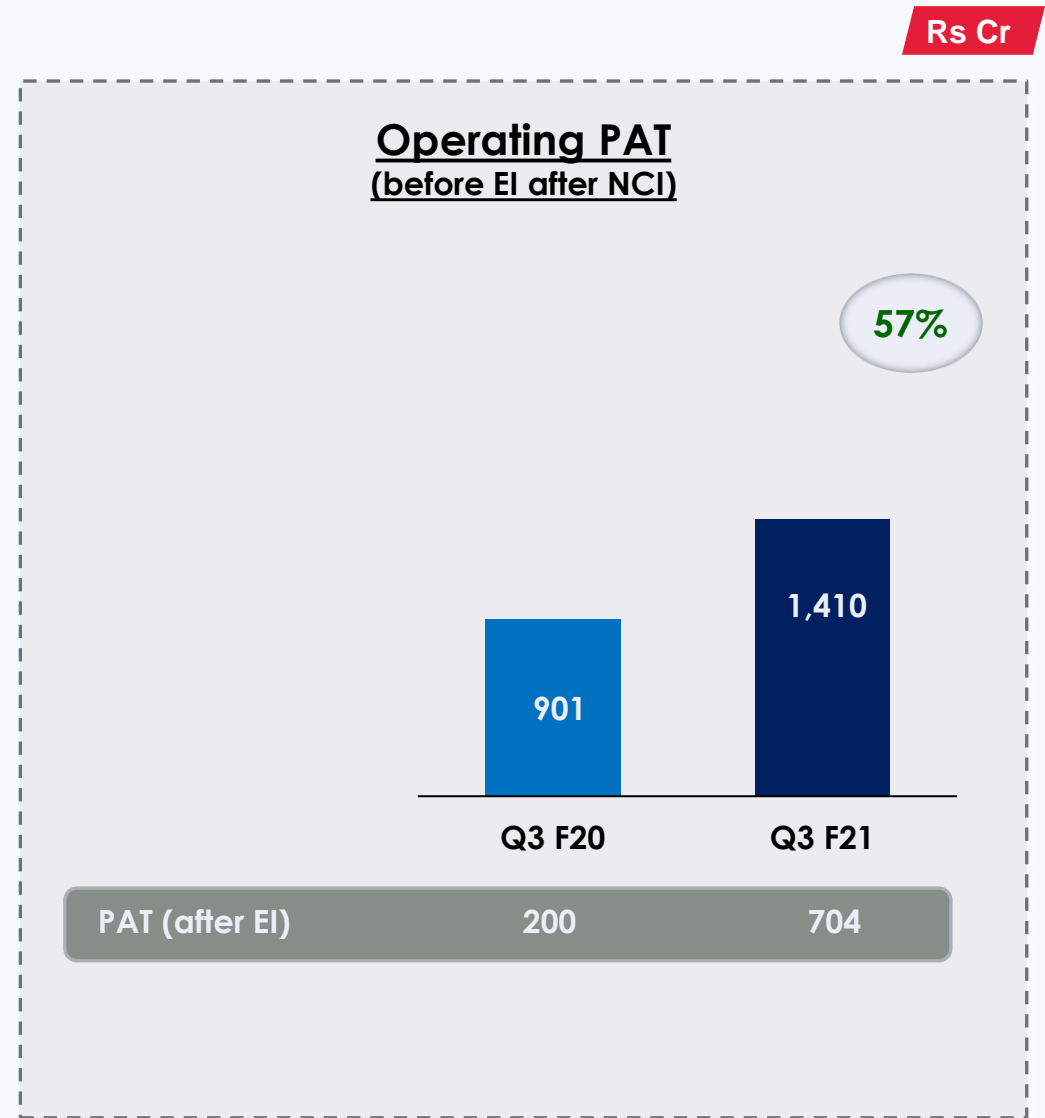
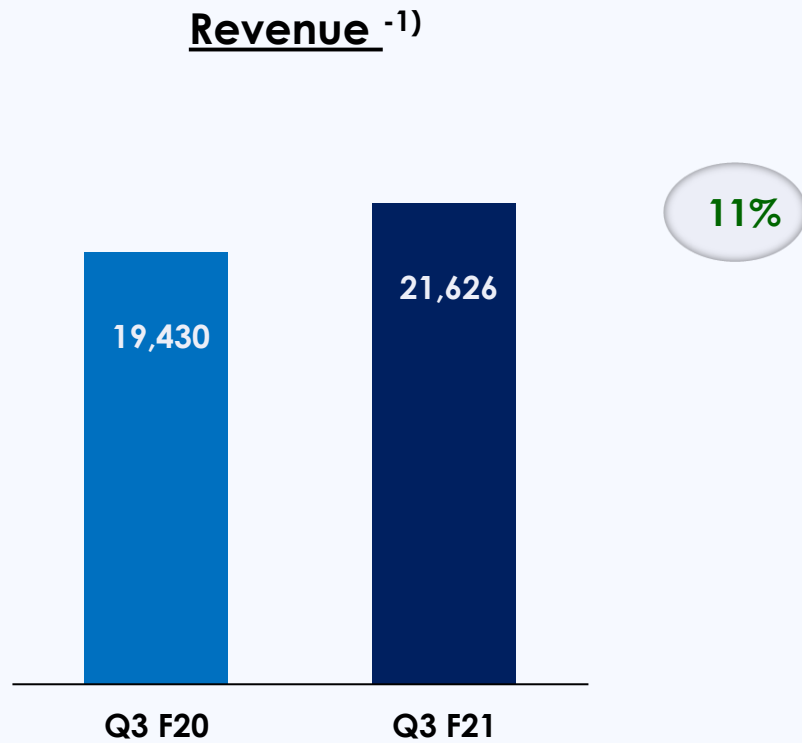
Rs Cr



