



**Mahindra & Mahindra Limited**  
**Q1 FY26 Results Media Conference & Analyst Meet**  
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**MR. AMARJYOTI BARUA - GROUP CFO, MAHINDRA & MAHINDRA LIMITED**

**Anish Shah:**

Good afternoon and good evening. I'd like to start with a tribute to Mr. Manoharan, a Director on our Board, in fact the Lead Director for M&M. He passed away this morning and we're very saddened by his passing. He was a wonderful person, someone who was always very positive, who always worked to find solutions, who had tremendous respect for each person and just an absolute pleasure to work with. We will miss him dearly. Our deepest condolences to his family and he's someone who we shall always cherish with a very fond memory as a key member of our Board and someone who's made significant contributions to the growth of the Mahindra Group. He was also a Director for many years on the Tech Mahindra Board and, therefore, has been associated with the Group for a long time.

Let me then move to the key messages from our results this quarter. It was a very strong quarter overall. We've had a number of strong quarters for some time now but I would look at this as amongst the strongest.

- Consolidated Profit After Tax is up 24%
- ROE is north of 20% for the first time, 20.6%. But as I've always maintained, our target for ROE is 18%. We may go slightly higher or slightly lower from time to time and that's what we will stay with.

All our businesses have driven this performance and that's what you will see through some of the numbers we'll share.

Starting with Auto and Farm, significant market share expansion for SUVs.

- The volume for SUVs is up 22% and revenue market share is at 27.3%, up 570 basis points.
- Tractor volumes up 10%. A 50 basis point market share gain to 45.2%. Very significant especially in the 40s. Every basis point is valuable and our team's shown remarkable growth in a tough market overall.
- And it's not just about growth, margins are very strong as well.
- With Auto continuing at a 10% margin, excluding Electric SUVs, as Rajesh will explain in detail.
- And Farm PBIT margin is 19.8%.

As we move to Tech Mahindra and Mahindra Finance, what we see there is again very strong progress.

- Tech Mahindra has its EBIT margin recovery on track at 11.1% this quarter with an F27 target of 15 %.
- Mahindra Finance continues to focus on asset quality at 3.8% is well within the thresholds that the business has set.
- Assets Under Management are up 15%.

And while disbursement was a little slower, even the environment that we've been in, this is exactly the path that we want to be on and the business has shown very strong performance. And

what you will also see in our numbers is the momentum for Growth Gems continues at a very rapid pace. And what we are seeing in our overall result of a 24% growth in consolidated PAT and, therefore, in EPS, you will see all the businesses coming together to contribute to that.

Key highlights –

- Revenue up 22% at the consolidated level.
- Profit After Tax up 24% to 4,083 crores.

In Auto, we talked about the SUV volume. The CV volume is up 4% in a very tough market. And what we would highlight there is Profit After Tax for Auto is up 32% this quarter.

Farm has seen market share gains, as I mentioned, margin expansion. And international subsidiaries have been a drag this quarter because of specific write downs that were taken and that results in a Profit After Tax of 7% growth year over year for the same quarter.

As we look at the key drivers of this performance, overall Auto and Farm continue to capitalize on market leadership.

- Profit up 20%. Tech Mahindra up significantly from last year.
- Mahindra Finance up 6%. Good, solid performance right now.

And Growth Gems also up significantly. The Growth Gems, more than profits, we look at the underlying momentum for growth, which is very strong.

- Lifespaces or MLDL has acquired Rs 3,500 crores of GDV.
- Susten has commissioned 70 megawatts.
- And Accelo has seen very strong growth in revenue as well as in profitability.

The headlines for Mahindra Finance are reasonable growth but more importantly sharp focus on asset quality that continues. Very strong controls. We've initiated a specific project to strengthen that further. A high focus on technology and related to that customer experience. And all of this is what we had talked about. We're in the final stages of most of that. And once we've done that, then we pivot to growth and that puts the business on a much stronger footing and continue to diversify, which is also the next step for the business.

Tech Mahindra has seen some deal-win momentum led by Telecom and Financial Services. The transition from a delivery standpoint has gone well and that has been reflected now in strong customer feedback, as we see in our NPS score.

