

# Reigniting Value Creation



**Analyst Meet**

Dr Anish Shah | 28 May 2021

# KEY MESSAGES

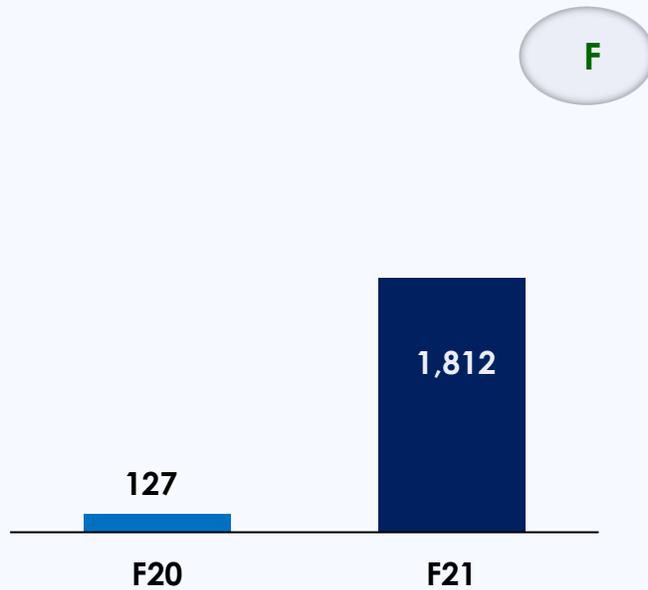
- Strong Domestic Auto and Farm performance in a tough year
- Higher input prices driving pressure on margins
- Capital allocation actions delivering results
- Robust cash generation

# FINANCIALS: F21

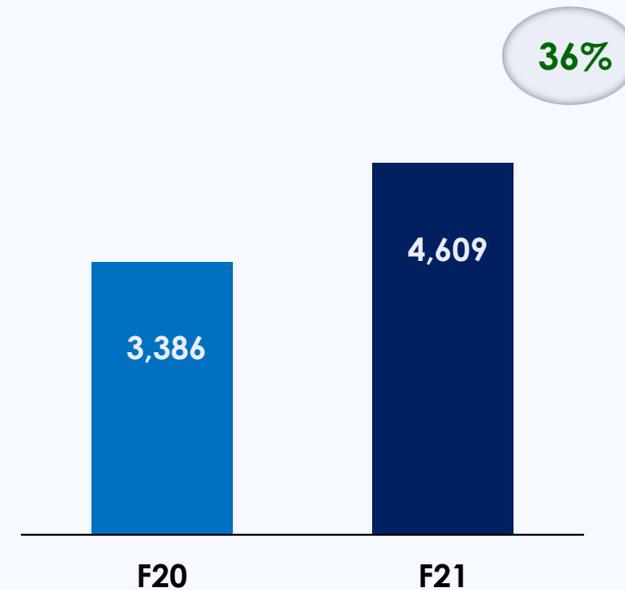
## CONSOLIDATED M&M

Rs Cr

**PAT**  
(Continuing and Discontinued operations)



**Operating PAT**  
(Continuing operations, before EI)



**Strong operating performance and Capital allocation actions deliver results**

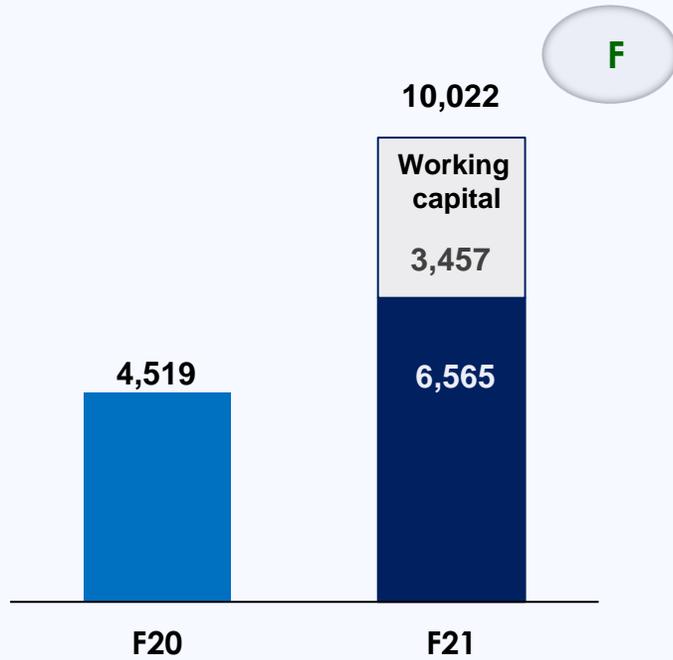
Ssangyong accounted as discontinued operations

# CASH GENERATION: F21

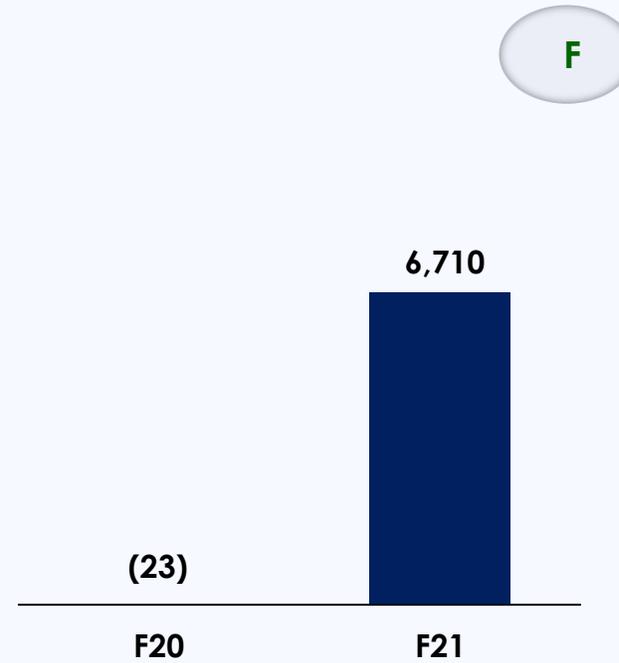
M&M + MVML

Rs Cr

## Operating Cashflow



## Free cashflow<sup>-1)</sup>



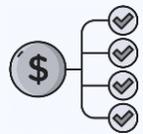
**Robust cash generation**

(1- Excludes Dividend income or Investments in subsidiaries/ associates)

# STRATEGIC PRIORITIES

## Accomplished

F21



Capital allocation actions



Control costs



Pivot to Growth

# CAPITAL ALLOCATION UPDATE

A

Entities with clear path to 18% RoE

**MAGNA**  
AG NORTH AMERICA

 **PEUGEOT**  
MOTOCYCLES

 **ERKUNT**

Post restructuring

**MANA**  
MAHINDRA AUTOMOTIVE  
NORTH AMERICA

A U T O M O B I L I  
*pininfarina*

B

Quantifiable strategic impact

 **MITSUBISHI**  
AGRICULTURAL MACHINERY

 **SAMPO ROSENLEW**

**HISARLAR**  
Ag Machinery

C

Unclear path to profitability ... exit

  
**SSANGYONG**

  
**GIPPSAERO**

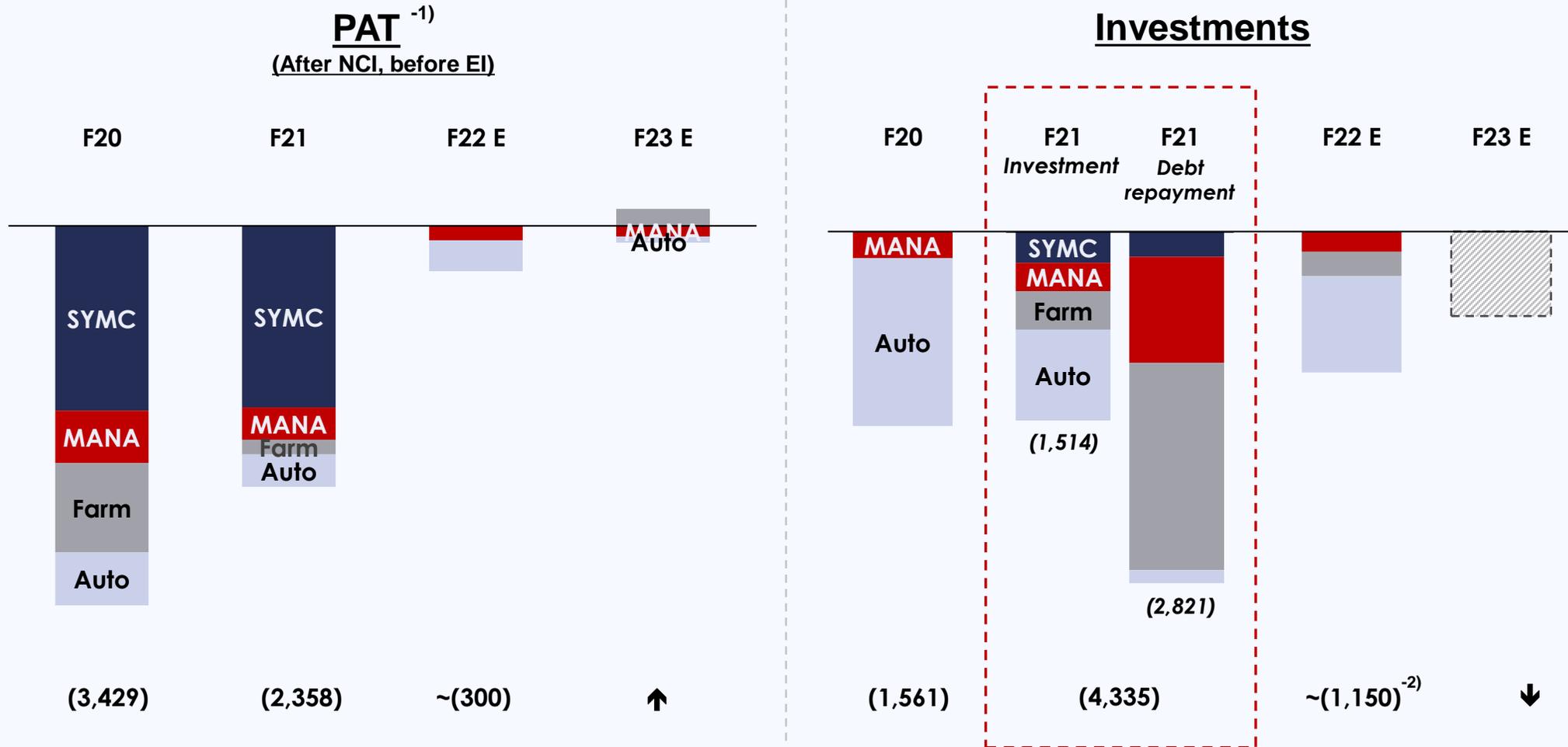
 **GENZE**

**MFCS**

# CAPITAL ALLOCATION RESULTS

## International Auto and Farm operations

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 excluding HO cost allocation

(2 - Payout for Ssangyong excluded. Outstanding BGs 458 Crs

# INTERNATIONAL SUBS RESULTS

## International Auto and Farm operations

Rs Cr

**PAT**<sup>-1)</sup>  
(After NCI, before EI)

	F20	F21		Q4 F20	Q4 F21	
<b>Key farm subsidiaries</b>	<b>(807)</b>	<b>(131)</b>	↑	<b>(353)</b>	<b>9</b>	↑
• MAgNa	(483)	(128)	↑	(265)	(30)	↑
• Erkunt (Traktor+Foundry)	(55)	11	↑	(18)	28	↑
• Hisarlar	(57)	12	↑	(2)	9	↑
• MAMJP	(78)	(7)	↑	(37)	11	↑
• Others	(134)	(20)	↑	(30)	(10)	↑
<b>Key auto subsidiaries</b>	<b>(966)</b>	<b>(586)</b>	↑	<b>(373)</b>	<b>(143)</b>	↑
• Automobili Pininfarina	(123)	(181)	↓	(21)	(54)	↓
• MANA	(474)	(291)	↑	(196)	(80)	↑
• PMTC	(219)	(44)	↑	(75)	(20)	↑
• GENZe	(109)	(31)	↑	(63)	(1)	↑
• Others	(41)	(39)	↑	(17)	12	↑

(1 – Subsidiaries and Associate financials as per INDAS.  
PAT after NCI before EI as per M&M Consolidated financials

