

# 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.*

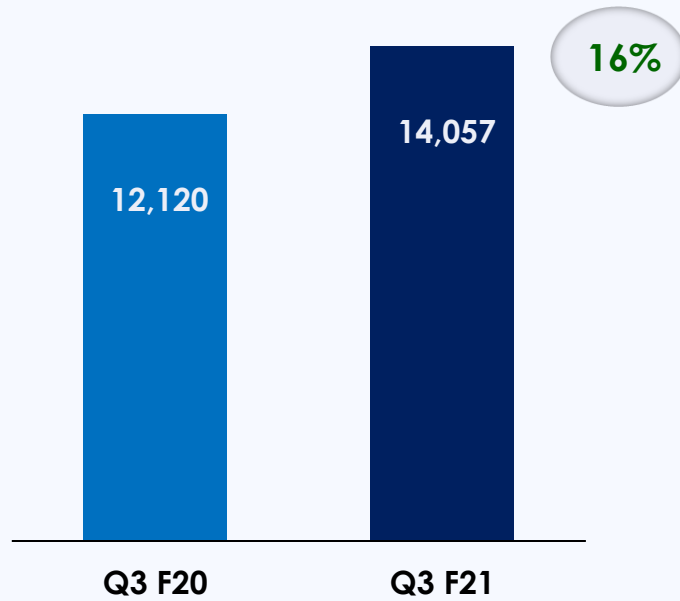
**SAFE HARBOR STATEMENT:** *“Certain statements with regard to our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements.”*