And I spoke about margin earlier, the recovery plan is working well. And, therefore, you see both of these businesses contributing well to the path forward and the overall results for the Group.

Logistics, we've seen multiple deal closures. With Hemant coming in as CEO, we're seeing his experience coming to bear in the logistics business. And a number of partnerships have been signed up. And we're seeing a much stronger momentum for the business.

Hospitality, again, very strong numbers and we're looking at delivering a lot more. It's a business with tremendous potential and one that we feel will do much more to harness that potential.

Real Estate, you will see some variation at times in pre-sales quarter to quarter because that's the nature of the game as well as in PAT. So, you see a slight decline, a 56% decline in pre-sales, a 4X increase in PAT. But that will be driven by one-offs. More importantly, the underlying trend is very strong and we are going on plan for a 14X growth in pre-sales this decade. And that is also being supplemented by ₹3, 500 crores of GDV that's acquired, that I had mentioned earlier.

So, in summary, a slide that you're familiar with and the new bar that's added to the slide continues that trend with ROE at 20.6% and EPS for the quarter at ₹36.4, a significant jump or growth from first quarter last year.

With that, I would like to invite Rajesh to tell us more about everything going on at Auto and Farm.

**Rajesh Jejurikar:**

Thank you, Anish.

I'm going to start with the Farm Equipment business. And, you know, we've seen a very healthy growth in volumes in the context of the tractor market, 10%. But, most importantly, we've got to our highest ever quarter market share, which is 45.2, which is a gain of 50 basis points over the same period last year.

So, the momentum that we're seeing in the tractor business continues, you know, with both the brands doing really well, both the Mahindra and the Swaraj brand.

This graph captures the trend line, where we've seen an upward trajectory on an ongoing basis.

The Farm Machinery business continues to show good growth and we had a 300 crore plus quarter, literally 100 crores per month with Rotavators doing very well, again in market share at 25%. And this was our highest ever single quarter revenue in the Farm Machinery business.

The margins you see on the left is what is the Farm standalone margin, which is at 19.8; a healthy growth over the same quarter last year. On the right, you see the Core Tractor PBIT percent margin, which is really the tractor business, domestic plus exports, does not include Farm Machinery, does not include Powerol and so on. And that has again seen a very healthy margin, 20.7%.

This is the graph we have been using to show you the ability of the business to manage margins within a band, irrespective of whether, you know, the industry is in an upcycle or a downcycle.

And, you know, we again have seen a very strong healthy margin performance in the context of 9.2% industry growth.

This is the Farm consolidated number. And, you know, we're seeing a 12% revenue growth and a PBIT growth of 6%. A very large chunk of this, you know, is impacted by its impairment, as you see at the bottom of the slide that we took on the Sampo business in Finland, that's the harvester business. And if we had not taken that, we would have probably seen the PBIT growth at about 18%.

Moving to Auto, very strong growth. You know, most of you are tracking that the industry growth has been not so strong and we have continued to deliver in that environment 22% growth in volume. The LCV business has seen 4% growth. This category has not seen the industry momentum that we would like to see. We've gained share in both, so you see the revenue market share up 570 basis points, the volume market share in LCV, to a level now 54.2%.

This captures the movement of SUV's revenue market share . And this is a chart we're seeing for the first time, so I'll spend a minute to explain it. The red line represents our penetration, that means our Electric SUVs as a percentage of our total SUVs. The black line represents that for the industry. So, what we're seeing now is our Electric SUV penetration is close to 8%. You can see over the last two quarters, the pace at which penetration is moving up. On the right side, you see the E-SUV volume market share and that has been at a healthy 31%. As we've just looked at electric SUVs, both of which have got a very good response in the market.

This is based on the JATO data, captures the revenue market share, which is very strong 44.3% as a percentage of Electric SUVs and 40.9% as a percent of Electric Passenger Vehicles. That means it takes Passenger Vehicles as SUV plus cars together.

The LCV, we just spoke about the fact that the industry is in a slow growth phase and our market share continues to be strong and robust.