# STRATEGIC PRIORITIES

## Accomplished

## Current Focus

F21



Capital allocation actions



Keep our communities safe



Control costs



Accelerate core growth



Pivot to Growth

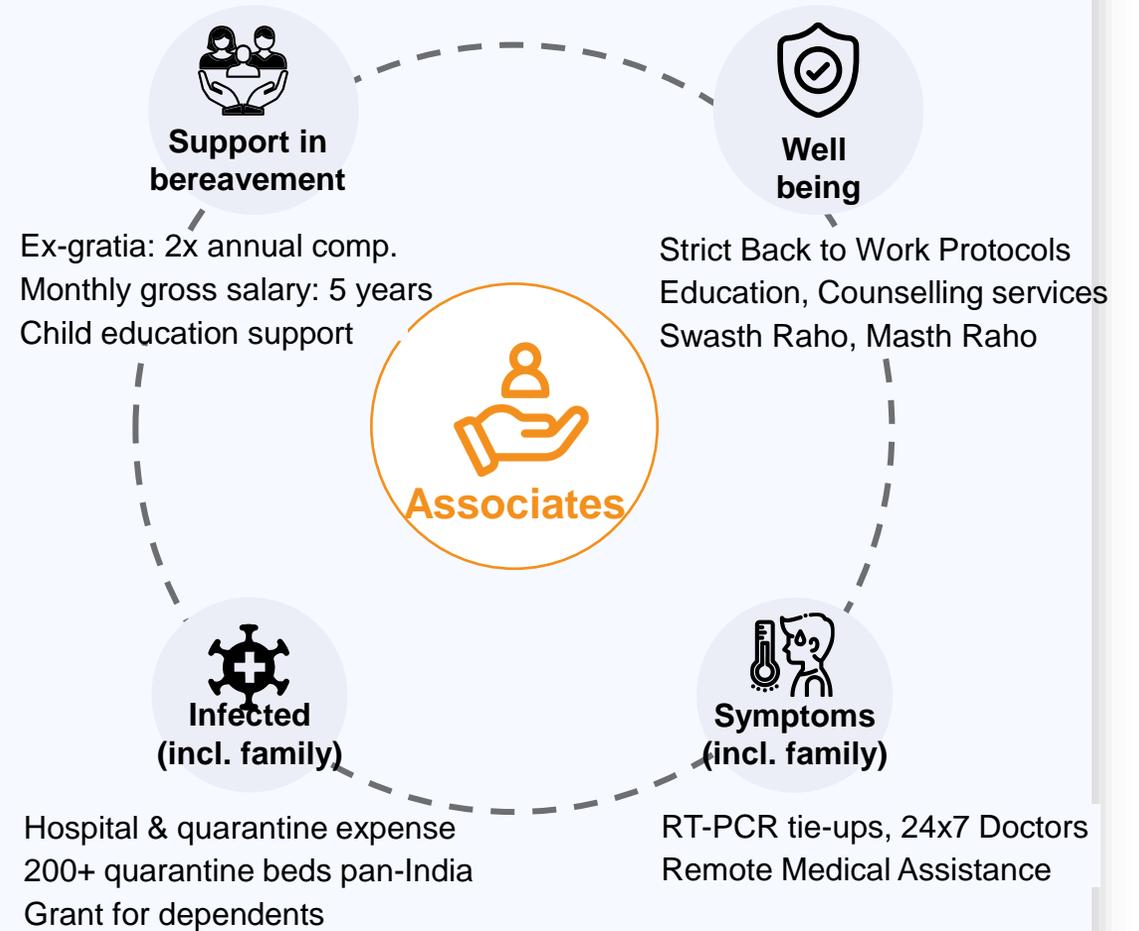
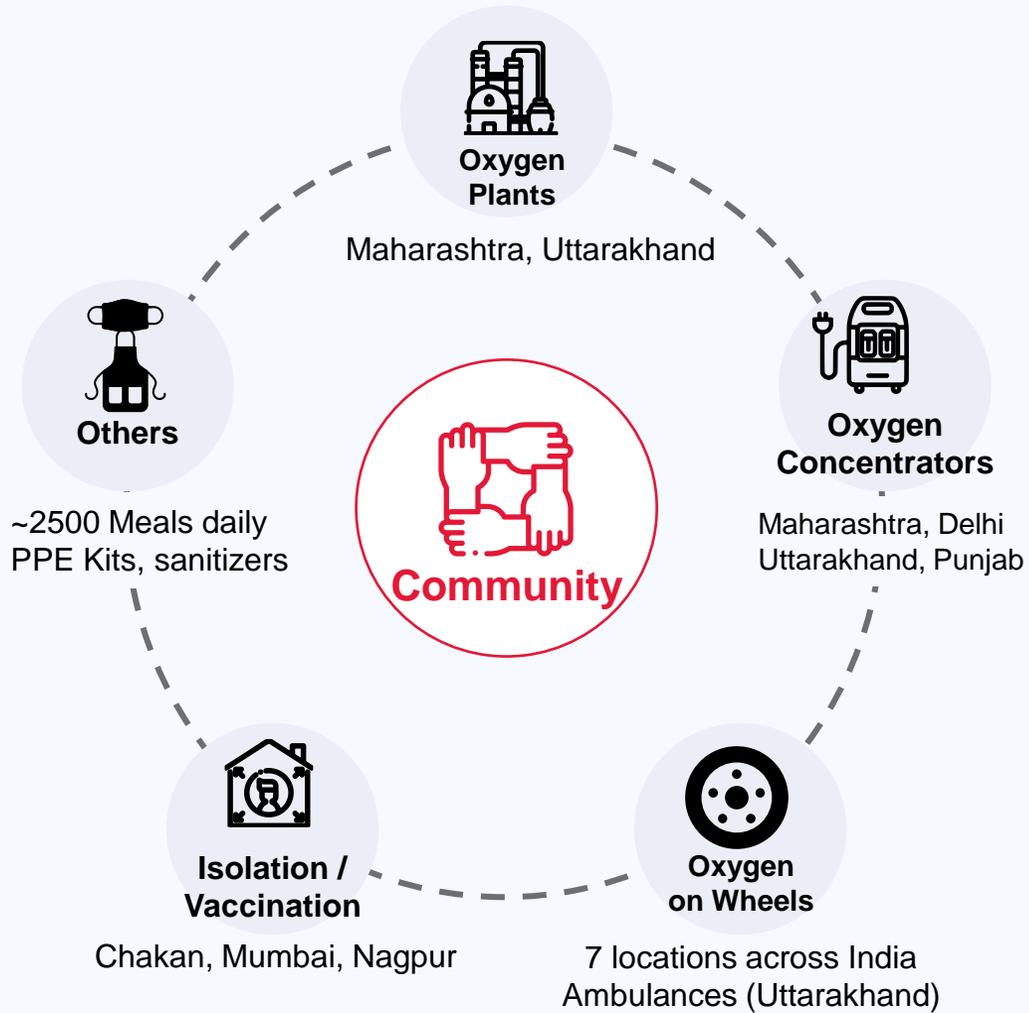


Scale growth gems



Seed digital platforms

# KEEP OUR COMMUNITIES SAFE



# ACCELERATE CORE GROWTH



## Farm

- Domestic Tractor market share growth
- Quantum growth in Farm machinery
- Product and Farm technology ... K2, Krish-e
- Global consolidation to growth



## Auto

- Core SUV ... Authentic, Unmissable presence
- Strengthen Light commercial vehicle
- Last mile mobility
- Born EV platform



## Tech M

- Industrialization of digital
- Growth in 5G
- Platforms
- Customer experience



## Financial services

- Dealers, OEM partnerships, branch expansion
- Customization and Digitization
- Focus on used vehicles financing
- Collection efficiency, NPA lifecycle management

# GROWTH GEMS

## Listed



### Logistics

Market Cap: ~\$500M



### Hospitality

Market Cap: ~\$475M



### Real estate

Market Cap : ~\$375M

## Value creation



### Accelo



### Agri



### Classic Legends



### Renewables



### Rural Housing Fin



### Bristlecone

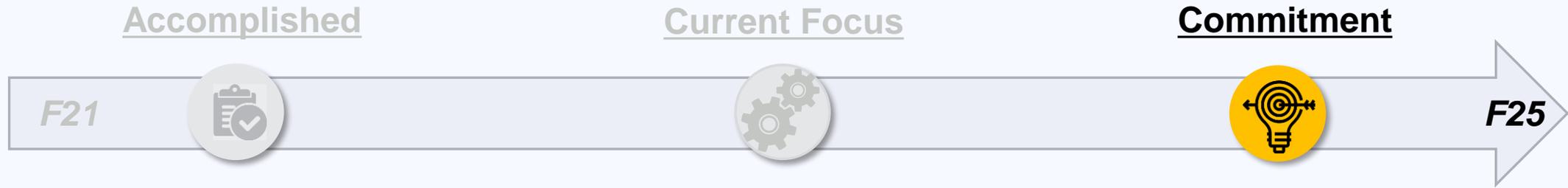
**\$1Bn Market Cap** in 3-5 years

# SEED DIGITAL PLATFORMS

The logo for firstcry.com, featuring the word "firstcry" in a colorful, lowercase font with ".com" in a smaller purple font below it.The logo for PORTER, consisting of the word "PORTER" in white uppercase letters on a blue rectangular background with a black border.The logo for carandbike, featuring a circular icon with "eb" inside, followed by the text "carandbike" in a lowercase font.

**Digital FinCo**

# STRATEGIC PRIORITIES



Capital allocation actions



Keep our communities safe



Lead ESG globally



Control costs



Accelerate core growth



Delight our customers



Pivot to Growth



Scale growth gems



Deliver 18% ROE ...  
**15% - 20% EPS growth**



Seed digital platforms

# LEAD ESG GLOBALLY

Our aspiration is to “lead ESG Globally” through sustained, focused programs

## Environment



**Carbon neutral by 2040**  
*Science Based targets in place*



**100% Renewable Energy**  
*50% by 2025*



**100% improvement in Energy Productivity**  
*60% by 2025*



**100% sites ZWL certified by 2030**  
*India's 1<sup>st</sup> certified ZWL location @ Igatpuri  
22 / 90 identified locations already certified*



**Hariyali – Plant 5 million trees/ year**  
*19 million trees planted to date*

## Social



**Women Empowerment**  
*Nanhi Kali ... 470K girls educated  
Project Pride ... 120K women  
Project Prerna ... 6K women farmers*



**Education ... Nanhi Kali**  
*Target – Educate 1M girls/ year*



**Focused skilling / training**  
*Target – Empower 1M women/ year*

## Governance



**Maintain Gold standard**  
*Board independence  
Proactive risk management  
Robust compliance  
Single truth; Best-in-class disclosures*



**Evolving THE NEXT**  
*Cybersecurity  
Data Privacy  
Diversity & Inclusion*

# **F21 Analyst and Investor Conference**

Automotive & Farm Sectors

**RAJESH JEJURIKAR**

*Executive Director, Auto & Farm Sectors*

**28<sup>th</sup> May 2021**

# RECAP



## 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*

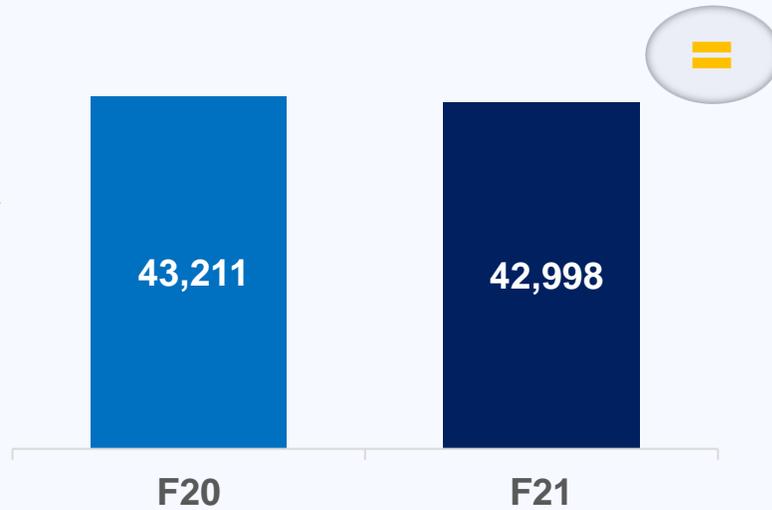
# AUTO + FARM SEGMENTS : 50% REVENUE INCREASE IN Q4 F21

Rs Cr

## Standalone Revenue

## Consolidated Revenue

F21



F20

F21

2%

Q4 F21



F20

F21

49%

Q4 F20

Q4 F21

50%

Q4 F20

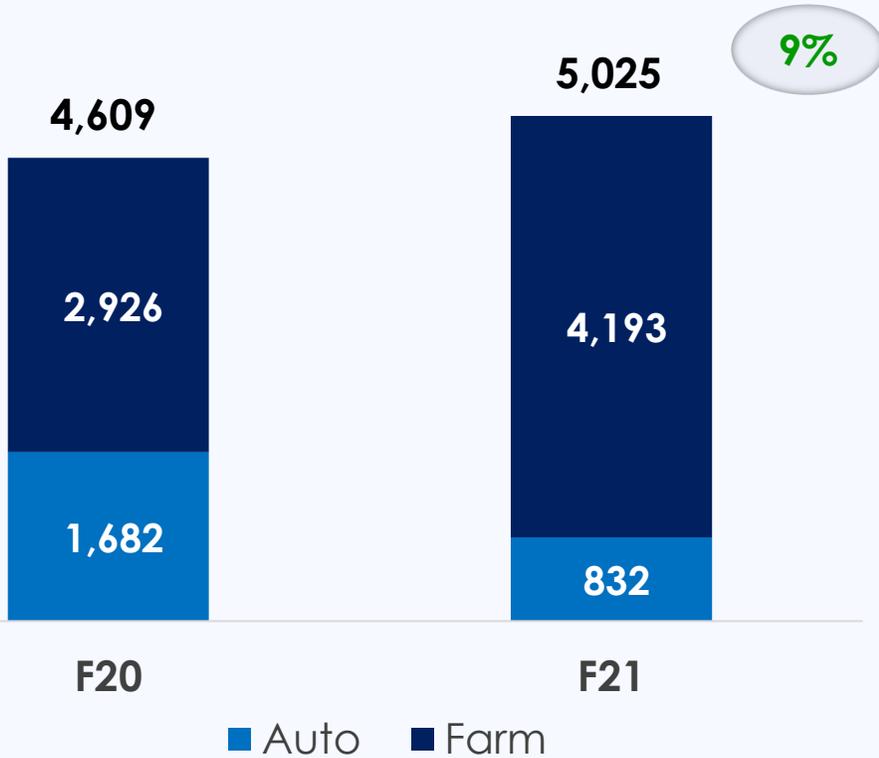
Q4 F21

\*Addition of published standalone & consolidated segment results of Auto and Farm (excludes SYMC, Powerol & 2-Wheeler businesses)

