



Analyst Meet Q2 F21
Automotive & Farm Sectors

RAJESH JEJURIKAR

10th November 2020

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

FLY

F22 & beyond...

**DIFFERENTIATED & PROFITABLE
GROWTH**

- SUV Core brand differentiation
- Launch New Yuvo Star and K2
- Digital transformation
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Q2 Performance Highlights



Farm Equipment Segment

Highest ever PBIT: **1,180 Crs**

Highest ever PBIT %: **24.4%**

Highest ever Quarterly ROCE*: **197%**

First time negative WC leading to high cash generation



Automotive Segment

PBIT Growth of 4%** (YoY) despite revenue degrowth

OPM improvement vs PY

YoY reduction in fixed expenses

High negative WC leading to strong cash generation

Based on Published Results

* ROCE based upon annualized PBIT of Q2 F21 and average of Opening and closing Capital employed of Q2 F21

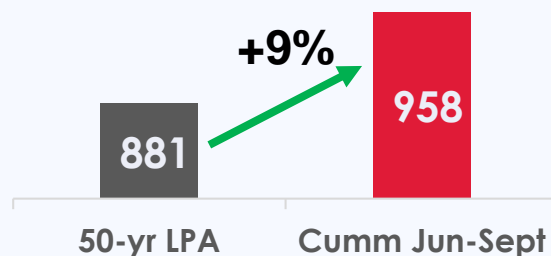
** including one-off gains Rs. 68 Crs

Rural Growth Story

Monsoon boost to kharif output and high reservoir levels which augurs well for Rabi crops...

3rd highest cumulative rainfall in 25 years

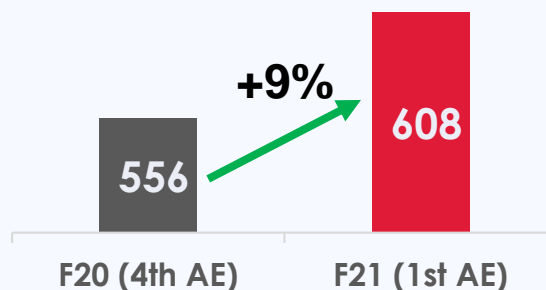
Monsoon (in mm)



- Good temporal & spatial distribution
- ~85% area under Normal & above

Kharif output is estimated to be at record high

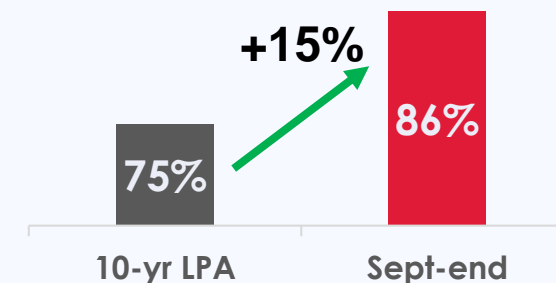
Prod (in mn tonnes)



- Increased output and higher MSP for Kharif marketing season
- Expected **growth of ~13% YoY in farm revenue**

Good monsoon led to high reservoir levels (86% at FRL)