Two Wheeler, Powerol and SBU included in Domestic Auto



# FINANCIALS (CONSOLIDATED): Q3 F21







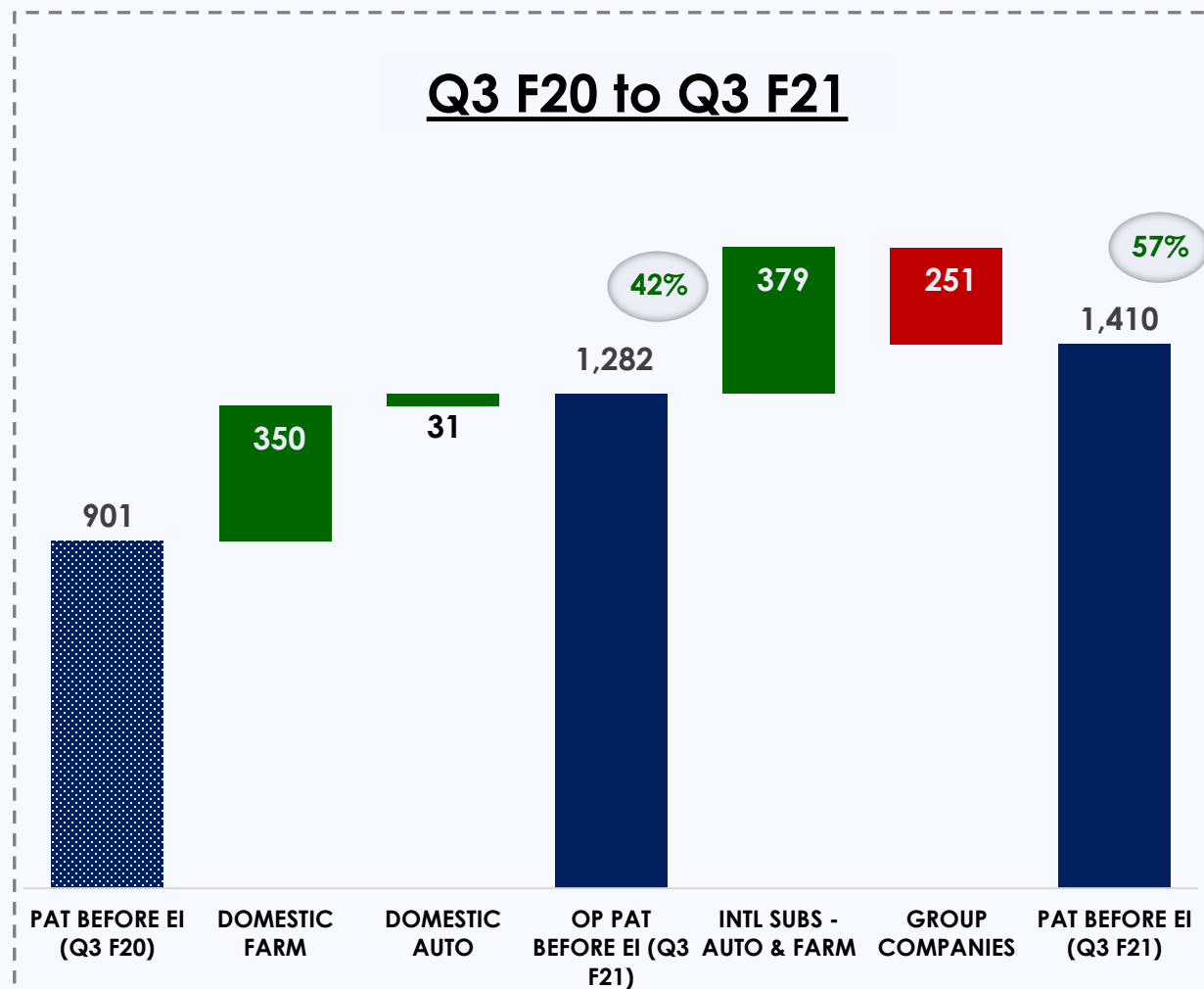
(1- Excludes Ssangyong revenue due to discontinued operations  
Tech Mahindra (Associate) revenue not included above