# FINANCIALS (STANDALONE): Q3 F21

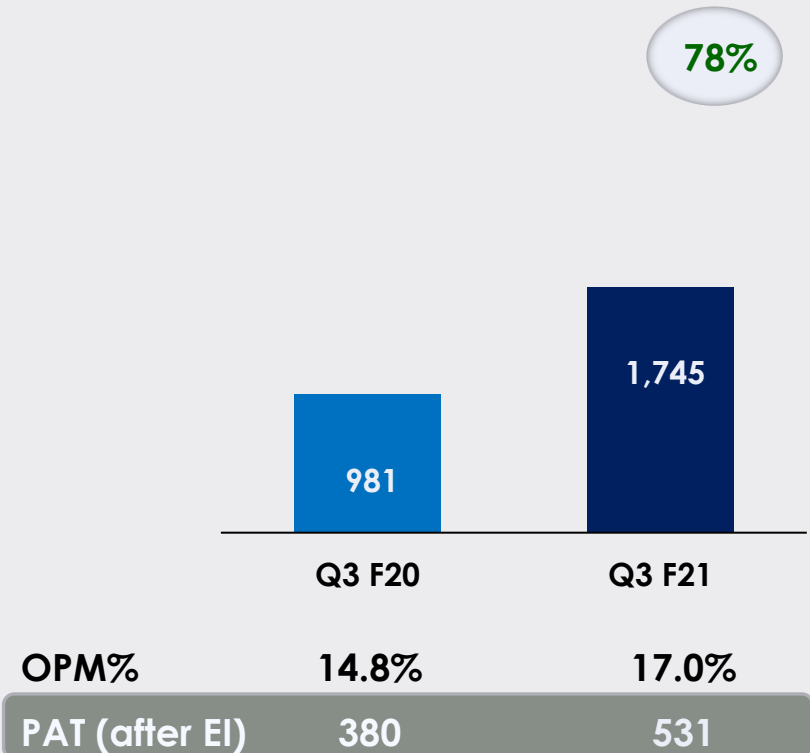
M&M + MVML

Rs Cr

## Revenue







## Operating PAT (before EI)

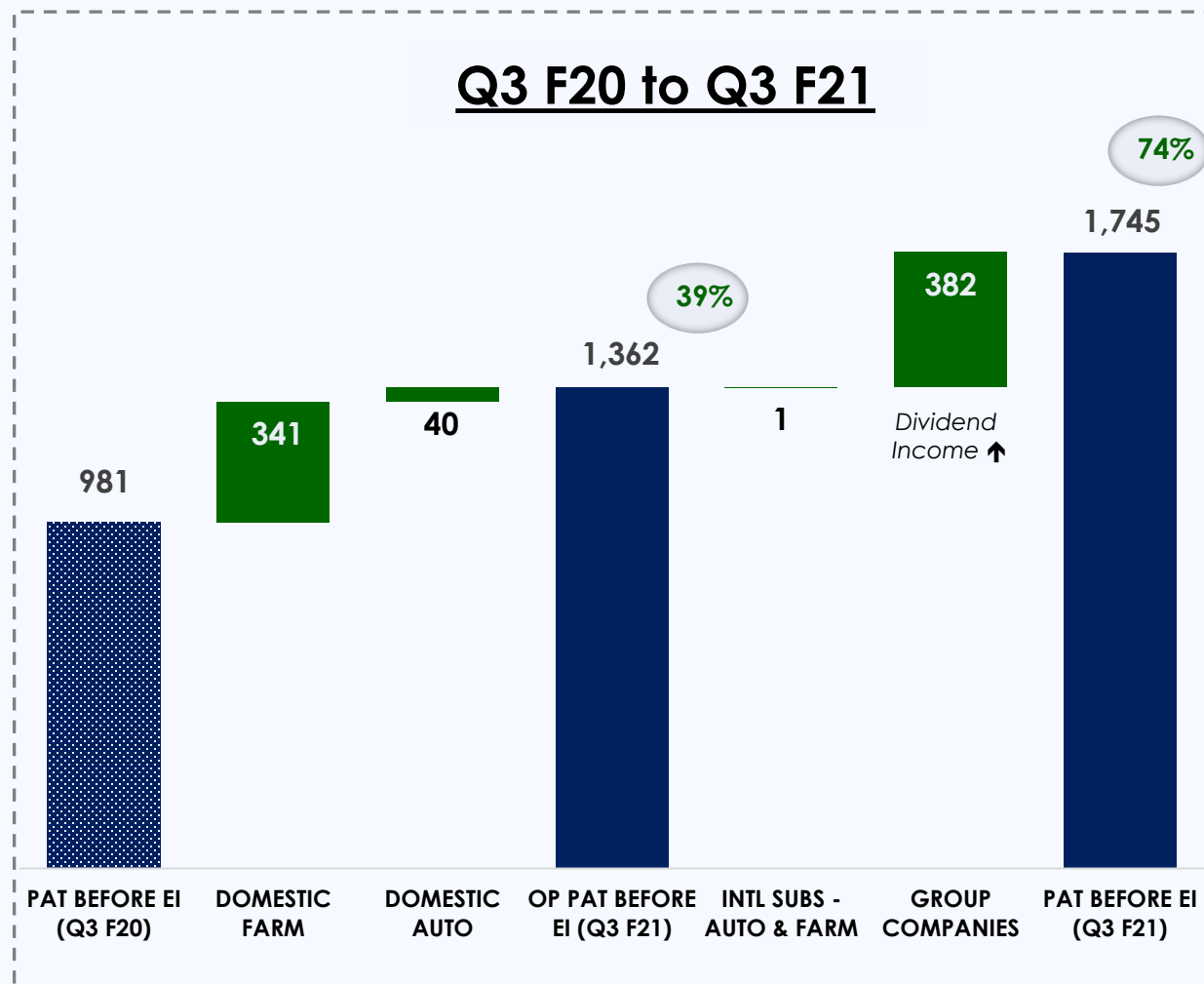