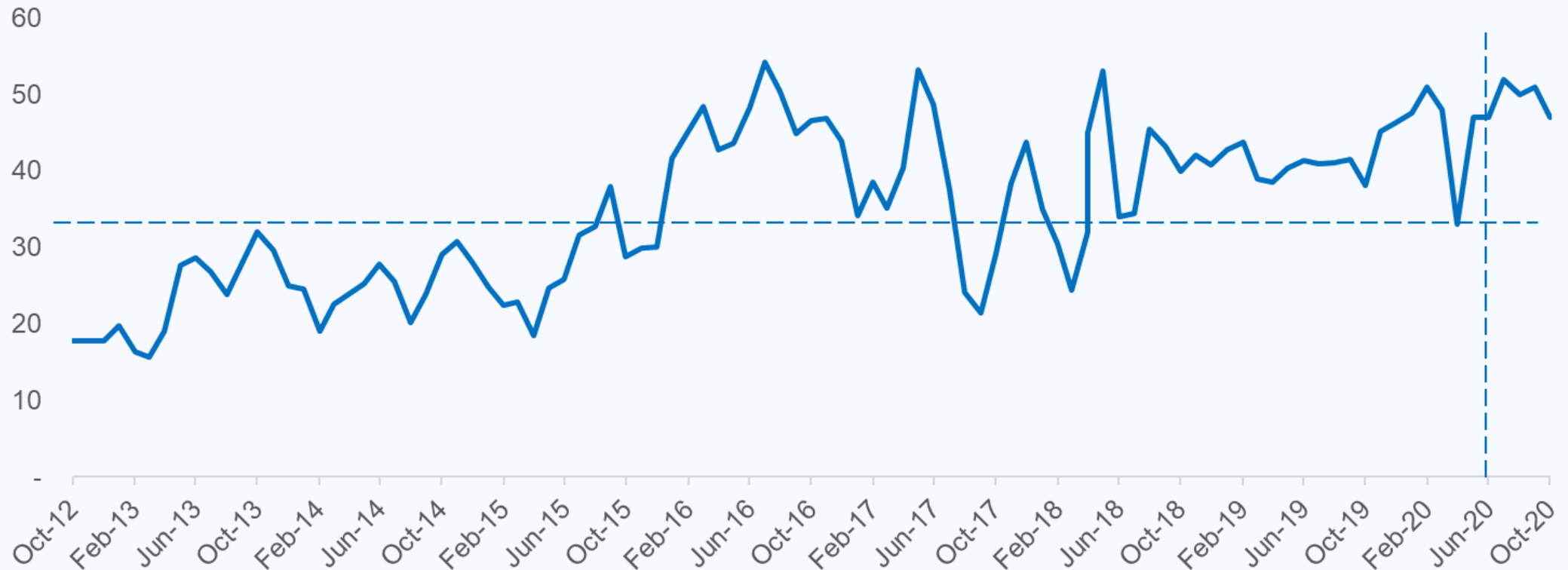
Reservoir levels (% of live capacity)



- Good reservoir levels and the **announcement of MSP one month prior** to the season augurs well for Rabi crops

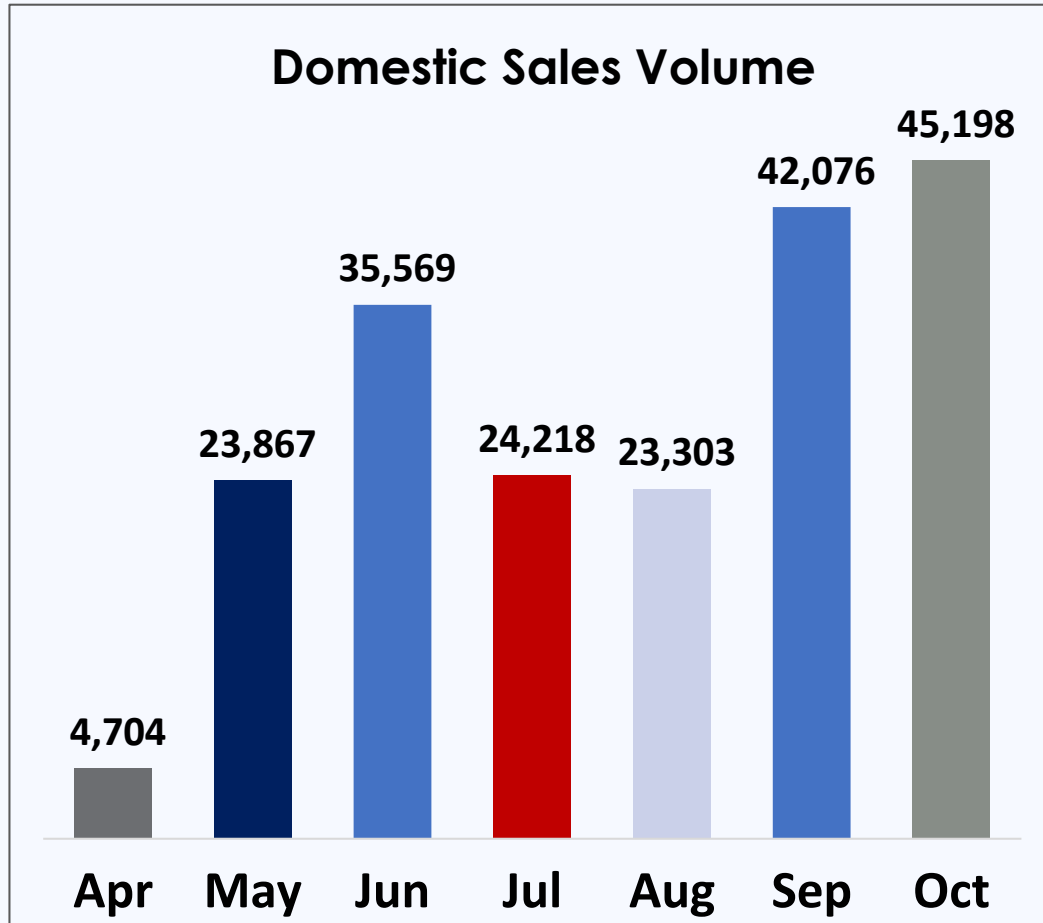
Rural Growth Story

Rural – Govt Spend Index*: Gov spending on Agriculture & Rural Development continue to be on the positive side

