# M&M + MVML Revenue Rs. 11593 crore – up 10%

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## M&M + MVML PBT (before EI) Rs. 1345 crore – up 27%

## M&M + MVML PAT (before EI) Rs. 920 crore – up 19%

**Mumbai, 9th February 2018:** The Board of Directors of Mahindra and Mahindra Limited today announced the unaudited financial results of the company for the quarter ended 31st December 2017.

### **M&M** + **MVML**\* Results

|  | Q3<br>F2018 | Growth<br>YOY | YTD<br>F2018 |
|--|-------------|---------------|--------------|
| Revenues and Other Income                              | 11593       | 10%           | 35173        |
| Profit from ordinary activities before tax (before EI) | 1345        | 27%           | 4510         |
| Profit from ordinary activities after tax (before EI)  | 920         | 19%           | 3083         |
| Profit from ordinary activities before tax (after EI)  | 1731        | 22%           | 4895         |
| Profit from ordinary activities after tax (after EI)   | 1306        | 17%           | 3468         |
| Vehicles sold (Nos)                                    | 121786      | 8%            | 363833       |
| Tractors sold (Nos)                                    | 76943       | 6%            | 235197       |

(Tractors which were earlier exempt from excise duty are now subject to GST. To make the figures comparable, the numbers for previous periods with respect to revenue and material cost for tractors have been restated as if the current GST regime had been applicable earlier).

**Automotive Business:** For Q3 F2018, the auto industry posted good growth on low base due to demonetization impact in Q3 F2017. Passenger vehicles reported a growth of 6.1% and positive rural sentiment along with ease of finance availability fuelled growth of 29.2% in the sub 3.5T CV segment. The company's domestic sales grew by 8% as compared to Q3 F2017 and the company sold 2735 trucks during the quarter as compared to 1302 trucks in Q3 F2017.

To strengthen the UV portfolio, the company launched a new avatar of the Scorpio, its iconic SUV – the 'All Powerful Scorpio'. The new All Powerful Scorpio comes with higher power (140 bhp) and torque, new 6-speed transmission, enhanced performance, imposing styling and luxurious comfort.

**Tractor Business:** The domestic tractor industry witnessed a growth of 7.8% with sales of 1,77,441 tractors in Q3F2018. The company's domestic sales grew by 6.3% as compared to Q3 F2017 and its market share stood at 43.4%. In Q3 F2018, normal north-east monsoons and good reservoir levels helped in boosting the rural sentiment and demand for tractors. The healthy reservoir levels, good progress on rabi sowing and increase in MSP's of Rabi crops should help the growth momentum to continue in the coming months.

|   |           | Q3 F2018 | YTD F2018 |
|---|-----------|----------|-----------|
| Revenues and Other Income                             | Rs. Crore | 11674    | 37000     |
| Profit from ordinary activities after tax (before EI) | Rs. Crore | 830      | 2911      |
| Profit from ordinary activities after tax (after EI)  | Rs. Crore | 1216     | 3297      |

#### **Outlook:**

India's real GDP growth for F2018 is expected to be close to 6.75% according to the latest economic survey. Given real GDP growth of 6% in the first half, this implies a rebound in growth to 7.5% in the second half, aided by favourable base effects, especially in the fourth quarter. The Government has now detailed its bank

recapitalisation plan, which will help revive the credit cycle. A balanced and pro-agrarian budget should help

prop farm incomes and stimulate rural consumption demand and further nurture the green shoots of economic

recovery. With the effects of some of the recent transient factors fading away and the economy adjusting to

GST implementation, growth momentum is likely to stay buoyant.

The export engine should also get resuscitated with the world economy continuing to gather speed

synchronously. More importantly, global trade is again growing faster than global incomes which will have

positive output spill-overs for economies, including India. The recent U.S. tax cut is expected to contribute

noticeably to U.S. growth over the next few years and bodes well for the rest of the world. However, rising

global crude oil prices and any sudden asset market stall pose key risks to the outlook.

**About Mahindra** 

The Mahindra Group is a USD 19 billion federation of companies that enables people to rise through innovative

mobility solutions, driving rural prosperity, enhancing urban living, nurturing new businesses and fostering

communities. It has a leadership position in utility vehicles, information technology, financial services and

vacation ownership in India and is the world's largest tractor company, by volume. It also enjoys a strong

presence in agribusiness, aerospace, commercial vehicles, components, defense, logistics, real estate, renewable

energy, speedboats and steel, amongst other businesses. Headquartered in India, Mahindra employs over

2,40,000 people across 100 countries.

Learn more about Mahindra on www.mahindra.com / Twitter and Facebook: @MahindraRise

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