# OPERATING PAT (BEFORE EI): Q3 F21

## CONSOLIDATED M&M

Rs Cr

	Q3 F20	Q3 F21
 Domestic Farm	612	962
 Domestic Auto	424	455
 Intl. Subsidiaries	(465)	(86)
 Group companies	330	79
<b>Total</b>	<b>901</b>	<b>1,410</b>

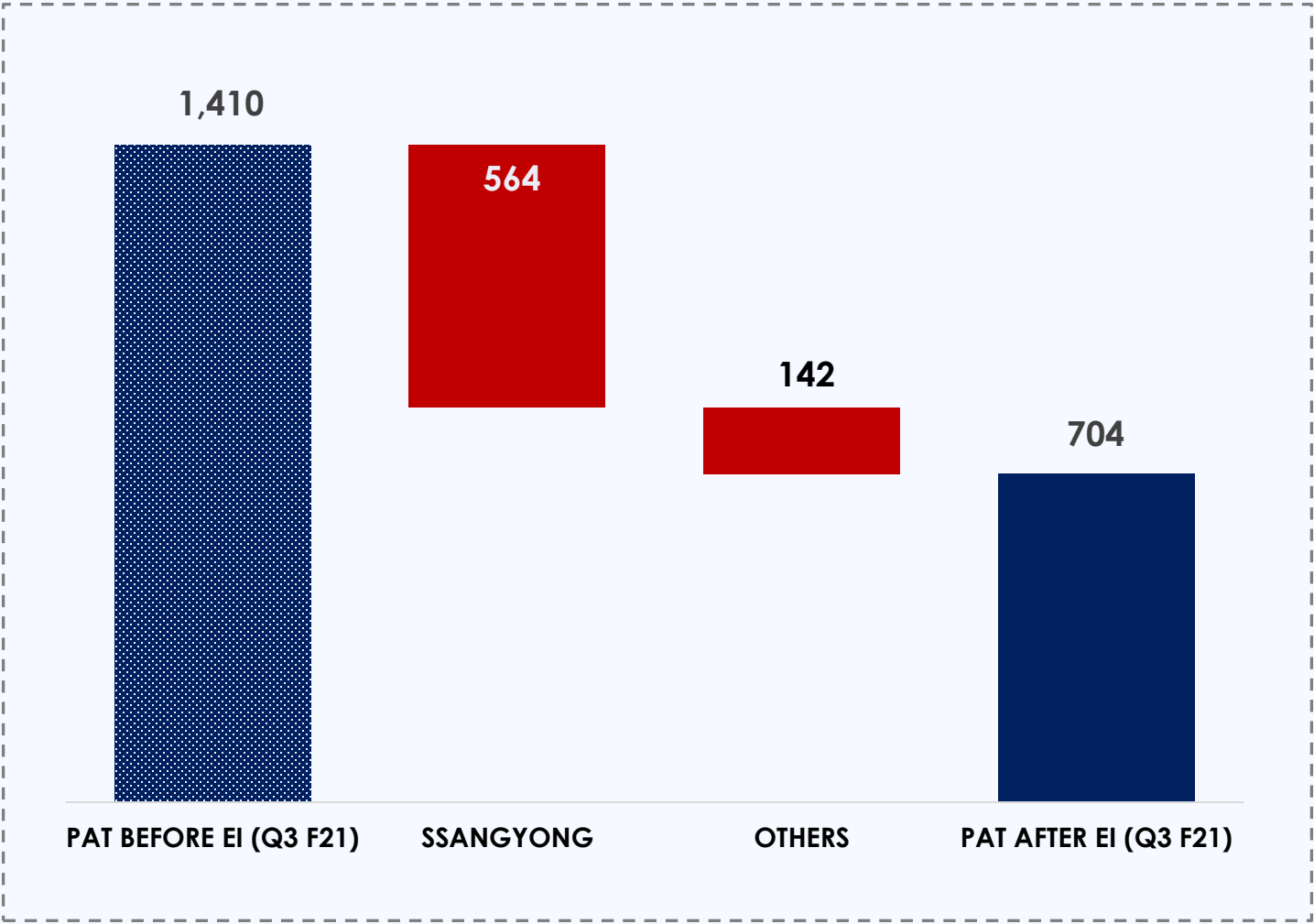


Two Wheeler, Powerol and SBU included in Domestic Auto

# PAT (AFTER NCI & EI): Q3 F21

CONSOLIDATED M&M

Rs Cr



Two Wheeler, Powerol and SBU included in Domestic Auto

# CAPITAL ALLOCATION UPDATE

A

Entities with clear path to 18% RoE



Post restructuring



B

Quantifiable strategic impact



C

Unclear path to profitability ... exit



MFCS

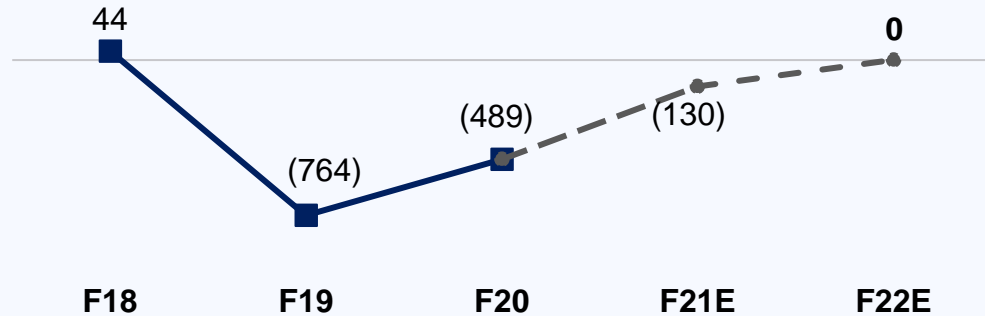
Work in progress

Identification of category ongoing



HISARLAR

## Entity PBT <sup>-1)</sup>



**F21: Substantial reduction in losses, F22: Breakeven**

## Business Turnaround Actions

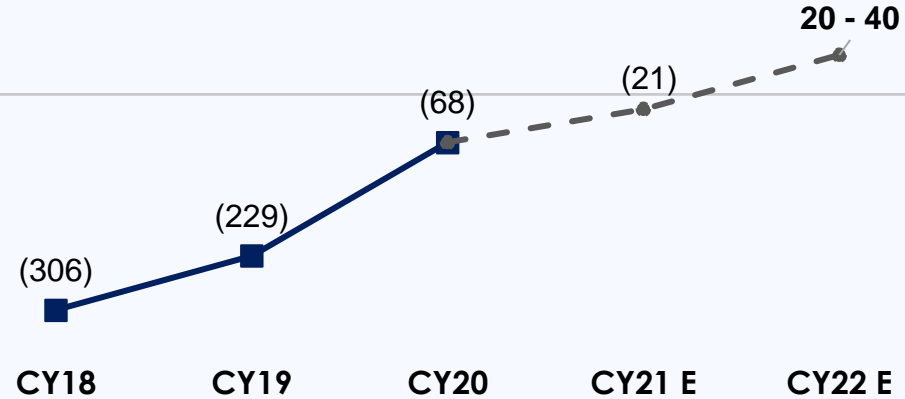
- Model portfolio sharpened, value proposition & pricing
- Margin accretion actions ... price ↑, dealer incentive ↓ supported by low interest rate regime
- Fixed cost reduction via rightsizing & overall control
- Managing dealer and plant inventory

## Right to Win

- Strong brand recall – 25 year legacy
- Network of ~500 dealerships network across US/ Canada
- High retail growth momentum

**SAFE HARBOR STATEMENT:** "Certain statements with regard to our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements."

## Entity PBT <sup>-1)</sup>



## Business Turnaround Actions

- JQPM: Capitalizing on China growth ... 2X revenue, EBITDA and PAT ↑
- Cost control actions
- New product launches and geographies expansion
- Europe Ops: Volume ↑ and product pricing / mix ↓ impact