# OPERATING PAT (BEFORE EI): Q3 F21

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>

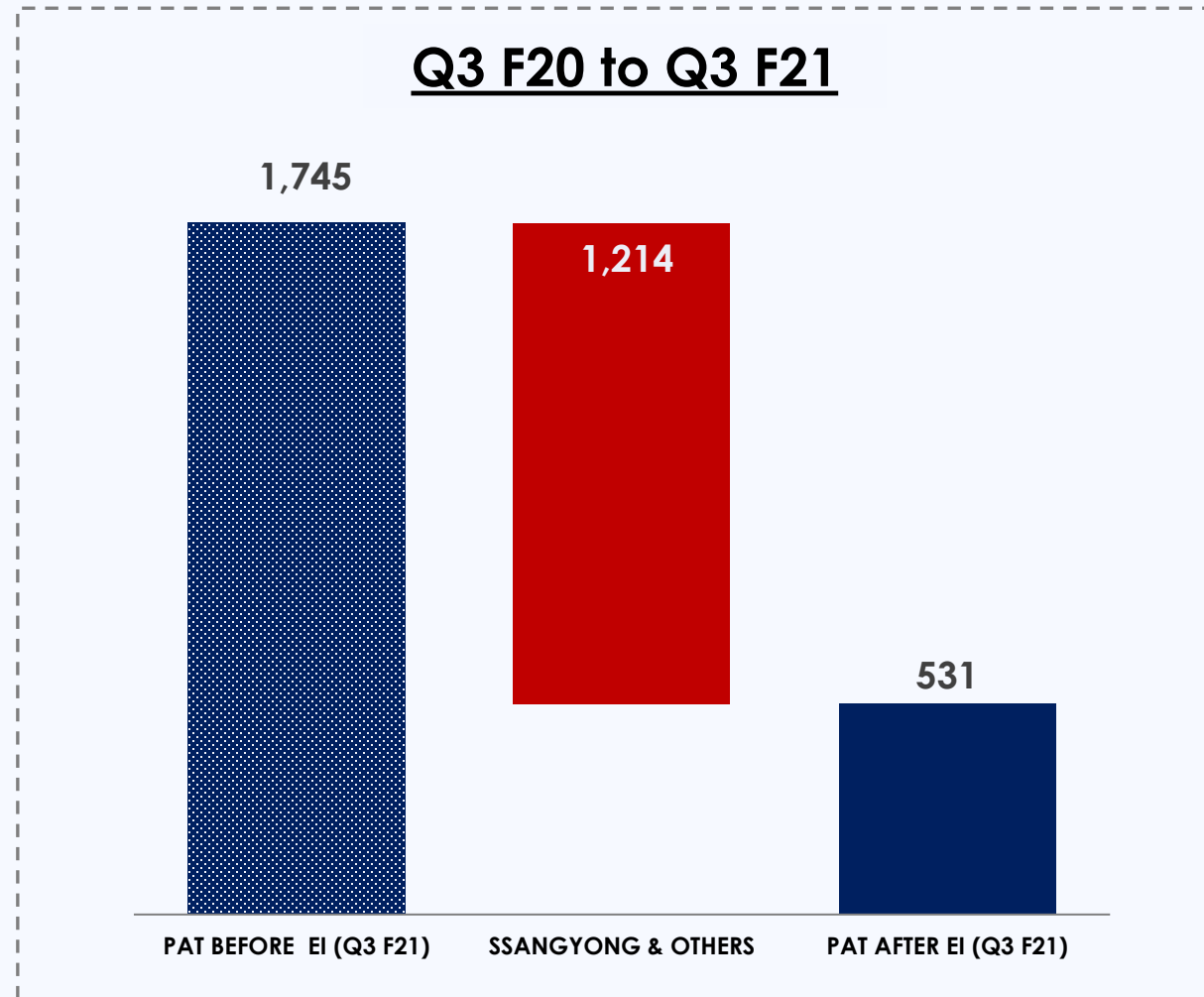