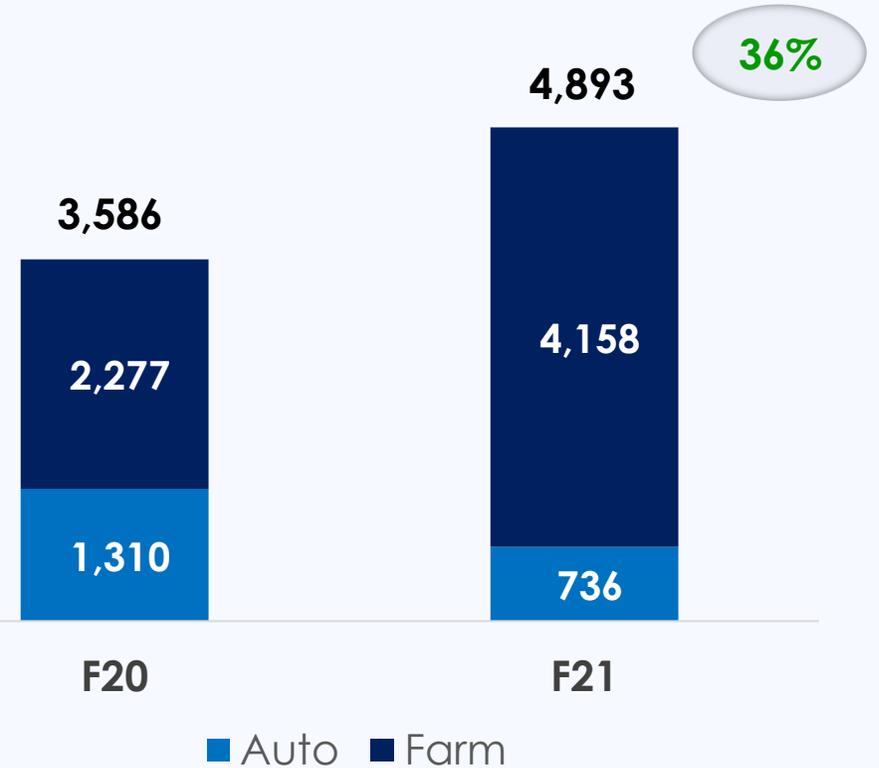
# AUTO + FARM SEGMENTS : 36% PBIT INCREASE IN F21

Rs Cr

### PBIT (Before EI) – Standalone\*



### PBIT (Before EI) – Consolidated\*

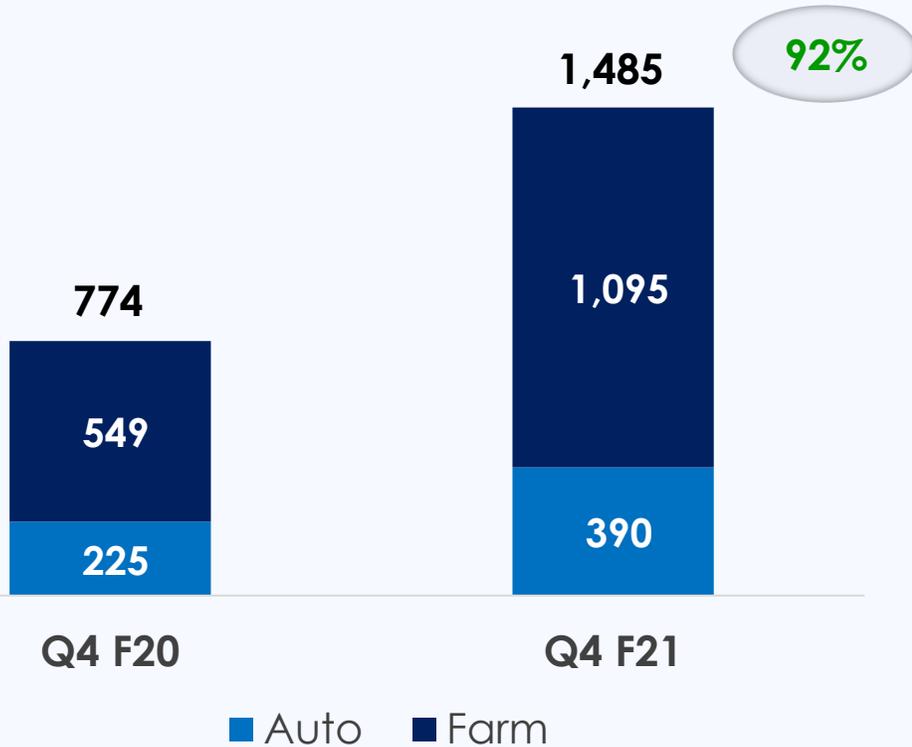


\*Addition of published standalone & consolidated segment results of Auto and Farm (excludes SYMC, Powerol & 2-Wheeler businesses)

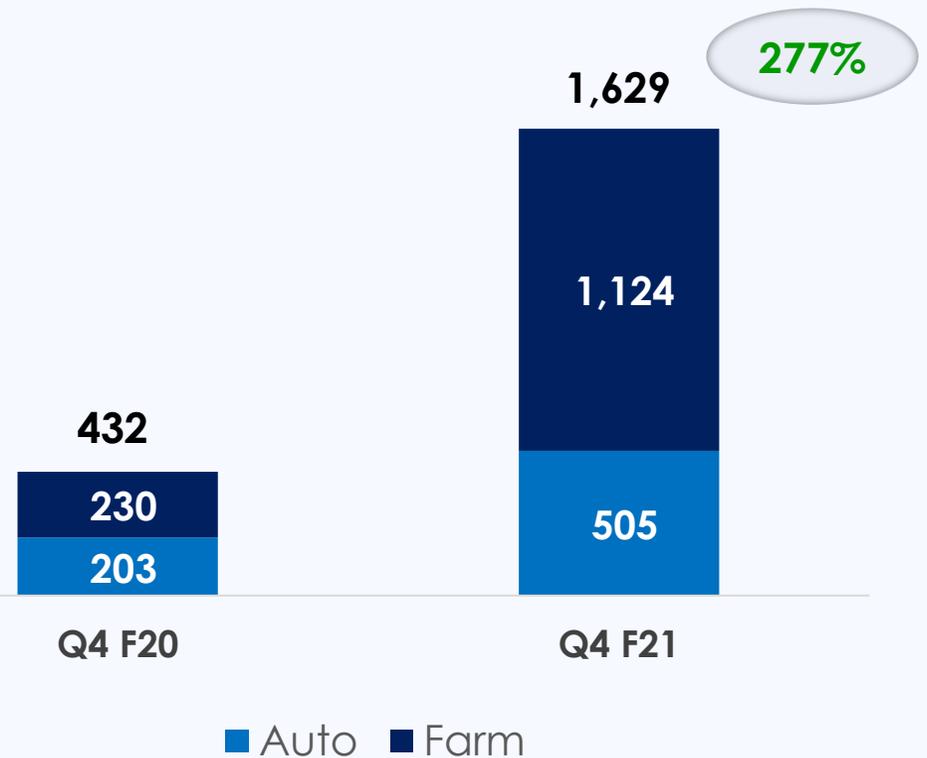
# AUTO + FARM SEGMENTS : 277% INCREASE IN PBIT IN Q4 F21

Rs Cr

### PBIT (Before EI) – Standalone\*

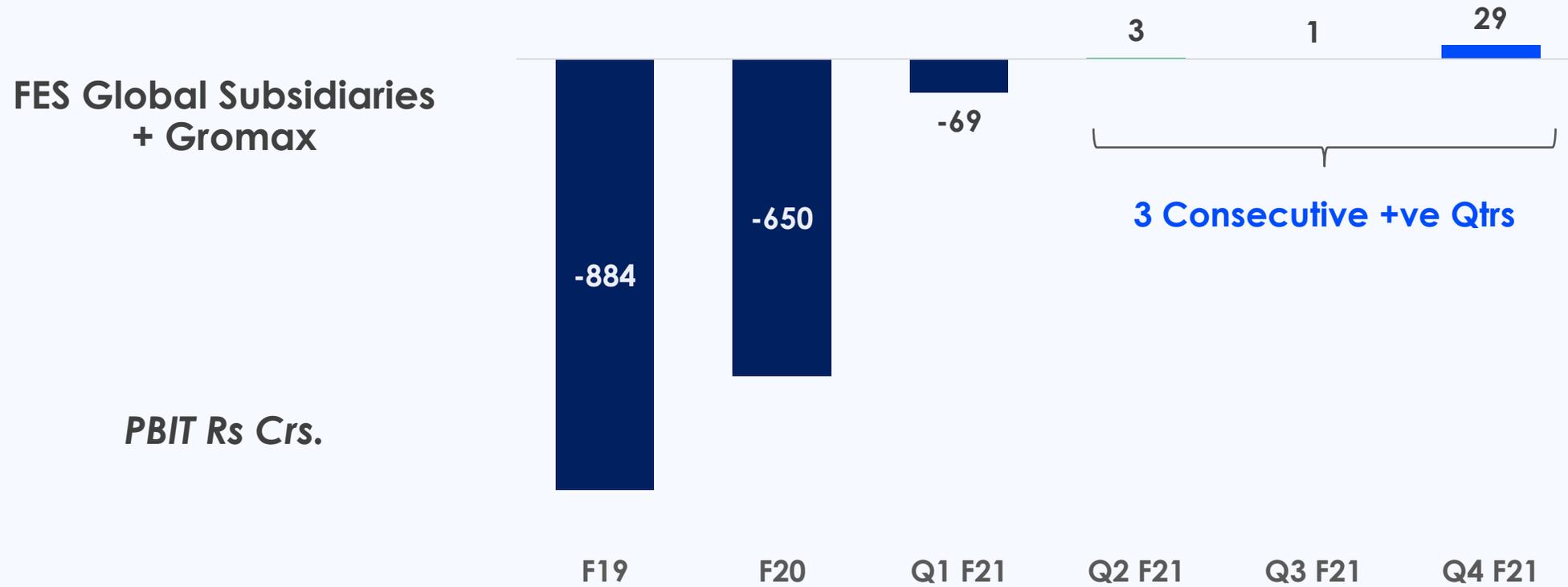


### PBIT (Before EI) – Consolidated\*



\*Addition of published standalone & consolidated segment results of Auto and Farm (excludes SYMC, Powerol & 2-Wheeler businesses)

# FES SUBS TURNAROUND : 3 CONSECUTIVE QUARTERS OF POSITIVE PBIT



# Q1 F22 - GEARING UP

Well-being of our  
communities, associates,  
partners

Ramp-up production to  
meet demand rebound

Cash Management,  
System cost control

## Increasing Risk Factors

- **Global semi-conductor shortage**
- **Local lock downs**
- **Increase in commodity prices**

*FROM*  *WALK* *AND*  *RUN ...*

*Accelerate to FLY* 



# AUTOMOTIVE BUSINESS



**Being Fitter**

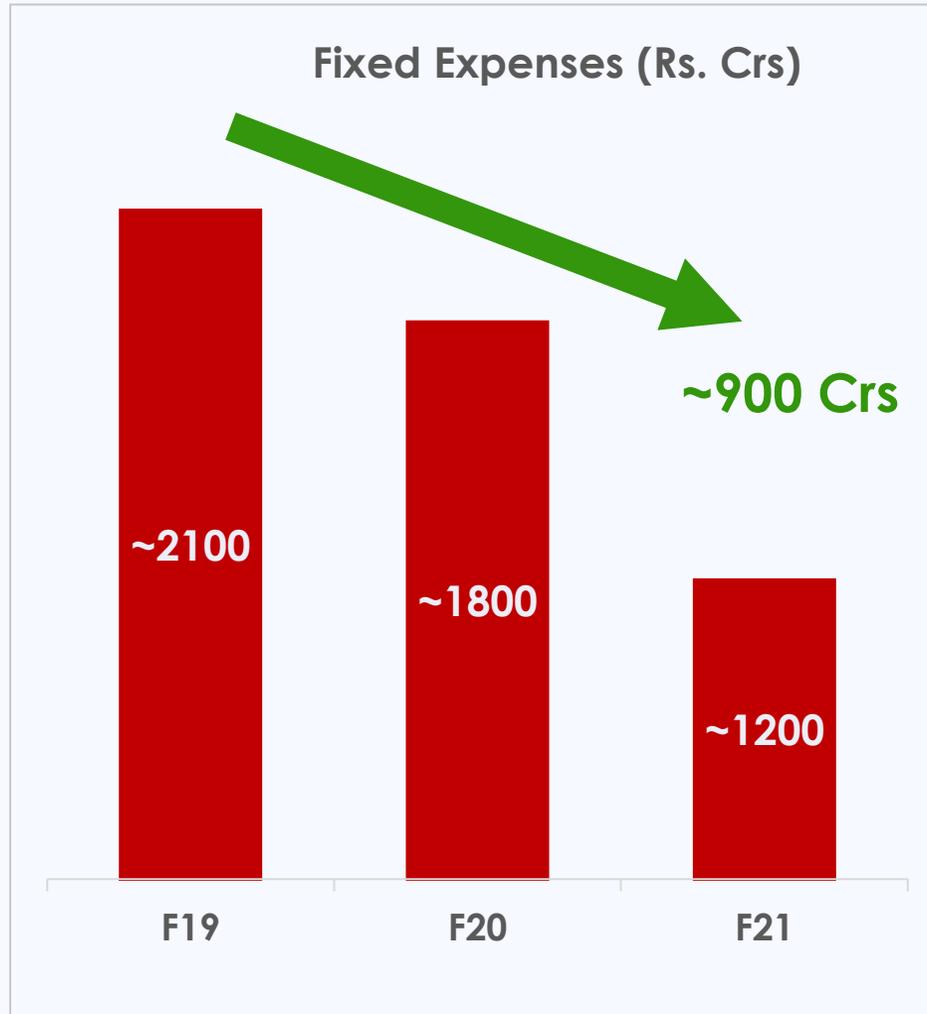
**Brands in  
Momentum**

**Build Strong Brands**

**Leverage Platforms to  
launch 23 New Products**

**Future Ready EV Strategy**

# BEING FITTER, ~900 CR REDUCTION



## Reduction in

- Manufacturing Fixed Expenses by **~40%**
- Sales & marketing spends by **~70%**
- G&A expenses by **~30%**

# BRANDS IN MOMENTUM – THE THAR IS JUST THE BEGINNING!



**55,000+**

Bookings

**~47%**

Bookings for **AT**

Thumbs-Up from Customers

India's Safest Off-Roader

Winner of 19 Awards & Counting!