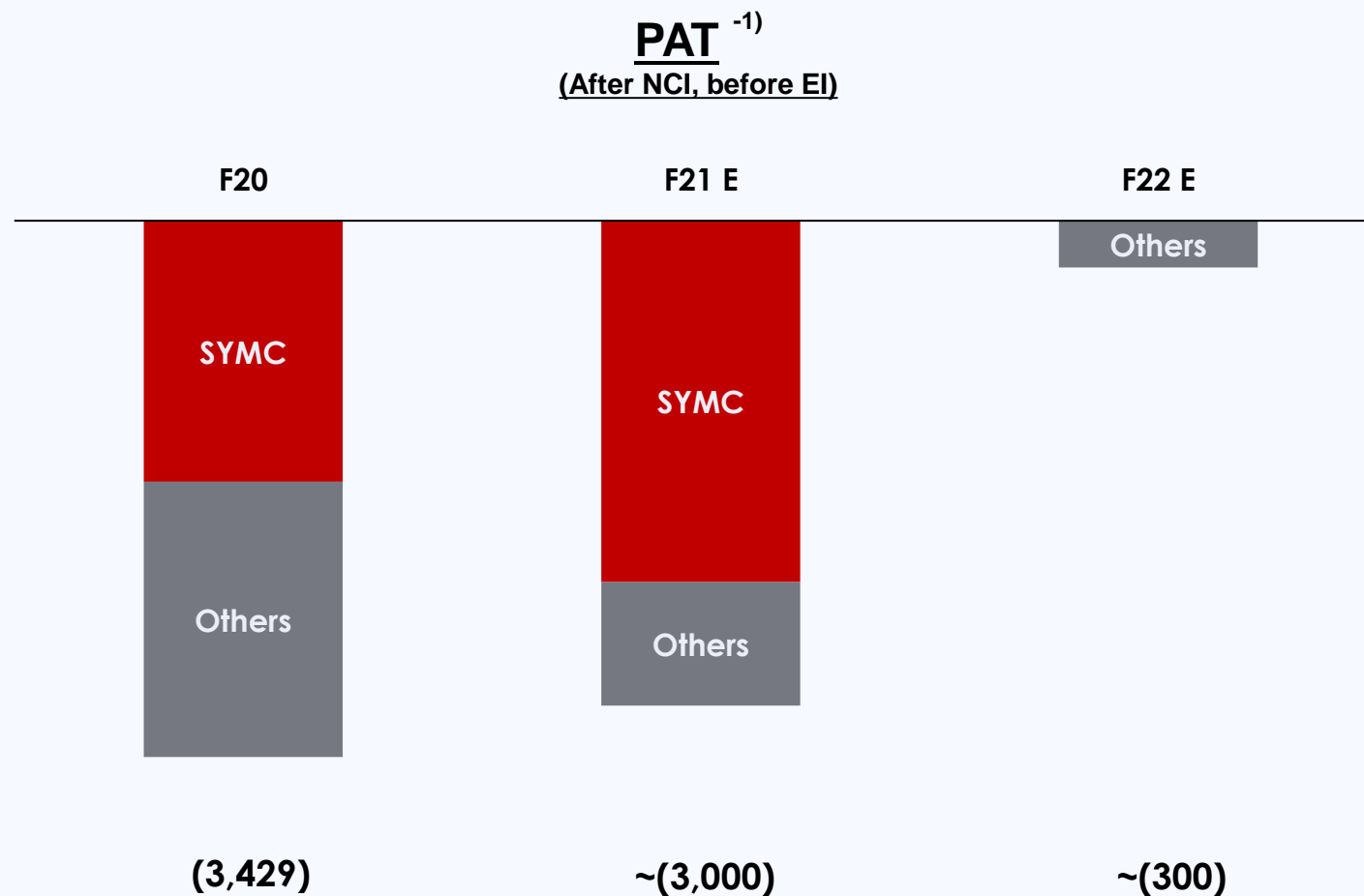
## Right to Win

- Personal mobility demand ... 2W & EV
- EV segment seeing significant global interest
- Strong growth in China

**SAFE HARBOR STATEMENT:** "Certain statements with regard to our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements."

# INTERNATIONAL SUBS. OUTLOOK

Rs Cr



**SAFE HARBOR STATEMENT:** "Certain statements with regard to our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements."

(1 - Auto and Farm international operations  
Ssangyong classified as discontinued operations as of 3Q F21)

# ACCELERATE GROWTH

## Pillars of Growth



Farm



Financial services



Tech Mahindra



Logistics



Core SUV



Real estate



Hospitality

## Growth Gems



*High growth sectors and industries*

*Leverage the Core strength of the M&M Group*

## New age Platforms



A FirstCry - Mahindra Venture



*Entrepreneurs creating scalable ecosystems*

*M&M as strategic investor*



# PILLARS OF GROWTH



## Farm

- Tractors
- Implements



## Auto

- Core SUV
- Electric platform



## Tech M

- Telecom capex (5G)
- Next gen tech



## Fin Svcs

- Digital FinCo.
- Semi-urban



## Hospitality

- Domestic leisure
- Expand Inventory



## Real estate

- Affordable housing
- Industrial parks



## Logistics

- E-com & consumer
- Freight forwarding