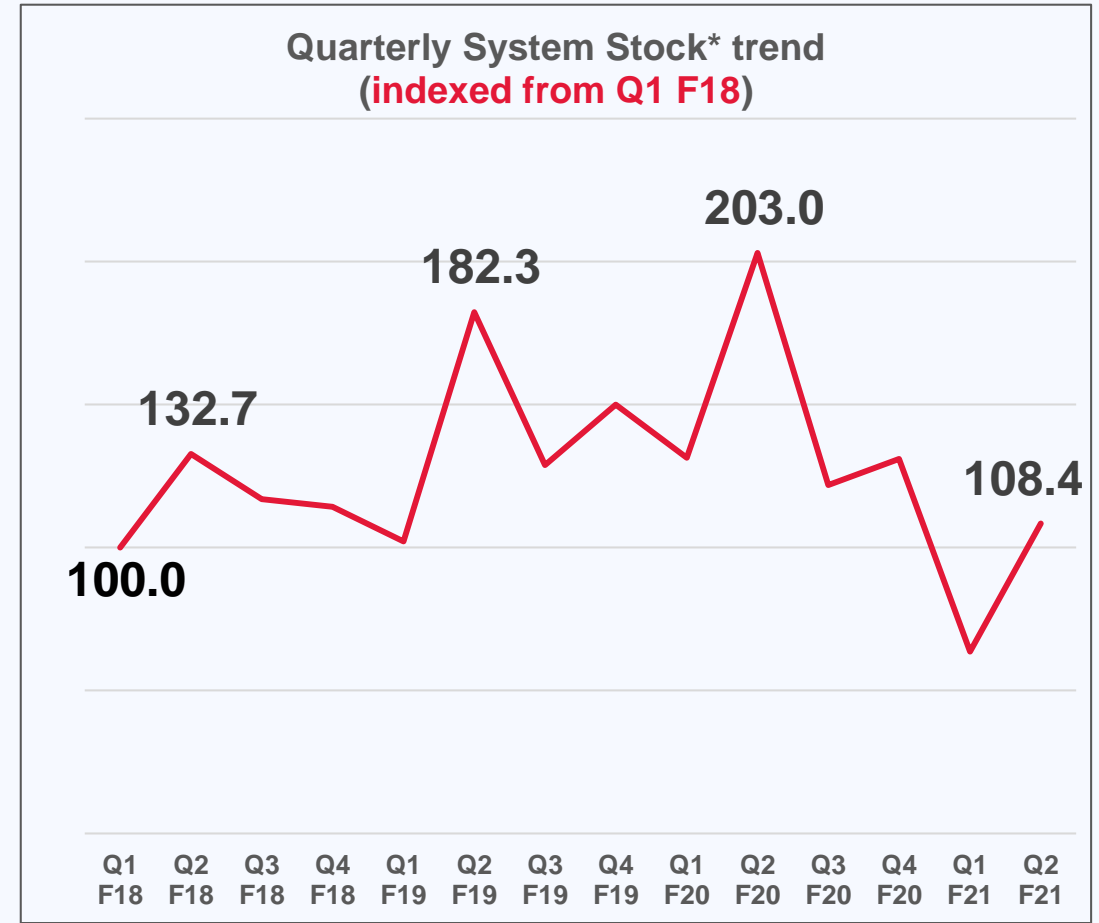


* M&M internal index to measure Government spending on Agriculture & Rural Development