# XUV300 – IN MOMENTUM TOO



**90%+**

Booking growth in H2 F21  
Vs H2 F20

**~48%**

Petrol share in overall  
bookings

**6,000+**

Bookings per month  
in H2 F21

**12+ Weeks**

Waiting period



# SCORPIO, BOLERO REMAIN IN STRONG MOMENTUM ...



**10,000+**  
Combined Monthly Sales in Q4



**6-8 weeks**  
Waiting period



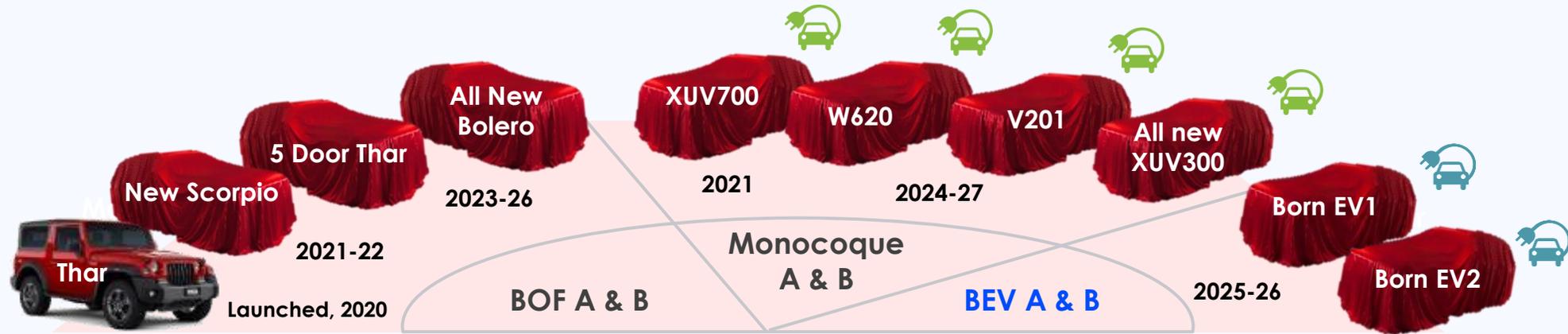


“EXPLORE THE IMPOSSIBLE”

Sophisticated, Authentic SUV brand with Unmissable presence  
and advanced Adventure-ready capabilities



# PLATFORM AND PRODUCTS : 9 NEW PRODUCTS BY 2026



## 9 NEW PRODUCTS BY 2026

-  Electric Powertrain
-  Born EV

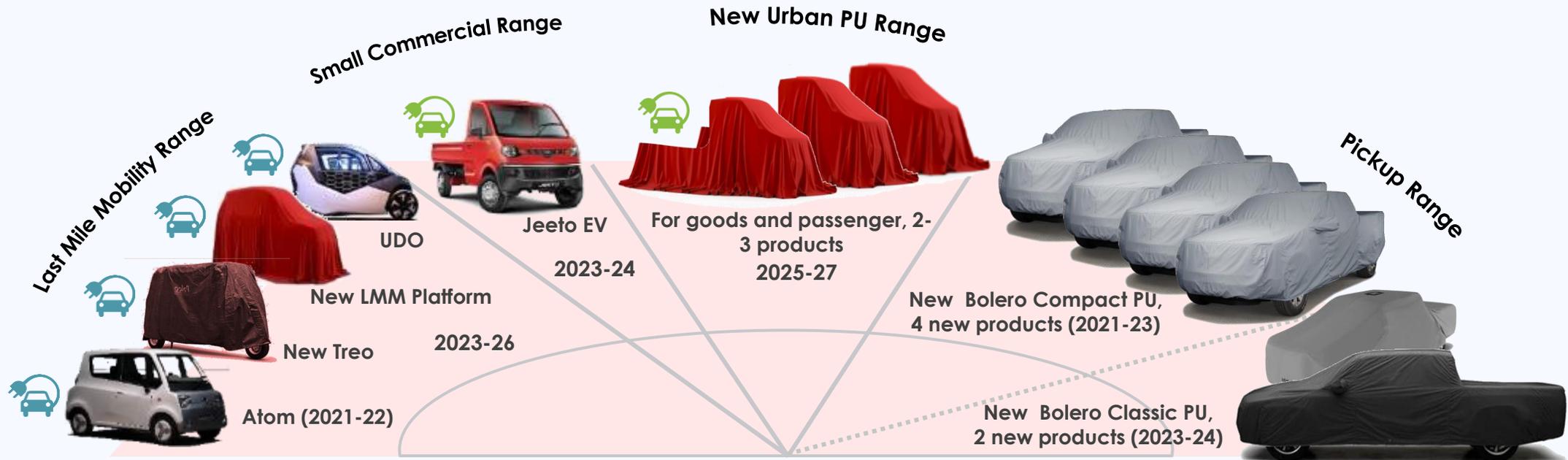
Years mentioned above represent Calendar years

# LCV (<3.5T) : 14 NEW PRODUCTS TO STRENGTHEN #1 POSITION



**“WE GET THE TOUGH GOING”**

Tough Disruptive Products, with Least Cost of Ownership and Innovative solutions for operators & enterprises



**14 NEW PRODUCTS BY 2026**

- Electric Powertrain
- Born EV

Years mentioned above represent Calendar years



## “WE GUARANTEE PROSPERITY”

Tough, Reliable and Least Cost of Ownership Products, Services and Solutions that Guarantee Higher Returns

**Mahindra**  
Rise

Truck and Bus

### GET MORE PROFIT OR GIVE THE TRUCK BACK.\*

**BS6**

**NEW MAHINDRA  
FURIO  
MORE PROFIT GUARANTEED\***

**WELSPURE** **mDi Tech** **iMAXX**

1800 315 7799  
visit [www.mahindratruckandbus.com](http://www.mahindratruckandbus.com)

\*For more details of this guarantee, visit [www.mahindratruckandbus.com](http://www.mahindratruckandbus.com).

Two circular icons: "GUARANTEE OF SERVICE" and "GUARANTEE OF SPARES".



## APF

- Launch of Battista in early 2022

## MANA

- Restructure cost
- Launch of New Roxor

## South Africa

- Remained in top 3 best performing Auto Brands
- PAT higher than F20 with strong cashflow

## South Asia

- Refreshed Bangladesh growth strategy
- Strengthening Sri Lanka presence with JV



Launch of Battista in early 2022





## **LAST MILE MOBILITY**

- **Market ready** for scale up
- TREGO, ALFA and ATOM
- Tie-ups with Amazon, Flipkart

## **SUV – ICE DERIVED**

- Exciting Portfolio
- **Partnerships** for speed to market
- **MRV with EV Tech**

## **BORN EV**

- **MRV, EV Tech, MNATC & UK Design Centre**
- **BEV Roadmap** for 2025-30
- Right mix of **Make vs Buy**
- Dr Uli Stuhenc, an industry veteran, to lead

*Setting fresh investment of Rs 3000 Cr and Simplifying the structure to drive innovation, execution excellence and economies of scale*



FARM EQUIPMENT

***TRANSFORM FARMING  
ENRICH LIVES***



## Core Domestic: Grow Tractor MS

Brands, Products, Channel & Krish-e

## Quantum Growth in Farm Machinery

### Technology

K2 Program, Global COEs. Precision Ag

### Global Growth

From consolidation to growth

# CORE DOMESTIC : GROW TRACTOR MARKET SHARE



Brands well positioned  
to grow Market share

New products  
K2, Plus Series, Yuvo Refresh,  
Horticulture focus

Krish-e  
Agri advisory, Rentals, Products  
& Ecosystem services

Channel expansion





## 4 GEOGRAPHIES, 4 PLATFORMS, 37 MODELS



**Sub Compact**  
6 Models 20 – 25 HP



**Compact**  
9 Models 21 – 30 HP



**Small Utility**  
11 Models 26 – 40 HP



**Large Utility**  
11 Models 45 – 70 HP

SOP\*

2023

2023-24

2023-24

2024-25

Light weight, connected tractor platform across multiple HP points

IoT ecosystem of tractors, implements, precision farming techniques

New manufacturing investment at Zaheerabad and Japan

\*Years mentioned above represent Calendar years

# DIGITAL TECHNOLOGY TO REVOLUTIONIZE FARMING



Farming Solutions & Product Rentals

Precision Farming

Ecosystem Services

Digital & Physical Agri Advisory



- **IOT** – Digisense kits of **7500+**
- **3,200+** Takneek plots

- **50+ centers:** ~0.2Mn linked farmers
- **Clocked 225,000+ rental tractor hours**

# FARM MACHINERY – SCALING UP FOR QUANTUM GROWTH



Key growth engine

Domestic FM **grew 45%**  
in F21

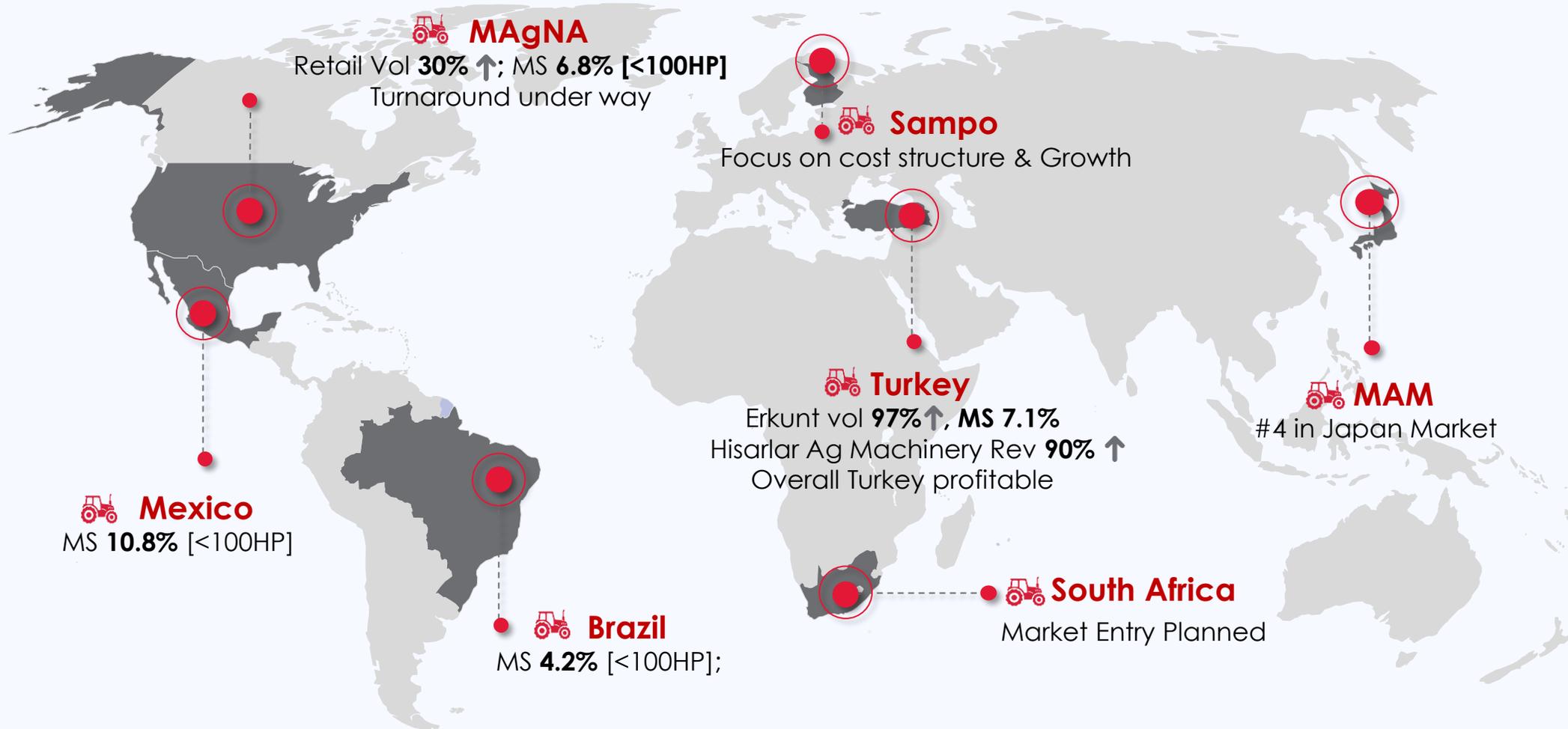
In-house manufacturing  
plant at **Pithampur**