The Auto margins have been strong. The Auto standalone PBIT percentage is at 10%, which we believe is a very strong performance in the current environment. We'll explain this a bit more in detail so that you get a granular understanding of this. So, the Auto standalone as reported is a function of two things. The Auto standalone number, which we just saw on the previous slide, and the margin that we make on the Electric SUVs manufacturing contract. So, we, M&M Limited makes vehicles on a contract manufacturing conversion cost for Mahindra Electric Automotive, the separate legal entity. The margin there is only on the conversion cost.

You can see that on a revenue of 2800 crores, the PBIT there is only 7 crores because that is a conversion cost margin only. And that drops the 10% to 8.9%. The 10%, which is the core business in which we play, as we call it Auto standalone, continues to be at a very healthy PBIT margin there.

The Born Electric business has delivered a very strong end-to-end performance of 111 crores as

an end-to-end EBITDA. And as a standalone company, MEAL had an EBITDA of 90 crores. And as you just saw, the rest of the EBITDA comes out of contract manufacturing, which is 21 crores. So, that together creates 111 crores of EBITDA.

The Last Mile Mobility, we continue our leadership. Category penetration continues to be at a strong level, is now at 28% and the business has seen a growth of 20%.

These are the Auto consolidated numbers.

- So, Revenue growth of 31%,
- PBIT growth of 15%.

This, of course, the growth percentages represent the fact that Electric Vehicles, SUVs, are part of the revenue and are part of the PBIT and we did see that we are losing money at a PBIT level because of depreciation on Electric Vehicles.

With that, I'll hand over to Amar. Thank you.

**Amarjyoti Barua:**

I'll just start with two things first before I sum up the financials. One, of course, is like Anish mentioned, it was a tough day for us. And as a finance professional, it was even tougher because Mr. Manoharan really was somebody who guided a lot of finance professionals. I personally benefited a lot from my interactions with him in the Audit Committee and it is a big loss for the company. Resulting from that is the format of the Earnings Call that you see today. So, this is not going to be the way we operate in the future. We'll go back to our normal routine from subsequent quarters.

Just to then sum up the quarter, you already heard about the numbers. I'll just hit some highlights.

At a consolidated basis, Auto had a 31% growth, Farm had 12% growth, Financial Services had 16% growth. And out of the Growth Gems, 2 notable call-outs, Accelo, that Anish talked about, 34% growth, and even Mahindra Logistics had 14% growth. So, pretty broad-based growth across the Group.

On the PAT side, again, Auto was the standout with 32% growth. You'll ask why PBIT was 11% and PAT is so much higher? It's primarily driven by the cash generated by Auto. It helps generate a lot of surplus fund income, which is what helps Auto PAT be so much higher.

And then from a Farm standpoint, we did see the depression because of the Sampo impairment, which gave it a 6% year-over-year.

The other call-out was TechM, which was up 34% year-over-year at a consolidated level.

This is the bridge which explains that walk. You can see there's a significant contribution from Auto, Farm muted by what we had to do at Sampo. I do want to emphasize that the Sampo run rate of impairment is not going to carry into future quarters. These were the two large, we have to

take an impairment in the fourth quarter and we have had to write down assets in the first quarter in anticipation of certain actions that we are taking and this should be the end of anything major coming out of Sampo.

And then if you look at the Services side, that had a significant contribution by TechM and Mahindra.

And on a standalone basis, again, Rajesh talked a lot about that. Great performance from Auto and Farm, which has resulted in that 32% PAT growth.

While we have no charts here, I do want to talk about cash very quickly. This was, again, a very strong cash generation quarter. As you would recall, we had announced two Rights Issues. We have infused close to 2,500 crores into two of our subs. Despite that, our cash balance actually grew quarter over quarter, thanks largely to the very strong cash generation from AFS.

With that, we'll open it up for Q&A.

**Swati Khandelwal:**

Thank you everyone for joining us online. And as we're getting the questions, we'll kickstart the Q&A.

The first question is from Nandini Sen Gupta from TOI. Her question is about sentiment pickup better in rural India than in urban in FY26 so far.