FES – Sales and Stock Trajectory



Strong sales trajectory



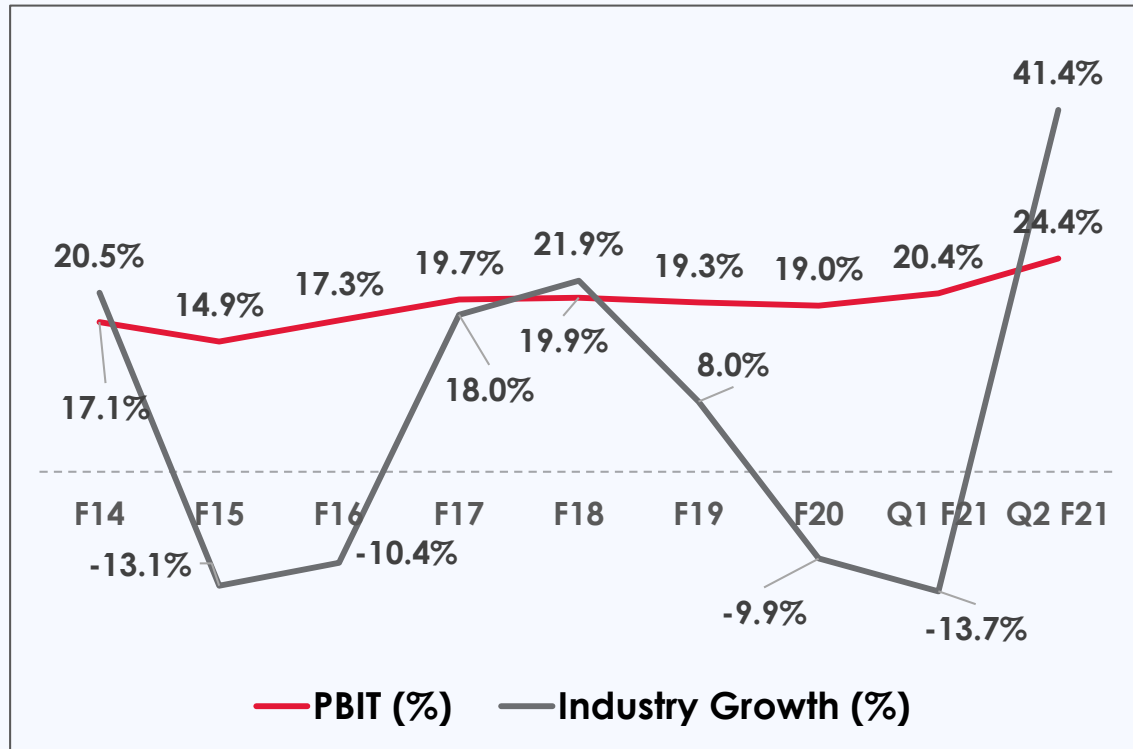
Low System Stock*

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

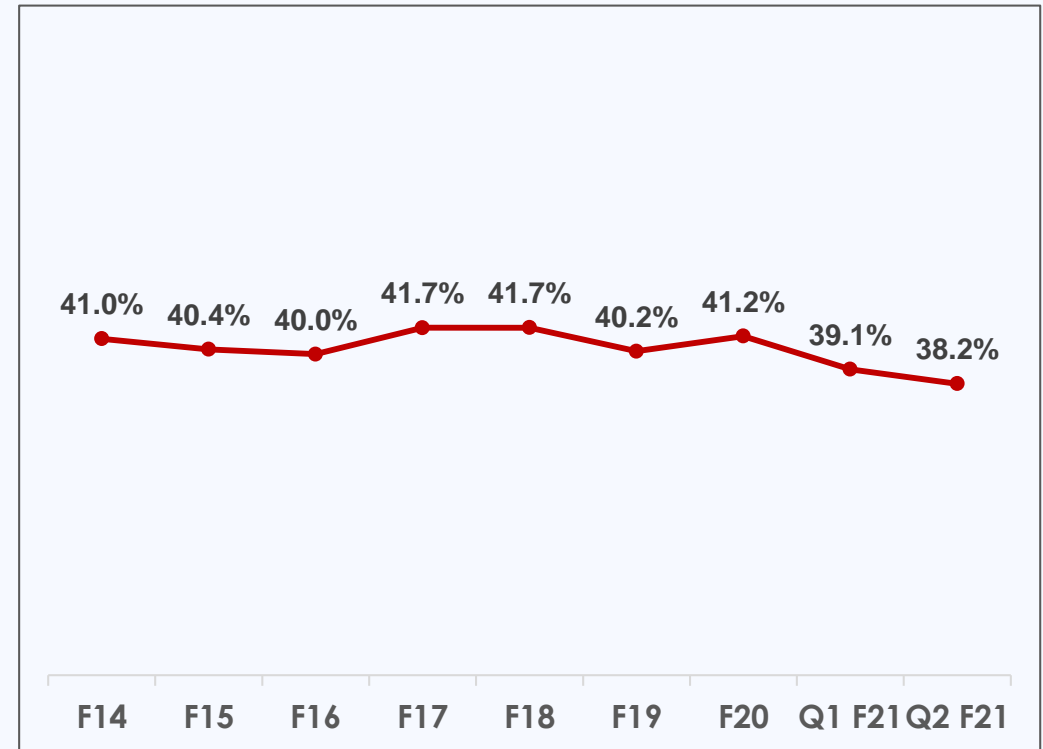
FES – Performance Highlights



Stability in Volatility