Strong product pipeline  
partnerships with global COE

Scale-up Export efforts,  
Explore inorganic



# FES GLOBAL BUSINESSES – FROM CONSOLIDATION TO GROWTH



**Presence in 4 largest markets** (excl China)



# **AUTO & FARM SECTORS**

## SET TO REDEFINE THE FUTURE



1



MAHINDRA  
ADVANCED  
DESIGN  
EUROPE

- Authentic Design with Global appeal

2

## EV Tech Center

- Tech Partnerships
- 2025-30 BEV Roadmap
- Software hub at Bengaluru
- Leverage MRV for PD

3

## Digital Transformation

- Customer journey
- Software for HMI
- New business models
- Agile supply network

4

## Differentiated Brand Experience

- Purpose based brands
- Best in class CX
- Wow products
- Platform commonality



## GEAR UP...

April'21 – June'21

1. Manage Cash, Costs
2. Manage Inventory
3. Enhanced Well being

## ACCELERATE TO FLY

**AUTO**

**FARM**

1. Being Fitter - Financial efficiency
2. Strong Momentum of Brands
3. Differentiated Brand Strategy
4. Platform and Product Synergy
5. EV Strategy

1. Grow tractor market share
2. Technology: K2 Program, Horticulture, Krish-e
3. Quantum growth in Farm Machinery
4. Grow Global Businesses

**CAPABILITIES: BRAND STRATEGY, CUSTOMER EXPERIENCE, EV TECH, DIGITAL TRANSFORMATION, DESIGN**

*ESG (Environment, Social and Governance)*



- 1 Revenue Growth of 15-20%+ CAGR
- 2 Leadership in Core SUV segment with strong EV play
- 3 Strengthen #1 position in LCV<3.5T
- 4 Grow Market share in Tractors; Quantum growth in FM
- 5 Be at Top of Brand Affinity & Customer Satisfaction Scores
- 6 Deliver ROCE of 18%++

# BOLD & AGGRESSIVE GROWTH TRAJECTORY

**Mahindra**  
*Rise.*



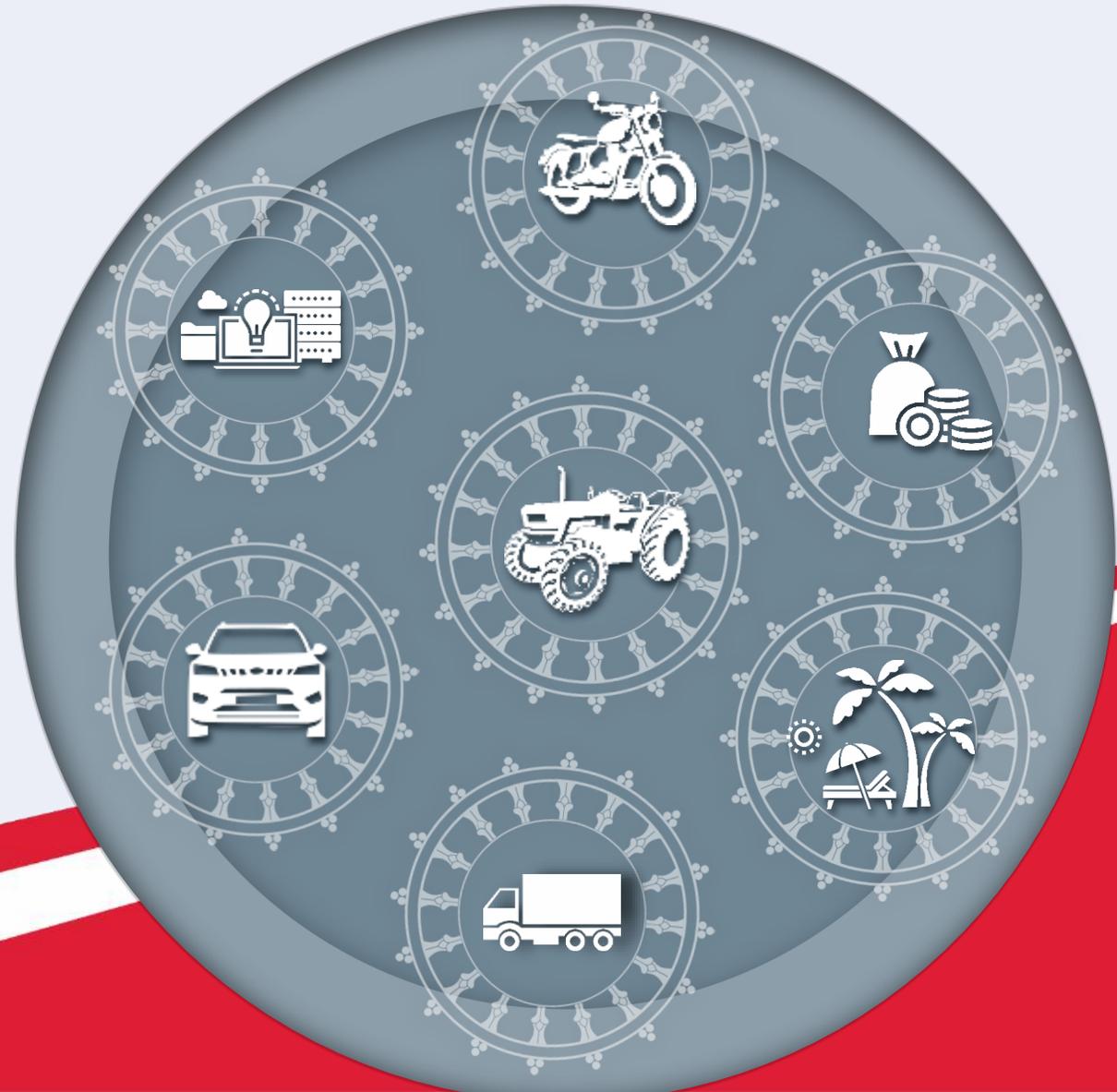
# Financials

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## Analyst Meet

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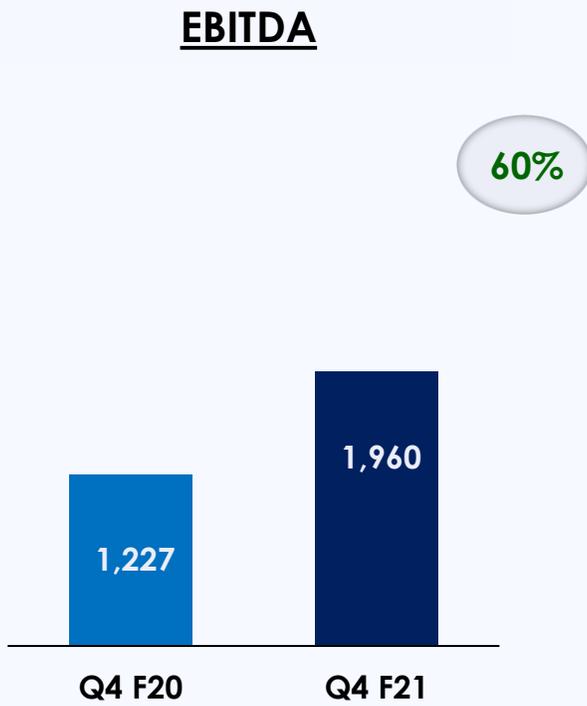
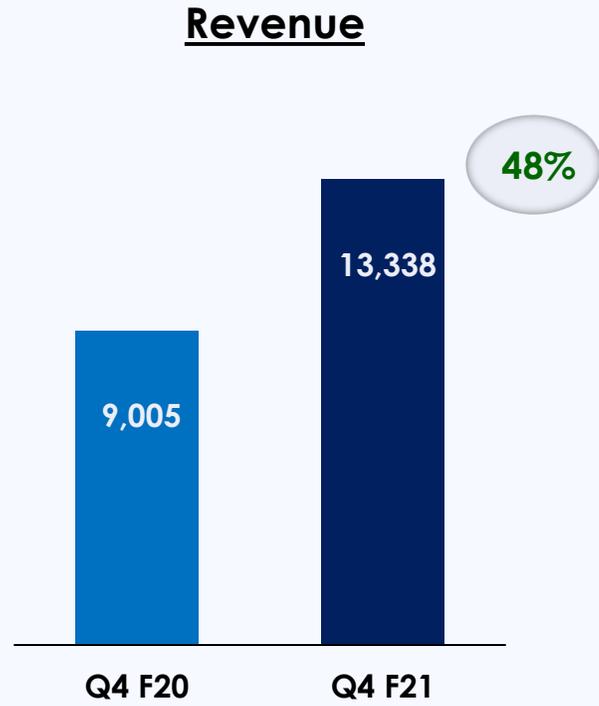
Manoj Bhat | 28 May 2021



# FINANCIALS (STANDALONE): Q4 F21

M&M + MVML

Rs Cr



### Operating PAT (before EI)

	Q4 F20	Q4 F21
Operating PAT (before EI)	323	1,003
EI	(3,578)	(840)
<b>PAT (after EI)</b>	<b>(3,255)</b>	<b>163</b>

F

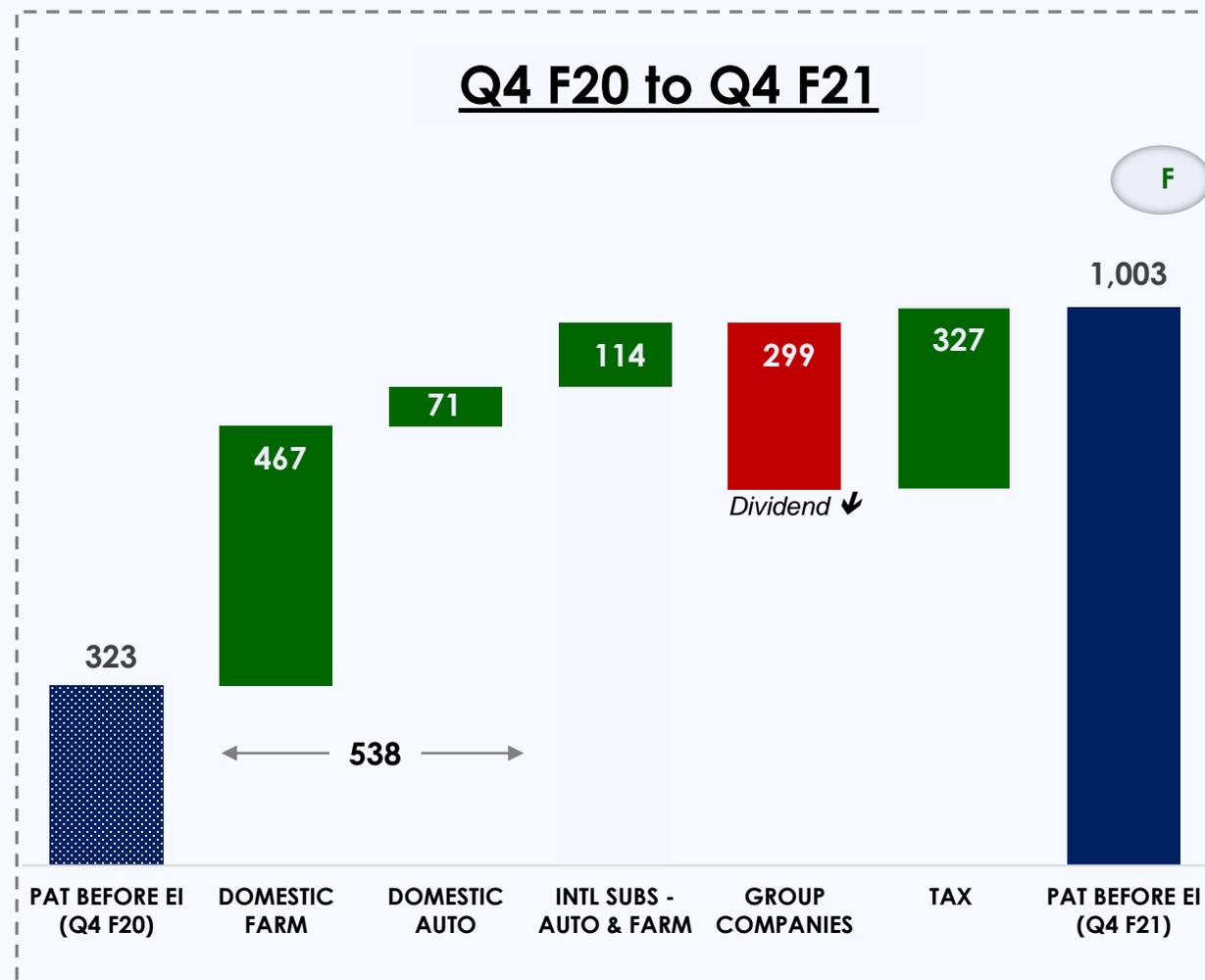
F

# OPERATING PAT (BEFORE EI): Q4 F21

M&M + MVML

Rs Cr

	Q4 F20	Q4 F21
 Domestic Farm	354	821
 Domestic Auto	159	230
 Intl. Subsidiaries	(116)	(2)
 Group companies	252	(47)
Tax <sup>-1)</sup>	(327)	-
<b>Total</b>	<b>323</b>	<b>1,003</b>