**Anish Shah:**

Yes, rural sentiment is better and we're seeing that in our Tractor business urban continues to be weak. There are multiple reasons for that but the fundamentals are strong. So, on balance I do believe that given everything that we've seen with regard to rate cuts, greater liquidity and the overall sentiment being weaker will likely turn around. We've had a good monsoon, again that matters for rural but for urban. Our sense is we will likely see some sentiment turnaround and us getting back to a stronger growth. But at this point, it is weaker. Let me have Rajesh just comment on it as well in terms of what he's seeing specifically in the Auto business in urban India.

**Rajesh Jejurikar:**

Yes, Nandini, we do, I mean, everyone's picking up that there is an urban slowdown. It is quite tangible at this point of time. We do know that sentiment, like Anish said, I think the fundamentals are all in place. The sentiment is probably what's coming in the way and seen at times that as festivals start coming in there is a turn in sentiment and we're hoping that the industry in urban starts picking up towards the end of August as the festival seasons get started in some parts of the country and then in September with Navratri and Diwali.

**Swati Khandelwal:**

Swaraj from Financial Express has asked, what is the update and how are we placed, as in Mahindra placed, with regards to Rare Earths Magnets inventory across segments? And have we decided the location, investment and proposed new plant that we talked about last time? What is the current capacity our factories are working.

**Rajesh Jejurikar:** I'm not sure I understood the third question. Third question has nothing to do with Rare Earths.

**Amarjyoti Barua:** It's a new plant for capacity.

**Amarjyoti Barua:** It's nothing to do with Rare Earth.

**Swati Khandelwal:** Yeah.

**Rajesh Jejurikar:** So, hi, Swaraj. So, we are comfortably covered on the Rare Earth Magnet issue, as we've shared earlier. We have no disruption in production because of that. We've taken a series of actions, some of it has been around inventory, but we are covered comfortably at least for these two quarters, the coming quarter and the next one, and mostly covered on everything for even the fourth quarter of the year.

We've taken a variety of actions, substituting the Rare Earth with Light Earth, we've looked at ferrites. So, multiple sets of actions have been taken to derisk ourselves. And at this time, we feel comfortable that that's not an issue.

And the second question?

**Swati Khandelwal:** Yeah, it was on the plant. The second question is about your proposed investment in a new plant.

**Rajesh Jejurikar:** Okay. Again, that's nothing to do with Rare Earths. So, Swaraj, where we are on that is we had said that for the new upcoming platform we will expand the capacity within Chakan. That's on way and you will hear a little bit more about what that new platform is very soon on 15<sup>th</sup> August. We have actually been able to pull out more out of the Chakan plant than what we thought. And, hence, while we are exploring the greenfield as an avenue to make us completely future ready, we still have not zeroed in on the site and that we will do over the next few months. So, we don't have an urgency at the moment given that we will be able to handle production capacity increase within Chakan for the new platform that is getting created.

The capacity utilization, I think, you see our numbers right now. We have an ICE capacity of roughly 55,000. We are in the mid-40s, so roughly about 80% or so is our capacity utilization. And it's about the same for Electric Vehicles where we are 70%. In this time, we are ramping up to a level of about 4,000. We should go up as we come closer to the festival season.

**Swati Khandelwal:** A couple of questions from the analysts as well. Kapil from Nomura. Questions are as follows. Congratulations on strong quarter once again. Demand environment is tougher than expected, is there a risk to SUV growth guidance? And, well, I'll take the second one as well. What is driving the EV profitability improvement? What will be the further margin drivers for Electric Vehicles? What's the status update for PLI? So, well.



**Anish Shah:** Yeah, Kapil, while I'll request Rajesh to answer the question, what we've been able to demonstrate so far is the ability to manage the risks and be able to deliver what we've committed. So, that is our hope at this point as well and that's something that we do feel very strongly about.

So, with that, Rajesh.

**Rajesh Jejurikar:** So, Kapil, the question is a totally valid question by the way that is to the SUV growth guidance that we put out. We stay with our number. So, we'll stay with the mid to high teens as a growth percentage. We believe that we will be able to achieve this because we have 2 new Electric SUVs, 2 more which will come in early part of '2026. And we have, you know, done minor variant refreshes, if we may call it that. For example, on 3XO we've done the REVX two versions. They've got off to a very good start. We've done a couple of new versions with upgrades at this point of time on Scorpio N. And other similar tactical actions are expected over the next few months.