Two Wheeler, Powerol and SBU included in Domestic Auto

# PAT (AFTER EI): Q3 F21

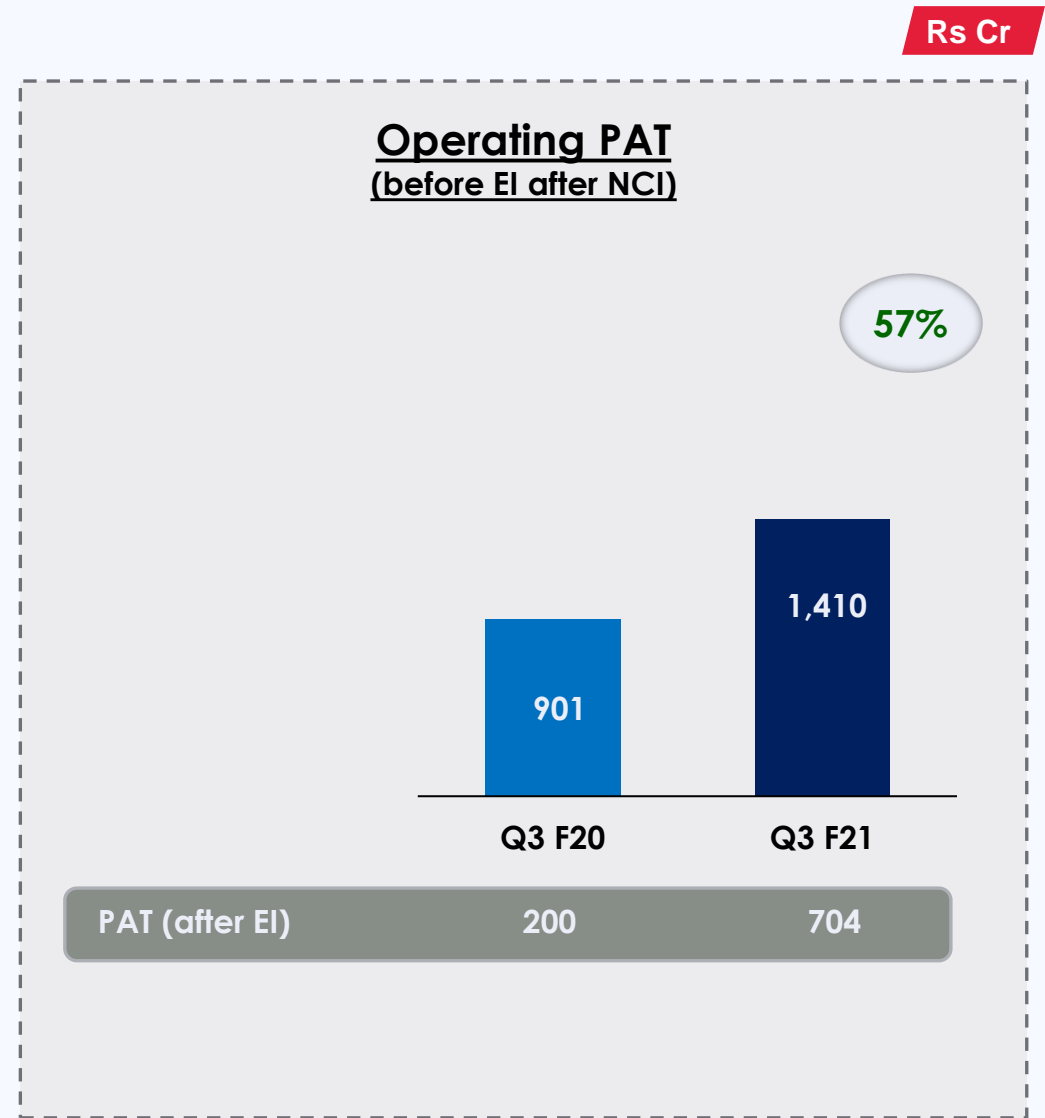
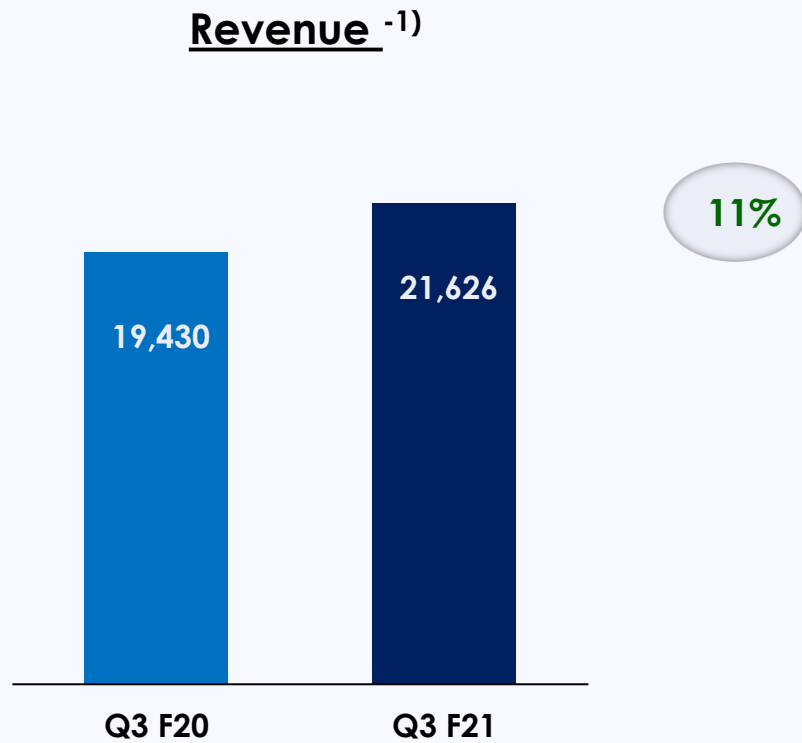
M&M + MVML