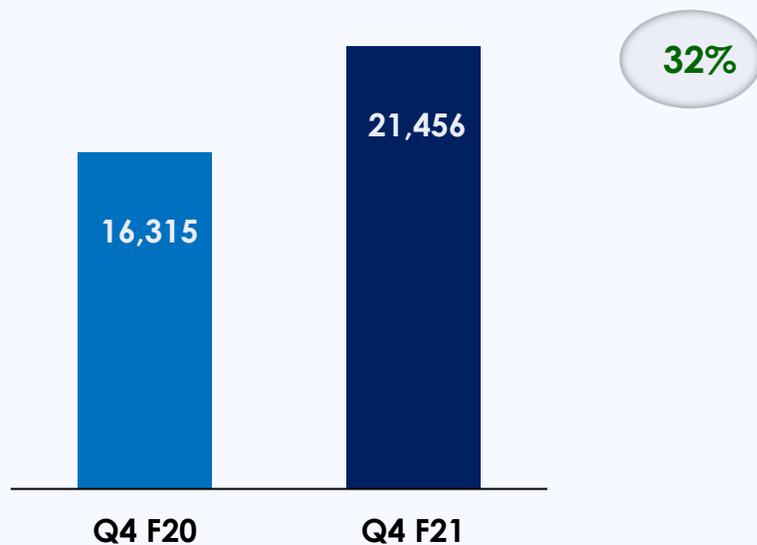
Two Wheeler, Powerol and SBU included in Domestic Auto  
(1 – One time impact of shift to new tax regime)

# FINANCIALS (CONSOLIDATED): Q4 F21

## CONSOLIDATED M&M

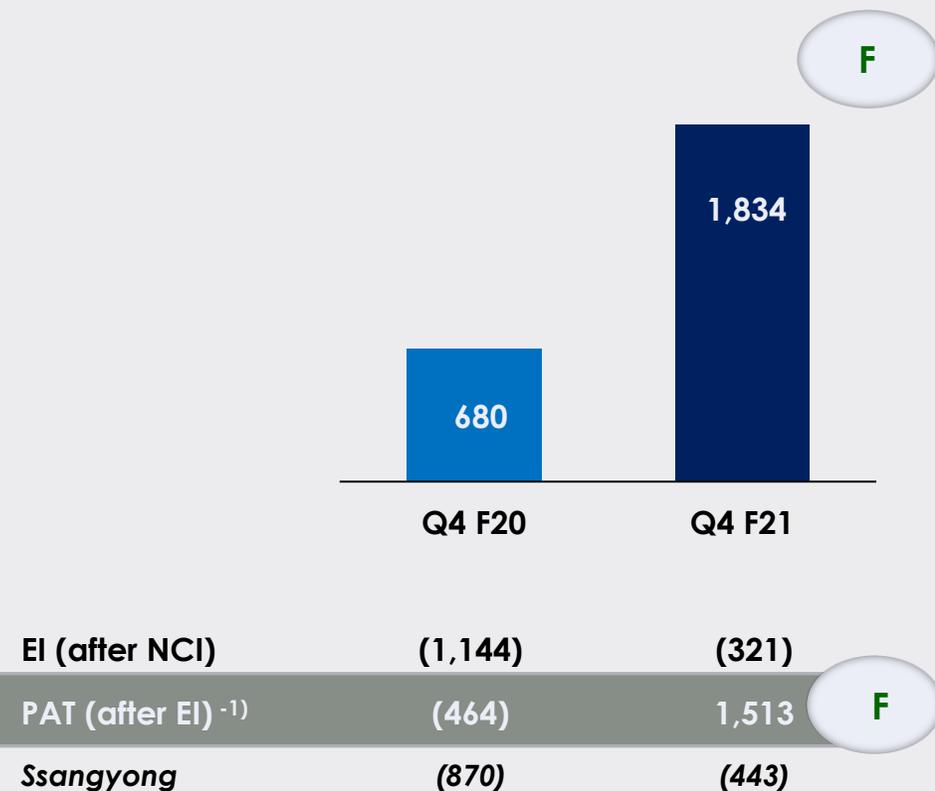
Rs Cr

### Revenue <sup>-1)</sup>



Segment	Q4 F20	Q4 F21	Change (%)
Auto	5,851	8,504	45%
FES	4,209	6,593	57%
Group Cos.	6,741	7,114	5%
Inter-segment	(487)	(754)	

### Operating PAT (Continuing operations, before EI after NCI)



EI (after NCI)	(1,144)	(321)	
PAT (after EI) <sup>-1)</sup>	(464)	1,513	F
Ssangyong	(870)	(443)	

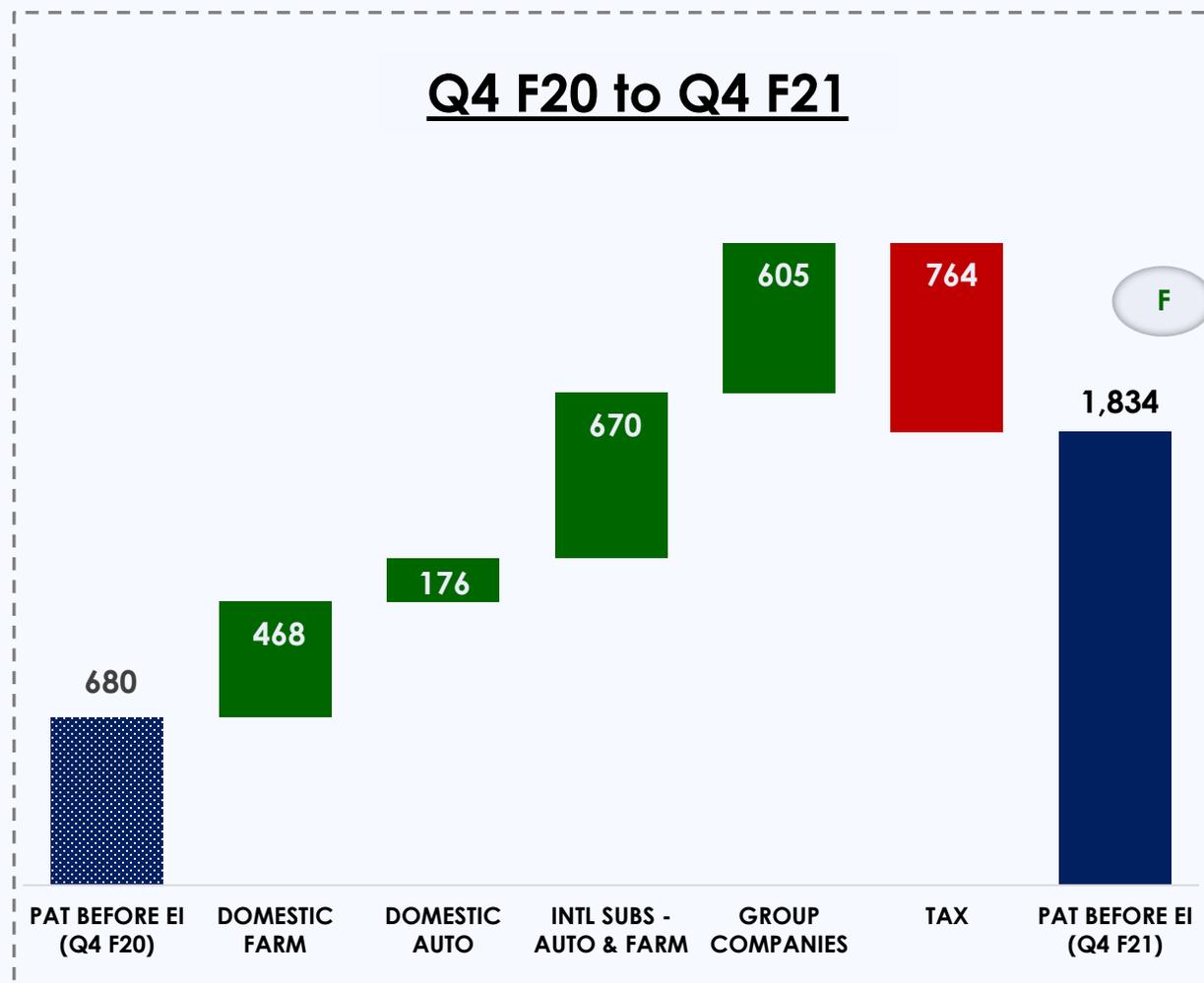
(1- Excludes Ssangyong due to discontinued operations  
Tech Mahindra (Associate) revenue not included above

# OPERATING PAT (BEFORE EI): Q4 F21

## CONSOLIDATED M&M

	Q4 F20	Q4 F21
 Domestic Farm	366	834
 Domestic Auto	241	417
 Intl. Subsidiaries	(809)	(139)
 Group companies	117	722
Tax <sup>-1)</sup>	764	-
<b>Total</b>	<b>680</b>	<b>1,834</b>

Rs Cr

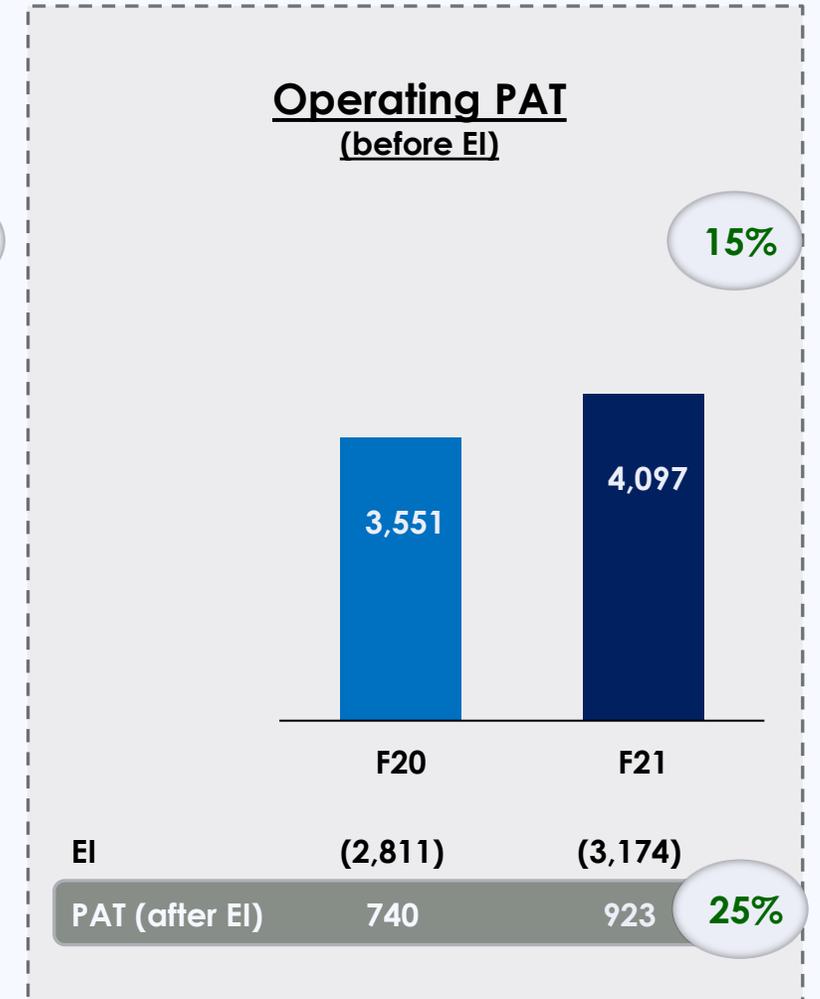
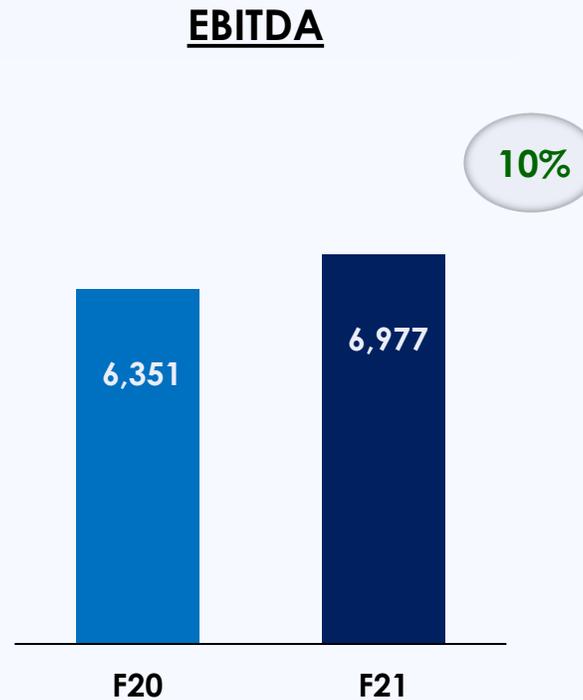
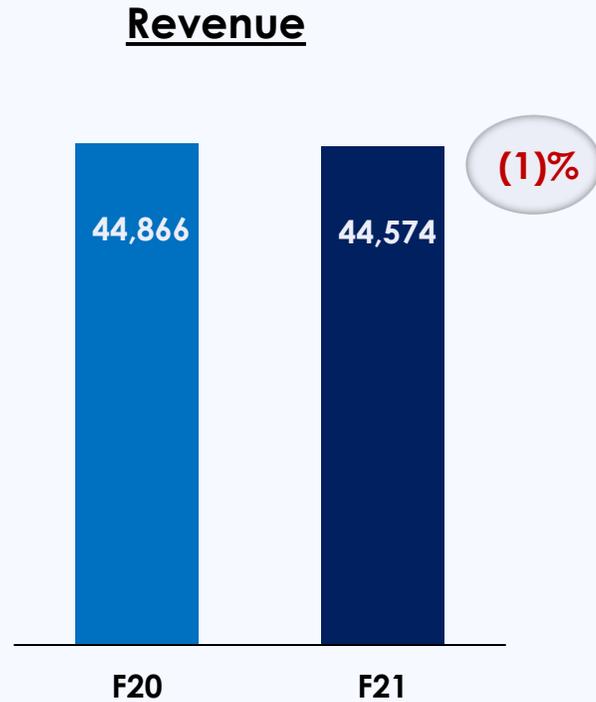