We do have an aggressive launch calendar over 2026 and some of that may spill over into the early part of 2026 which affects the financial year F26. So, we do feel comfortable at this point of time with the state of the current economy as it is to be on our guidance of mid to high SUV. Of course, if there is a big deterioration in the economic environment over what it is now, that is a different story. But the way things are, we stay with our guidance.

On the electric SUV, I just want to clarify that we have not accrued any PLI at this point of time in the numbers that you saw. So, the EBITDA that has been shown here is without accruing any PLI benefit. We have qualified, as we said earlier, for the XEV 9e PLI from a point of view of meeting the DBA. We are waiting for the final technical audit certification which should come in in Q2. Once that comes in, at whichever time, either Q2 or early Q3, we will accrue the PLI for the XEV 9e which will be a combination of cumulatively close to from the time that we launch. The BE 6 PLI is something that we will hope to apply for in Q4 of the year and accrue it subsequent to the application which takes roughly 3 months. So, that is where we are on the PLI.

What has enabled us to deliver this financial performance on the Electric SUVs, I think, are the following.

1. Right now we have sold only the higher end versions. As you know, over the next few months the mix will include lower end versions. It will, of course, be a little dilutive compared to what just selling the top end versions is about.
2. Secondly, I think, we have the benefit of having leveraging existing assets of M&M and that is, I think, a very, very important point we must underscore every time we have this conversation and that is a huge competitive advantage that is available. We are using existing manufacturing facilities except a few new shops, some of you have seen it in Chakan, and that helps us keep overall fixed costs at a low level and is helping us deliver a reasonable financial performance.

Anish.

**Anish Shah:** You have covered it well, thank you.

**Amarjyoti Barua:** Just one other point, Rajesh, on the growth side was exports are also starting with the XUV 3XO doing well in South Africa, etc. So, we do have at least that international leverage which we probably didn't have in the past. So, just wanted to add that.

**Swati Khandelwal:** Another question, well it has come from Gunjan from Bank of America. Some of them are repeat but I am just going to take you through. Implication of Rare Earth on both ICE and EV SUVs, which we have answered. Ramp up of EV business, how should we think of ramp up to 5k per month run rate, which I think we are already doing. And, finally, any color on booking run rate, portfolio and variant expansion and customer feedback. Also, talk about contribution margin for the EV offerings that you have.

**Rajesh Jejurikar:** A lot of these have got answered, so I will maybe add a qualitative feel to that. So, just to add, Gunjan, on the ramp up of EVs, we are right now at 4. As we get into festival, we would ramp up to the level of 5 to 6 that we spoke about. And then the further ramp up beyond that we expect to happen after January when we launch the additional 2 products which we have spoken about. So, that is something that will happen in the early part of '2026.

The feedback out of customers who are using the product and we track this very regularly. So, we have the typical methodology of Net Promoter Score tracking which is above global benchmark. So, we track that on delivery which is a 2-day, 2<sup>nd</sup> day ownership feedback and a 30-day ownership feedback. All of these are very strong numbers that we are getting.

We believe that the value proposition is very strong and we are getting a very different profile of customers. Interestingly, these Electric Vehicles have the highest women ownership amongst all our product portfolio. So, we are getting a very different profile of customers.

I don't remember right now the exact number but I think 80 odd percent of our customers who bought Electric Vehicles are not Mahindra.

**Swati Khandelwal:** Business Today has asked a question on...

**Anish Shah:** Not ex-customers of Mahindra.

**Rajesh Jejurikar:** Ex-or current.

**Anish Shah:** Current customers of Mahindra. Yes.

**Swati Khandelwal:** Okay. With the CAFE norms becoming mandatory for commercial vehicles including the N1 category, what sort of impact do you see on the margins? And, overall, your view on the CAFE norms, what's been happening in the press?

**Rajesh Jejurikar:** So, on the CAFE norms, basically this is a discussion that is very actively advocated by SIAM. SIAM has given for the Passenger Vehicle business a proposal around the CAFE norms in

December'24 and for the Commercial Vehicle category in January'25. We strongly endorse and support the SIAM proposal and we believe that there is very high alignment within the SIAM organizations around that. We will wait for the government to come back on what is the final version of that and we will be prepared to, of course, implement whatever is the final decision. But we believe there is high alignment within SIAM around that.