Rs Cr



Two Wheeler, Powerol and SBU included in Domestic Auto

# FINANCIALS (CONSOLIDATED): Q3 F21







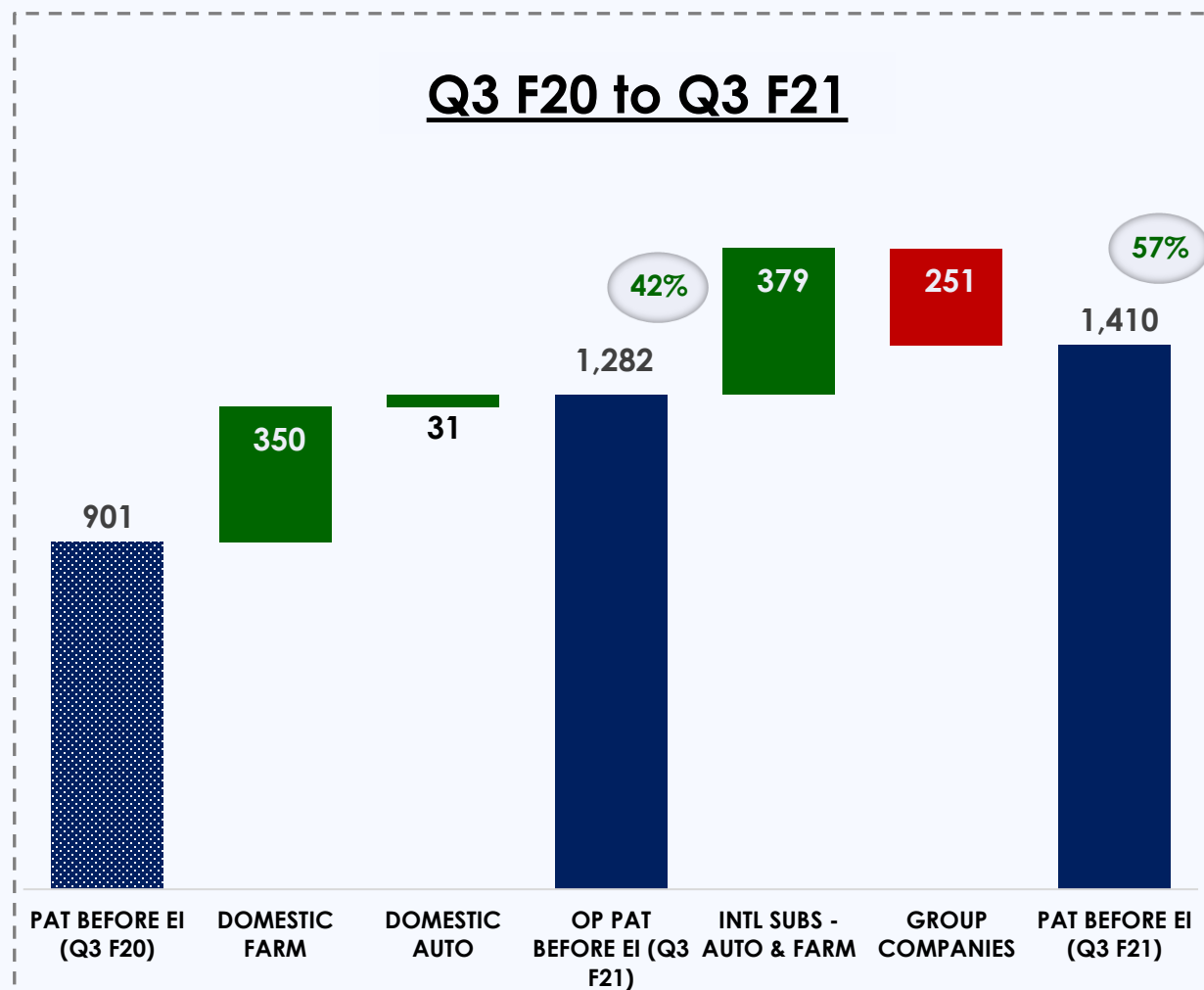
(1- Excludes Ssangyong revenue due to discontinued operations  
Tech Mahindra (Associate) revenue not included above