Two Wheeler, Powerol and SBU included in Domestic Auto  
 (1 – One time impact of shift to new tax regime, taxation of dividend income)

# FINANCIALS (STANDALONE): F21

M&M + MVML

Rs Cr

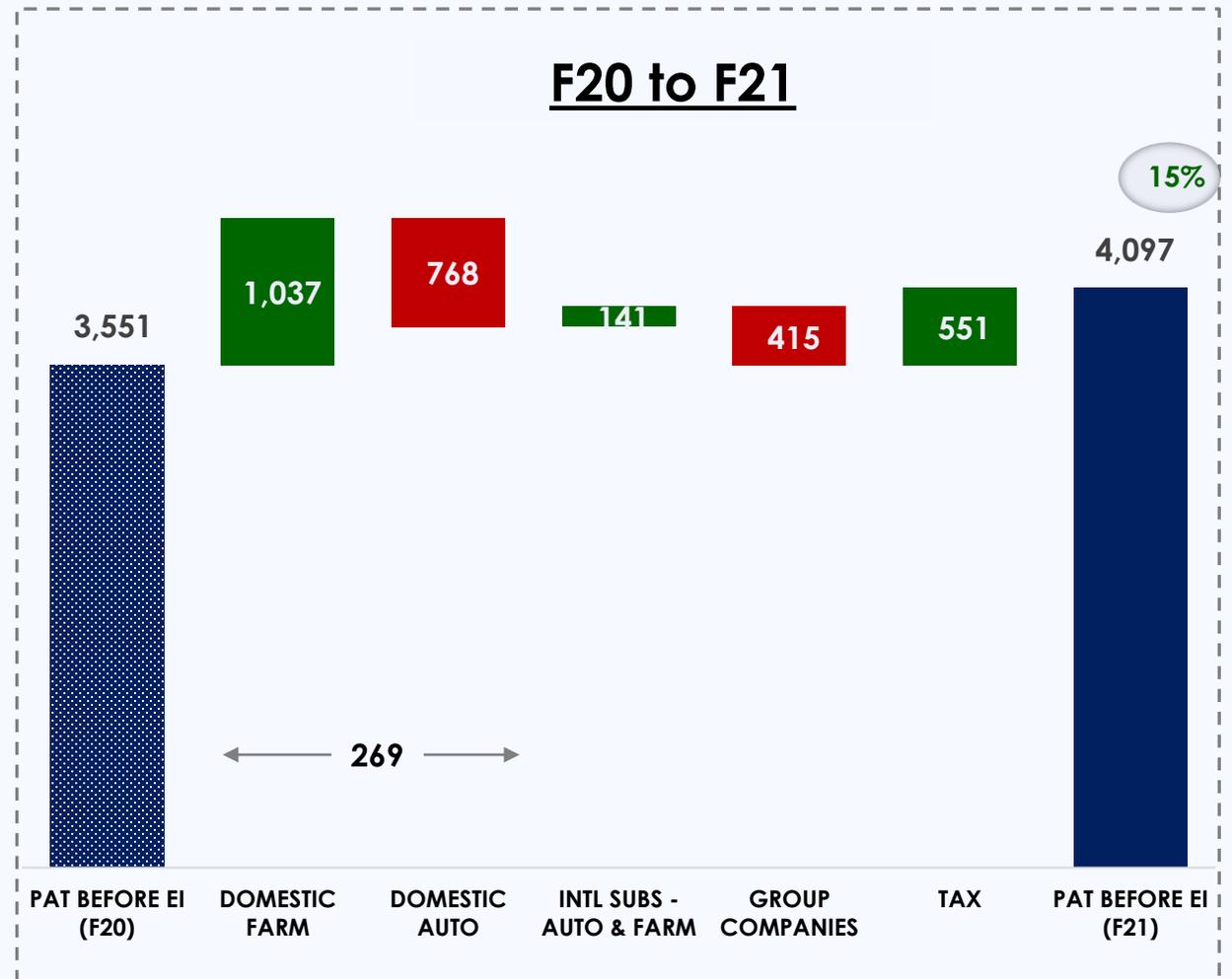


# OPERATING PAT (BEFORE EI): F21

M&M + MVML

Rs Cr

	F20	F21
 Domestic Farm	2,162	3,199
 Domestic Auto	1,249	481
 Intl. Subsidiaries	(170)	(28)
 Group companies	860	445
Tax <sup>-1)</sup>	(551)	-
<b>Total</b>	<b>3,551</b>	<b>4,097</b>

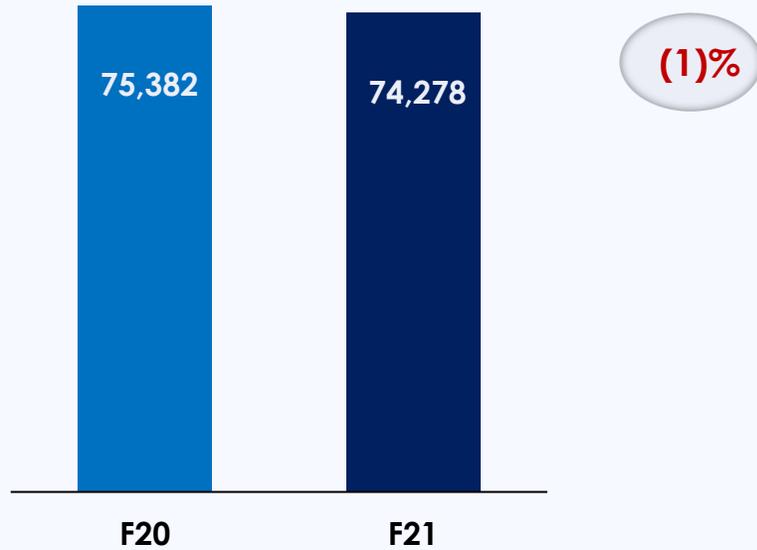


Two Wheeler, Powerol and SBU included in Domestic Auto  
(1 – One time impact of shift to new tax regime)

# FINANCIALS (CONSOLIDATED): F21

## CONSOLIDATED M&M

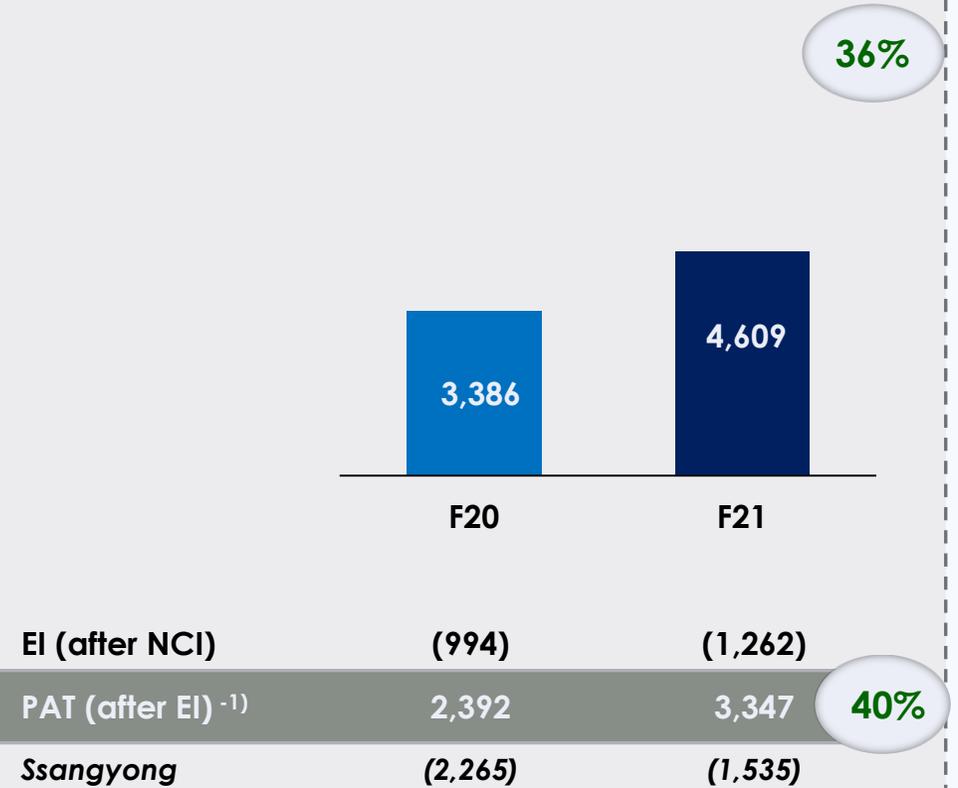
### Revenue <sup>-1)</sup>



	F20	F21	% Change
Auto	28,824	25,990	(10)%
FES	21,113	24,792	17%
Group Cos.	27,662	25,447	(8)%
Inter-segment	(2,217)	(1,951)	

Rs Cr

### Operating PAT (Continuing operations, before EI after NCI)



	F20	F21	% Change
EI (after NCI)	(994)	(1,262)	
PAT (after EI) <sup>-1)</sup>	2,392	3,347	40%
Ssangyong	(2,265)	(1,535)	

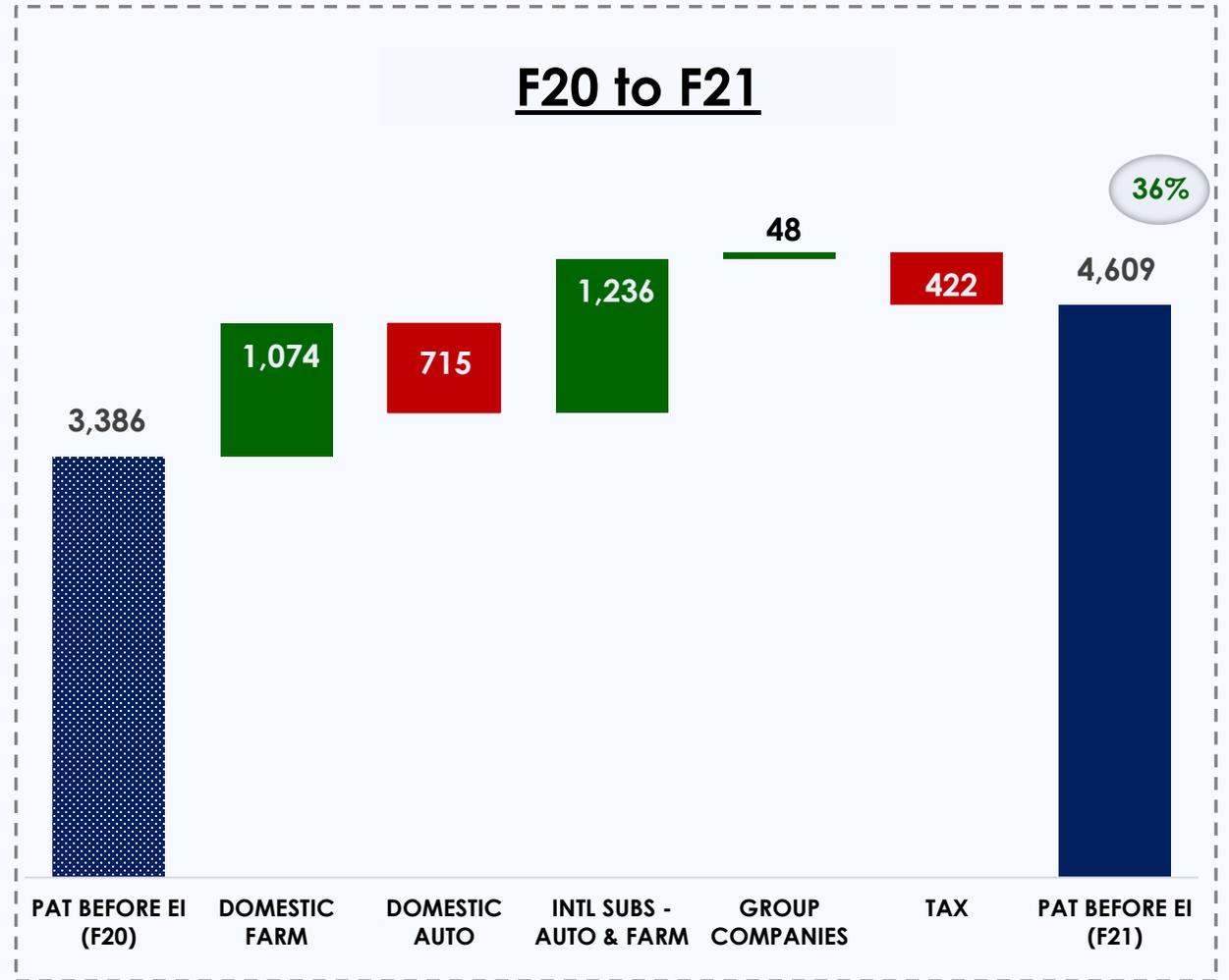
(1- Excludes Ssangyong due to discontinued operations  
Tech Mahindra (Associate) revenue not included above