**Swati Khandelwal:** Nevin John from Fortune India. What is the timeline for Mahindra's scaling its EV offerings? And how do you protect and grow the market share in the face of fierce competition that will intensify with the entry of new international players?

**Rajesh Jejurikar:** Yeah. So, I think, I've answered the question on the addition of the new products. Of course, you know, as new players come in, market share gets diluted from a volume standpoint. We do believe that, you know, that hence our goal should be around the revenue market share because our products will be at much higher average price points than competition.

Like what we've seen with the entry of new players for the last two quarters, we've seen the EV penetration, as we just saw in the graph, start to move up. We believe as more players will come in, EV penetration will go up. That is fundamentally the right direction for the country. We strongly endorse the EV journey that the Government of India has laid out. And, you know, we have seen very good progress with new players coming in. The charging ecosystem is also getting much more stable and there are very strong plans that the government has to implement through the Ministry of Heavy Industries and a few other partners in the ecosystem to execute a stronger charging infrastructure.

So, we think as a combination of all of this, we will start now seeing a rapid growth in EV penetration as word of mouth kicks in, ecosystem starts developing and that will lead to growth for Electric Vehicles. And I believe more growth overall for passenger vehicles in that process.

So, you know, I think we will have to assume that as competition comes in, market share will get affected but overall volume will start picking.

**Anish Shah:** Yeah, I'll just add a couple of points to that. We've had this question on competition for a few decades now and what we've seen is that competition has always made us stronger. The one difference we see this time is that usually in the past when competition came in, we had to improve our offerings, which we did and we could combat competition well. This time with the electric cars we have, our products actually stack up very well against the competition coming in.

So, we're in a better position to start with and that gives us a lot more confidence based on what we've achieved over the last few years to be able to do well in the market. And I would dare say, you know, maintain and potentially grow market share as well.

**Swati Khandelwal:** Arvind Sharma from Citi. His question is, views on commodity costs and the impact on Q1 FY26 margins. Also, if you could please share any updated news on TREM V.

**Rajesh Jejurikar:** So, on the commodity prices, we are concerned about steel going up. Steel has gone up by about 6% over the last quarter. We were able to mitigate some of this in Q1 through hedging and inventory carryovers as well. We have taken some price increases to pass this on to customers as well already. But really our view is that, you know, looking at the overall inflation levels in the category, there should be an effort made to moderate the level of inflation that is getting kicked off with raw material increases in steel. But that is something definitely which is a watch out.

I think the second question was around TREM V. The government had put a panel in place and they have made a recommendation splitting the kind of implementation needed by different horsepower categories. We believe that is a reasonable proposal and we are comfortable with, you know, an ability to implement that in a manner which is realistic within the rural infrastructure available in the country and the comparability and the attainability of, you know, the changes in the product to meet that level of emission requirement. We are still waiting for a final verdict on what the timelines for those norms are once the panel report is being evaluated.

Did I cover all the questions?

**Swati Khandelwal:** I think so, yeah. Inventory.

**Amarjyoti Barua:** Yeah, just on the commodity inflation, it is important to understand that the hedges act on our overall purchases. So, while we did get enough offset in the current quarter, if the steel inflation continues then that will impact future quarters. Of course, like every other quarter, we will have actions to try and offset. But EV is a true headwind for not just us but the industry. So, that is something that we will have to keep watching.

And in addition to steel, steel was the largest, there are certain precious metals which are also starting to see some inflation. That could be driven by just overall pre-buys driven by the U.S. So, we will have to watch that as well. But inflationary environment is right now a little bit more than what we were counting on till last quarter.

**Swati Khandelwal:** Rakesh Kumar from BNP Paribas. As you ramp up delivery of lower variant of EV models, do you see a higher cannibalization of existing ICE models? Any update you can share on the Farm Machinery business? It seems to be trending behind your targets, what is the reason and how do you plan to address it?