# 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>



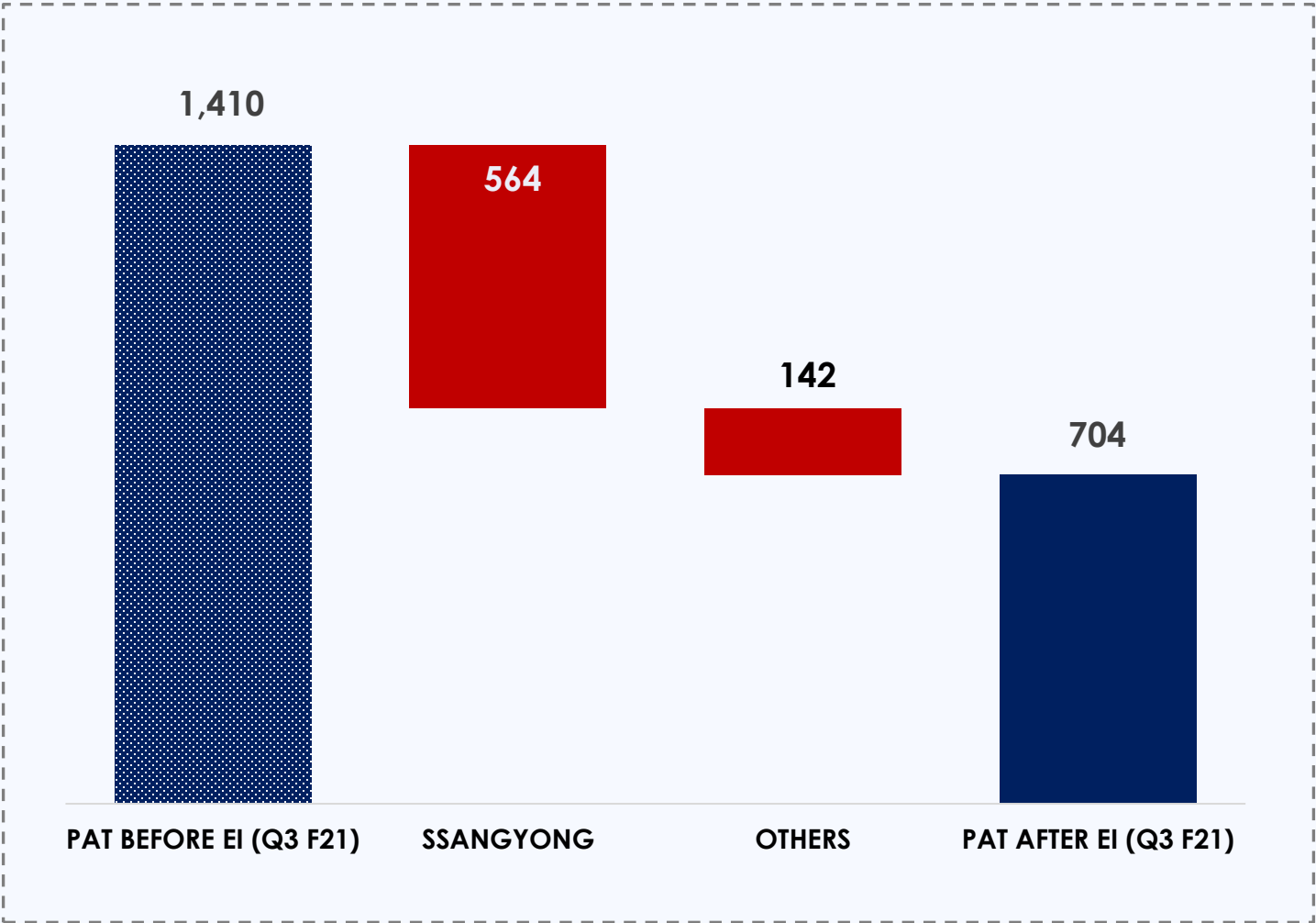
Two Wheeler, Powerol and SBU included in Domestic Auto