# OPERATING PAT (BEFORE EI): F21

## CONSOLIDATED M&M

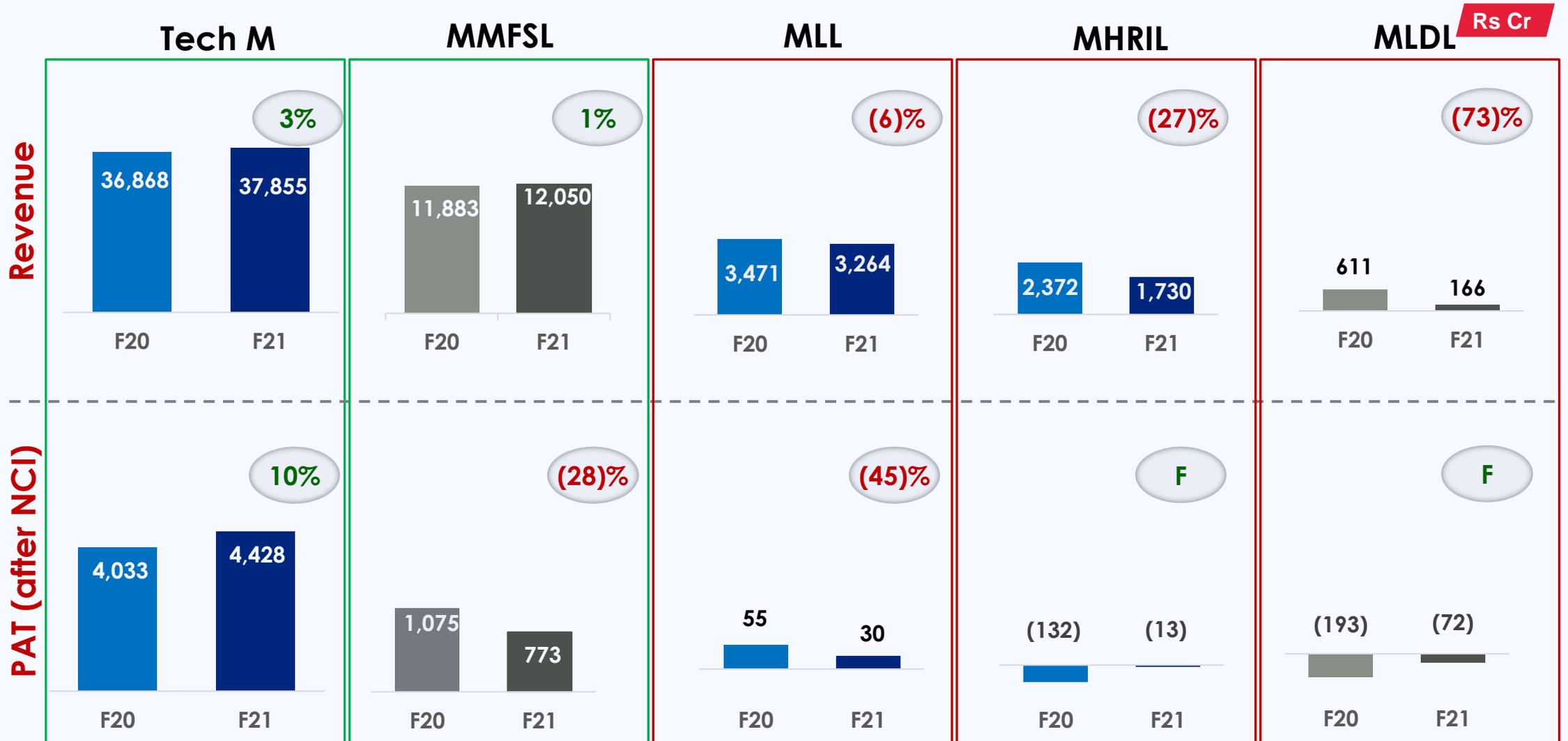
Rs Cr

	F20	F21
 Domestic Farm	2,162	3,237
 Domestic Auto	1,354	640
 Intl. Subsidiaries	(1,909)	(672)
 Group companies	1,357	1,405
Tax <sup>-1)</sup>	422	-
<b>Total</b>	<b>3,386</b>	<b>4,609</b>



Two Wheeler, Powerol and SBU included in Domestic Auto  
 (1 – One time impact of shift to new tax regime, taxation of dividend income)

# GROUP CO'S - LISTED

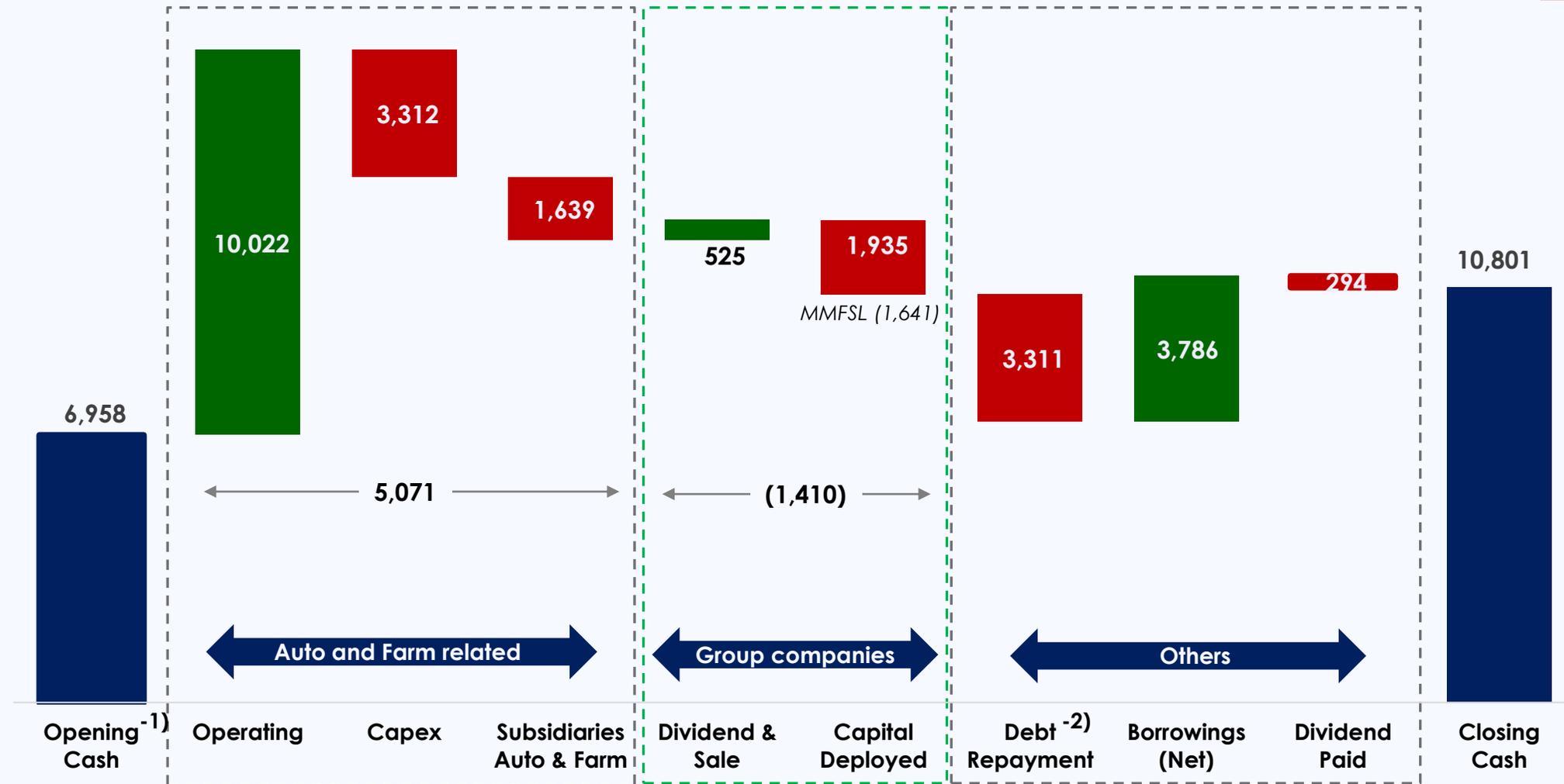


Based on consolidated Results

# CASH FLOW: F21

M&M + MVML

Rs Cr

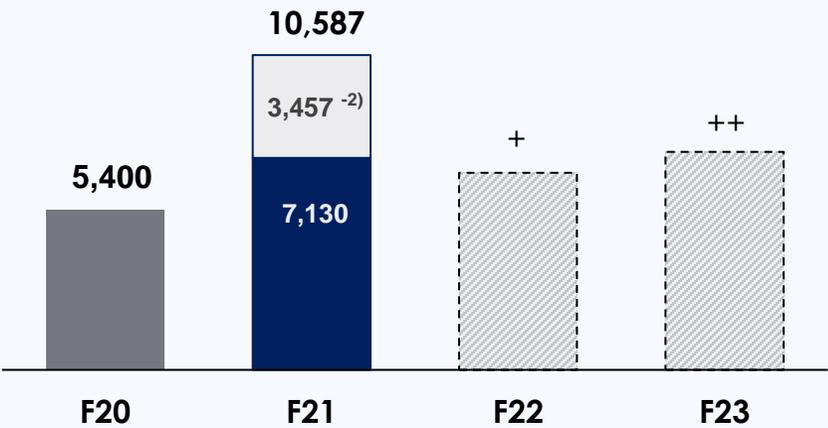


(1- Opening cash adjusted for MVML balance of 28.49 Crores  
 (2 - Investments made in subsidiaries for debt repayment  
 Cash balances including Surplus ICs

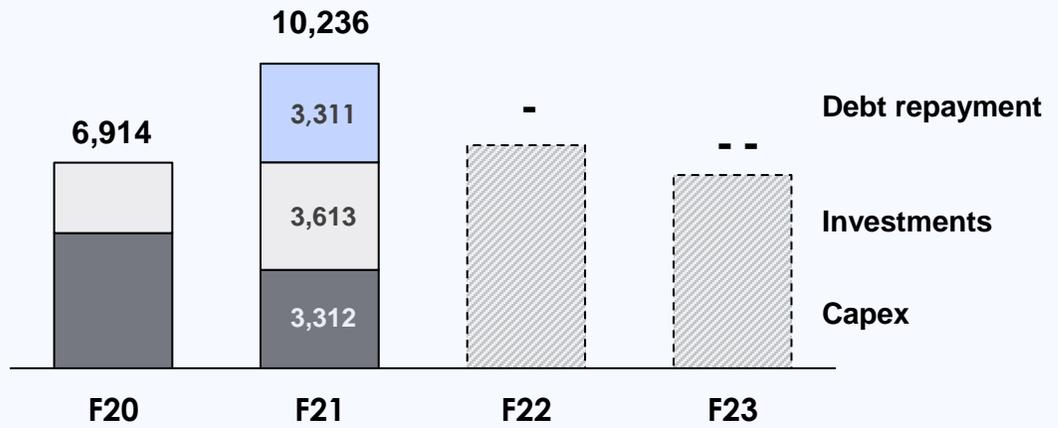
# CASH UTILIZATION PLAN

Rs Cr

## Cash generation<sup>-1)</sup>



## Cash utilization



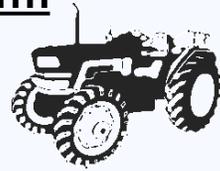
### Capital Deployment for F22 – F24<sup>-3)</sup>

Auto – Capex	: ~9,000 (incl. EV)	Auto and Farm – Investments	: ~1,500
Farm – Capex	: ~3,000	Group companies - Investments	: ~3,500

**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 – Includes dividend from subsidiaries  
 (2 – Working capital impact for F21  
 (3 - Does not include any investments for inorganic growth

Farm



Auto



IT Services



Financial



A gateway

to the largest

and fastest growing

themes in India

Real estate



Hospitality



Logistics



Growth gems



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

# Appendix

# 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 31 March 2021.*

**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.”*

# SEGMENT RESULTS: F21

## CONSOLIDATED M&M

Rs Cr

	Revenue			PBIT		
	F20	F21		F20	F21	
Automotive <sup>-1)</sup>	28,824	25,990	↓	1,310	736	↓
Farm equipment	21,113	24,792	↑	2,277	4,158	↑
Financial services	11,828	11,990	↑	1,450	538	↓
Hospitality	2,374	1,747	↓	128	(26)	↓
Real estate	639	184	↓	(50)	(99)	↓
Others	12,821	11,526	↑	44	278	↑
Less: Inter-segment	(2,217)	(1,951)		2	5	
<b>Total</b>	<b>75,382</b>	<b>74,278</b>	<b>↓</b>	<b>5,161</b>	<b>5,590</b>	<b>↑</b>

(1- excludes Ssangyong revenue – discontinued operations)