**Rajesh Jejurikar:** Yeah. So, firstly, on the lower packs of BEVs, we think that those packs are very important. And as a part of the learning, we will have pack worth 79 kilowatt hour, which we have announced, and we think that is an attractive price.

We have always said that we are agnostic to cannibalization because over a period of time the unit margin of an Electric Vehicle and an ICE SUV is going to be the same. And which is why we've been comfortable about putting both portfolios in the same dealership showroom. So, our mandate is to sell what customer choice is and we are happy to give customers the choice to choose between any of our packs and between the EV and ICE. So, it is possible that there will be

cannibalization but we think that there will be overall growth.

So far, with Pack Three, we have not seen cannibalization. Of course, that was at a different price point. With Pack Three as well, Pack Two, which comes in 79 kilowatt hour is at 23.7 lakhs. So, it is not like it is cannibalizing into 80%-90% of our volume. The only product we have at that kind of a price point right now is the XUV700. We have nothing else in that price range right now. So, we are not too worried about the cannibalization.

On the Farm Machinery business, we have recalibrated our ambition and, you know, moved into saying reasonable growth without diluting profits. So, we have moderated our growth ambition and we are now within the growth ambition that we have set for ourselves. And we will focus at this point of time to strengthening our product pipeline, you know, across multiple streams. We have to strengthen our Harvester business. Just as an example, MEAL Harvester business is right now market share about 5%-6%. We have launched an improved product and hopefully we are beginning to see traction on that and we will start building share on some of these big categories which are value drivers. We will take the growth more incrementally than what we had set out to do but in the process of that manage the bottom line on the Farm Machinery business.

**Swati Khandelwal:** NDTV Profit, Puneet asks a question on the ROXX bookings and delivery schedule now. 3XO's current availability in which export markets and what stable volume targets for exports are you expecting for 3XO?

**Rajesh Jejurikar:** So, Thar ROXX question was on bookings?

**Swati Khandelwal:** Bookings.

**Rajesh Jejurikar:** Yeah. Thar ROXX has a booking pipeline. So, the booking pipeline is much more of the 4x4 part of the portfolio. You know, as we've said earlier, our intention is to not have long waiting period than booking and that's the endeavor. So, we've ramped up. As we said, we've unlocked the fungibility issue we had with 3-door and ROXX. So, we have been able to ramp up ROXX volumes now which has reduced the waiting period and hopefully we will continue to work on that.

On the export piece, 3XO has done extremely well in South Africa. We have just launched it in Australia and the initial response has been very, very positive; very positive media reports and customer reports. At this point, we're hoping to do roughly 1000+ of 3XO in the export per month.

**Swati Khandelwal:** Okay. Question from Money Control from Varun Singh. How much is the overall first-time buyer penetration in your SUVs now? Can you also share some model-wise percentage figures? And with introduction of Thar ROXX, what's been the impact on the 3-door Thar volumes and e-buyer penetration?

**Rajesh Jejurikar:** It's really hard, Varun, to measure first-time buyer penetration. So, I'm not venturing into that data

point at the moment. The source of the data around that across models we found is not always very reliable. Vehicles are owned in different people's names. India is a country with a joint family system, 50% of our audience come out of rural. So, it's very hard to get very reliable data on who in the family, especially in rural India, owned or didn't own a previous vehicle or in whose name it is. So, we've realized after trying to measure that it's not a very reliable piece of data. So, I would kind of stay away from that.

Sorry, Swati, can you add what were the...Varun, can you just recap?

**Swati Khandelwal:** So, Thar 3-door.

**Rajesh Jejurikar:** Yeah, the Thar 3-door is doing about between 3,500 to 4,000 a month. And, you know, between the two, ROXX and the Thar 3-door, we have reasonable fungibility now. But we are consuming almost the full capacity between the two. So, in a way we determine the mix of the two.

**Swati Khandelwal:** Question from UBS from Pramod Kumar. Some questions are repeated, so I'm not taking that. Bunch of others. How should one see DNA evolving for Auto-consolidated going ahead? Can you please remind us about your Auto launch pipeline for FY26 and FY27? And given the response to your BEVs and India's low-cost advantage, is there an opportunity for an alliance with a global OEM for exports of your BEVs?