## EPC, IPP and Solar Tech

**EPC: Marquee customers:** SB, Engie, First Solar, Renew  
**IPP customers:** 1.6 GW SECI and state PPA contracts  
**Solar Tech:** Distributed Solar and Teqo Services

### Focus areas

Partnerships for EPC/ IPP

Scale solar tech



## India's largest independent Steel Service Centre Network

- Market leader in **electrical steel** processing (World No.2)
- Investing in **high end technology driven products** in Automotive & Electrical Steel Segment

### Big bets



**Cero:** Automotive recycling

**EV motor cores:** High quality motor cores



# NEW AGE PLATFORMS

UNICORN

firstcry.com



2009: Mom & me

2015: Rename to BabyOye

2016: Merger w/ FirstCry

2019: Softbank fund raise

- Growth – merchandise categories, own brands, global expansion
- Synergistic adjacent acquisitions

MATURING

PORTER



2016: Launch of Smartshift

2018: Merger w/ Porter

2020: Additional fund raise

- Liquid supply chain platform ... intra-city logistics market
- Marketplace as a one stop solution

MATURING

Mahindra  
**First Choice**



2010: 1<sup>st</sup> Franchisee dealership

2016: Investment -Cox Automotive

2019: Hybrid auction platform

2020: Carandbike.com

- Used auto sales & access to distribution ecosystems
- Solutions & services for customer groups across value chain

# PIVOT FOR GROWTH



**On track to Re-Ignite Value Creation**

*#FUTURise*