Continued Domestic Leadership*



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

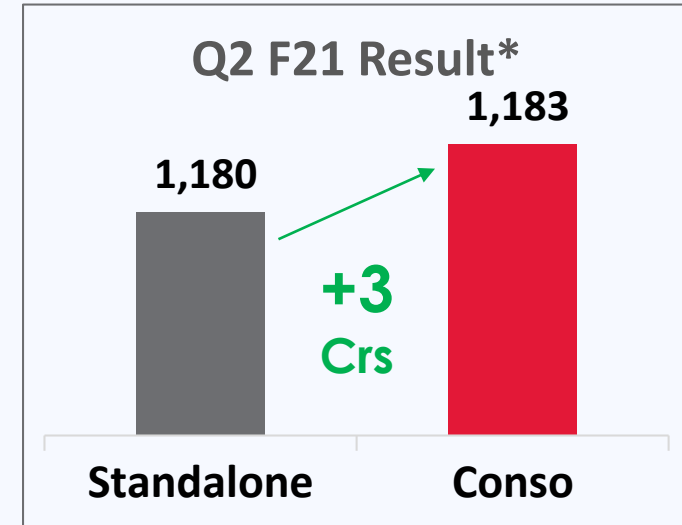
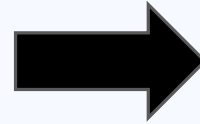
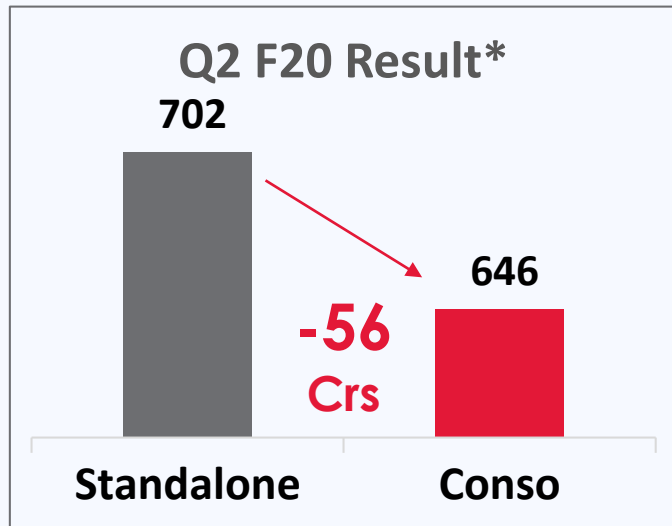
*Market Share for Q2 F21 is not a good indicator of performance due to supply side issues