**Rajesh Jejurikar:** First line?

**Amarjyoti Barua:** Depreciation.

**Swati Khandelwal:** Depreciation.

**Amarjyoti Barua:** Pramod, you will recall, in the fourth quarter we had to do some cleanup of certain projects, which caused the depreciation to spike. It's now back more to the normal range. What you will see is with the CapEx kind of investment that we have, we will see quarter-over-quarter some growth in DNA. But it is not going to be the kind of spike you saw in the fourth quarter. I'm assuming that's where the question is coming from.

And as we called out at that time, we expected it to drop in 1Q, which is what it has done now. But this should be the run rate with a gradual increase as the CapEx comes on line and we have to depreciate or amortize that.

**Rajesh Jejurikar:** Yeah, on the product pipeline, Pramod, we are on track with the product pipeline that we had shared by way of numbers. It will be an exciting '2026 and then, of course, '2027. But we hope to, you know, share with media more details and with all of you in the Investor Meet in November on the new platform, which will get revealed on the 15<sup>th</sup> of August, where you will get a better visibility on the pipeline. So, it continues to be a very exciting portfolio.

You did speak about the EVs and the opportunity of using India as a low-cost centre. We are

seeing that benefit as we see new players coming in. We have a very strong value proposition. We at this point of time are not necessarily thinking of any alliance, as you call it, around that. But there are opportunities for us to go global at the appropriate time and place.

**Swati Khandelwal:** Sumantra's question, is Classic Legends current market performance meeting your expectations? When do you plan to have it listed and unlock value?

**Anish Shah:** So, Classic Legends has a fantastic set of products. There were 9 awards that we won last year and this year. And the market overall has been slower, which is what we're seeing reflect in our numbers as well. But there's a high degree of optimism around it based on the products that we have and what that can do for the business as we go forward.

Rajesh.

**Rajesh Jejurikar:** We are hoping to see a good festival season up ahead and we are gearing up a channel ramp up to leverage the new products that have just been launched and are in the pipeline for launch.

**Swati Khandelwal:** Yeah. Amit Hiranandani from PhillipCapital. Why M&M is behind in exports as we have world-class SUVs? What steps are you taking to increase export sales?

**Rajesh Jejurikar:** Yeah, Amit, I think it's not fair to compare exports of ours with other global players. For other global players, they don't need to build either a brand or a channel. India becomes, in a manner of speaking, white label for them into those countries. For us, we have to go country at a time because we have to establish dealer network, channels, spares network, logistics on the ground, most importantly, brand and goodwill. And that's the approach we've taken.

So, we've invested, for example, over many years in South Africa. And now with the right product portfolio, we've gone into being the Top 10 OEMs, the fastest growing brand in South Africa. This is a result of the effort that we've put in. Today, if you go around South Africa, you will see Mahindra vehicles, you will see very good Mahindra dealerships. And the same is being seen in places like Australia.

So, I think, we will have to build our brand step by step at a time. Our idea is not to be ad hoc about it and try and just look for short term deal based exports but to fundamentally invest in brand, channel and market creation. And that's the process that we are on.

**Swati Khandelwal:** Question from Bus Coach India, Santosh Sharma. Electric buses are gaining traction, is M&M planning to capture a share in the Electric bus segment? Any investments you plan to do to further expand the Electric bus business in collaboration with SML Isuzu?

**Rajesh Jejurikar:** Yeah. So, SML Isuzu has revealed an Electric bus and it's a pretty good bus it looks like. And whatever we do in the Electric bus segment will be through the SML Isuzu entity. So, that's broadly the plan. There's no plan to do any Electric bus within the Mahindra Truck and Bus Division.

**Swati Khandelwal:** I think the other questions are a repeat of most that I already asked. So, I think we can wrap it up. Thank you everyone for joining in and we will close the session now. Thank you.

**Anish Shah:** Yeah, thank you again, everyone, for joining in. We appreciate you coming in today instead of tomorrow, which is what we had originally planned for. But just given the circumstances today, we felt that it was better to close our Board meeting and the results as well. So thank you. We appreciate your participation.

***END OF TRANSCRIPT***