*Based on Published Results



HIGHEST EVER Quarterly production in Q2 F21 and Monthly production in Oct '20

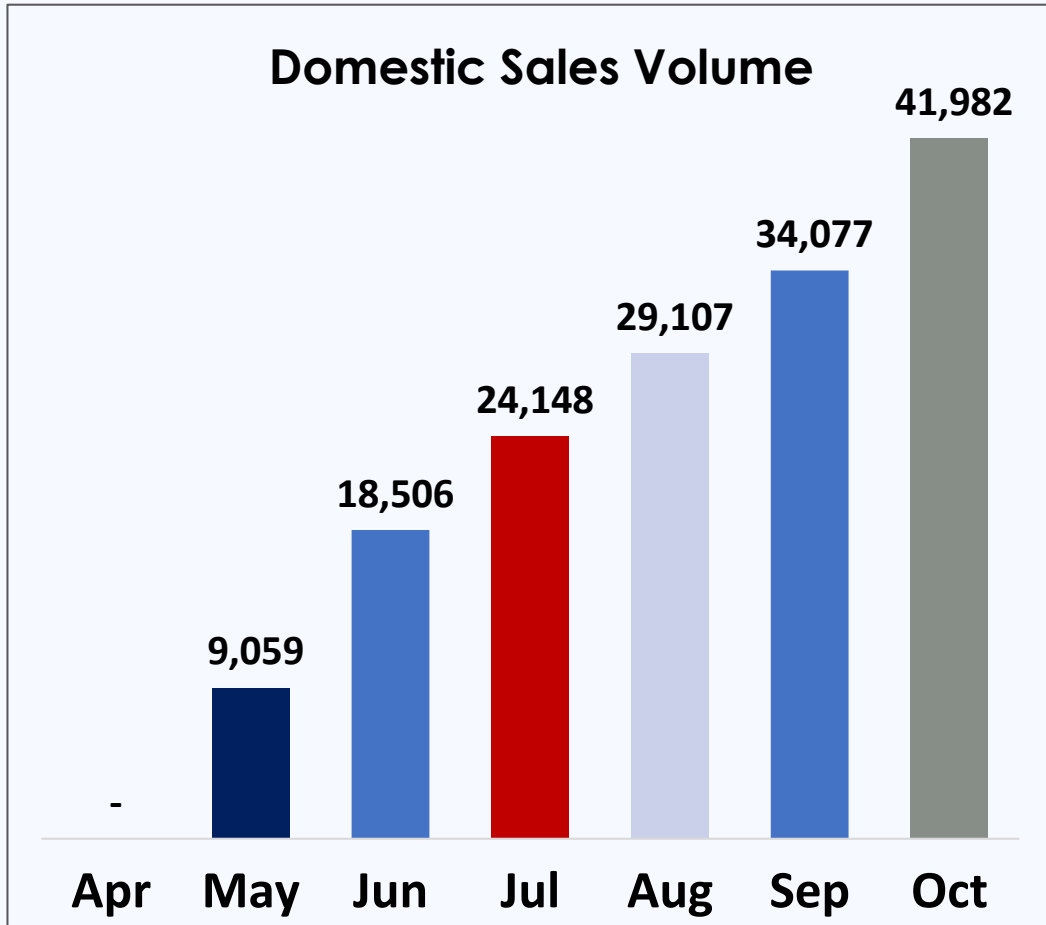
- Market share impacted due to inadequate stock build up in Q1
- That was due to challenges faced in Q1 on supply side:
 - **Localized lockdowns** esp. in Maharashtra where we have plants and large supplier base
 - **Labour migration** impacting overall labour availability
- We will build back inventory post festive leading into Q4



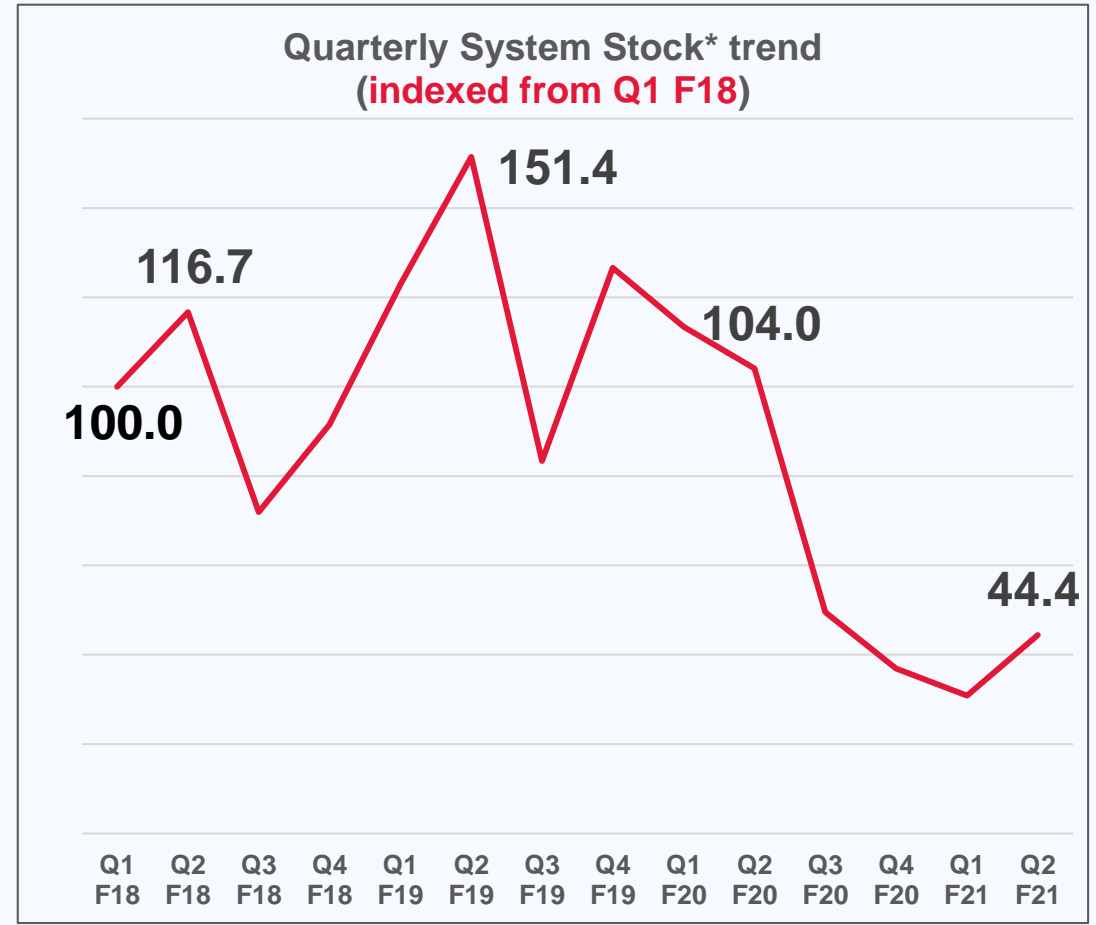
FES International Operations – PBIT Positive in Q2 F21

- MAgNA – MS improvement by 80 bps; retail volume up by 41%
- Brazil – Retail Volume up by 31%
- Mexico – MS improvement of 380 bps YoY (Jan-Sept)
- Turkey Operations seeing a turnaround

Automotive – Sales and Stock Trajectory



Sequentially improving sales trajectory



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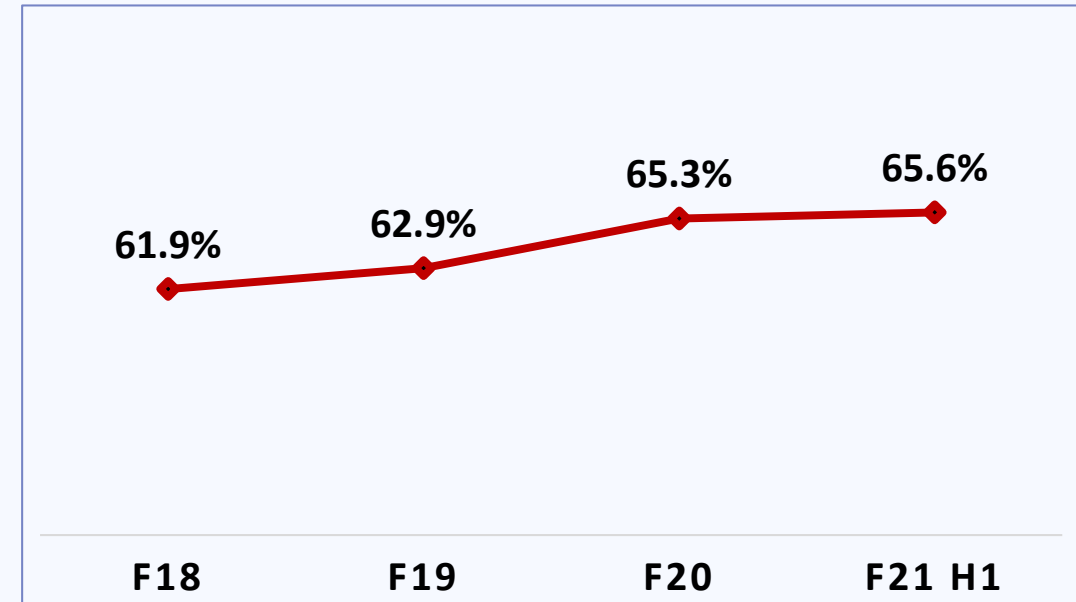
Automotive – Performance Highlights



Domestic Volumes

Segment	Q2 F21	YoY	Market Share YoY
PV	39,533	-11%	▼
- UV	38,968	-9%	▼
CV	47,309	-5%	▲
3W	490	-97%	▼
Domestic Volume	87,332	-21%	

LCV 2 – 3.5T Market Share*



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



- We had low pipeline inventory due to BS 6 transition in February and March
- Faced challenges in ramping up due to:
 - **High Maharashtra** dependence which had higher COVID impact
 - Overall shortage of manpower
 - Few specific single source suppliers having ramp up challenges
- Post festive season, we will do stock build up and expect greater stability going forward

Automotive – Financial Performance



	Q2 F21*	Growth YoY (vs Q2 F20)	Growth QoQ (vs Q1 F21)
Total Volume	91,536	-22.9%	>3x
Revenue (Rs. Crs)	6,357	-7.8%	>3x
PBIT (Rs. Crs)	412	3.6% ↑	~1,000 crs
PBIT (%)	6.5%	0.7% pts ↑	'-'ve to '+'ve

*Based on Published Results
including one-off gains Rs. 68 Crs

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Turnaround Global Businesses,
Manage cash

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F22 & beyond...

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Turnaround Global Businesses,
New Auto Launches

FOCUS ON DOMESTIC CORE

Build a Moat through
Launch of Krish-e



Launch of the All-New Thar
strengthening SUV Core
brand differentiation



Krish-e Launch

KRISH-e PROVIDES PROGRESSIVE INTERVENTIONS ACROSS THE CROP CYCLE THAT HELP IMPROVE FARMER OUTCOMES AND ARE AFFORDABLE AND ACCESSIBLE.



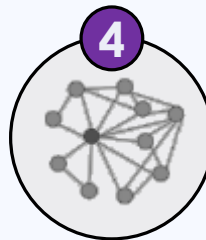
Agri Advisory
Physical and Digital



Farming Services
Machine Rentals and Precision
Farming Solutions



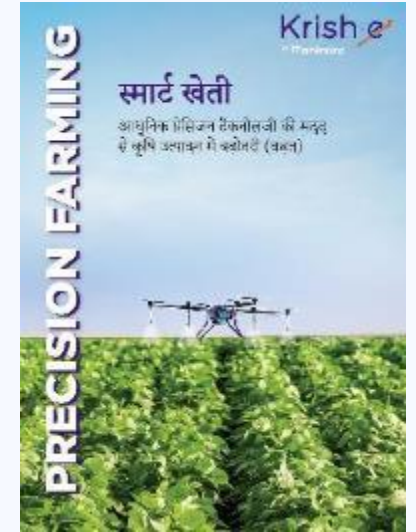
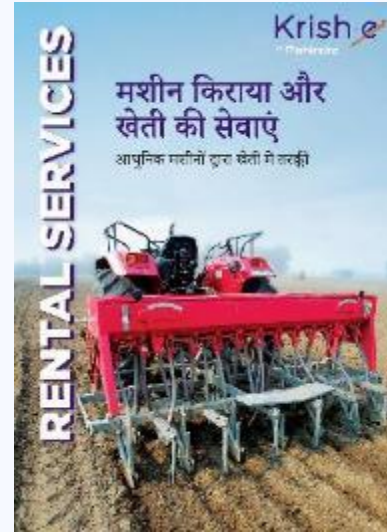
Products
Farm Equipment, Agri Inputs
and Micro Irrigation



Ecosystem Services
Partnerships for Financing, Insurance,
Market Linkage, Healthcare



Krish-e Launch



- Launched across **7 centres in Maharashtra** in October, followed by **3 centres each in AP and Telangana** in November
- Digital campaigns:
 - Krish-e launch videos garnered **4 lac+ views**

New PLUS Series: Tough Har Dum

75 Mahindra
Trac.

PRESENTING
NEW MAHINDRA XP PLUS SERIES

MAHINDRA TRACTORS
**TOUGH
HARDUM**

MAHINDRA XP PLUS SERIES:

Mahindra 265DI XP PLUS 24.8kW (33 HP)	Mahindra 275DI XP PLUS 27.8kW (37 HP)	Mahindra 275DI 79 XP PLUS 28.7kW (39 HP)	Mahindra 415DI XP PLUS 35.8kW (49 HP)	Mahindra 475DI XP PLUS 32.8kW (44 HP)	Mahindra 575DI XP PLUS 36.0kW (47 HP)	Mahindra 585DI XP PLUS 36.8kW (50 HP)
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FIRST TIME IN INDUSTRY
6 YEARS
WARRANTY
LONGER DURATION

Scan QR Code to watch TVC

Positive customer response on the enhanced value proposition of new Plus Series

Launch of The All-New Thar



Pre-Reveal Hype & Reveal on 15th August



Reveal on 15th Aug



Product-Content Films



Pre-reveal Brand Chatter



PR - Freedom Drive



Media Drives



Incredible 'Her' Drive



Celebrity Buzz



Thar Playlist

#GiveToGet – The All-New Thar #1 Auction



- Auction of the 1st Thar for cause: **Fight Covid-19**
- ~**5500** registrations (550 locations)
- **37 bids > Rs. 50 Lacs** (4 bids > Rs. 1 Cr.)
- Top Bid For **Rs. 1.11 Crs**
- Mahindra contributed an **equivalent amount**

Response from 15th August till date

78,000+
dealer enquiries

20,000+
bookings since 2nd
Oct

**Innovative Launch
Campaign**
5.5 Mn launch
webcast views

2.5+ Mn
website visits

10+ Mn
media review
views

**New Consumer
Archetype**
First Time Buyer: 55%
Automatic: 44%

8.2+ Mn

Google Search queries in
Aug-Sep

900k

Thar pageviews on
CarWale on 15th Aug

TO SUMMARIZE

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 On cruise  On-going, long-term initiative



THANK YOU