# PAT (AFTER NCI & EI): Q3 F21

CONSOLIDATED M&M

Rs Cr



Two Wheeler, Powerol and SBU included in Domestic Auto

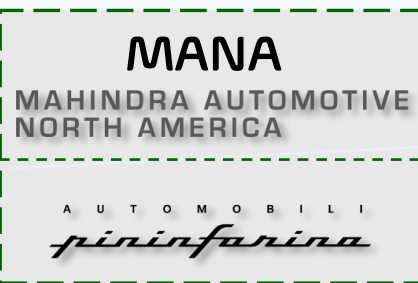
# CAPITAL ALLOCATION UPDATE

A

Entities with clear path to 18% RoE



Post restructuring



B

Quantifiable strategic impact



C

Unclear path to profitability ... exit



MFCS

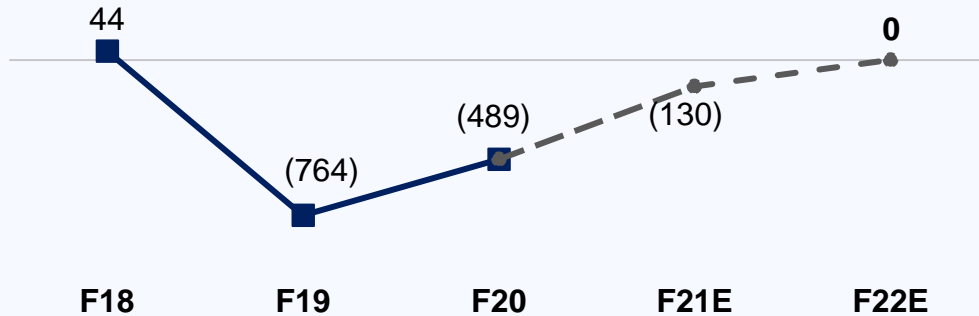
Work in progress

Identification of category ongoing



HISARLAR

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



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

## Business Turnaround Actions

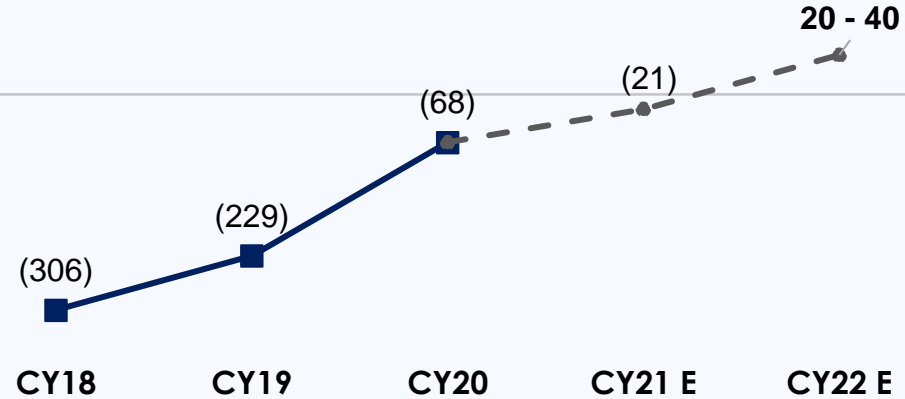
- Model portfolio sharpened, value proposition & pricing
- Margin accretion actions ... price ↑, dealer incentive ↓ supported by low interest rate regime
- Fixed cost reduction via rightsizing & overall control
- Managing dealer and plant inventory

## 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

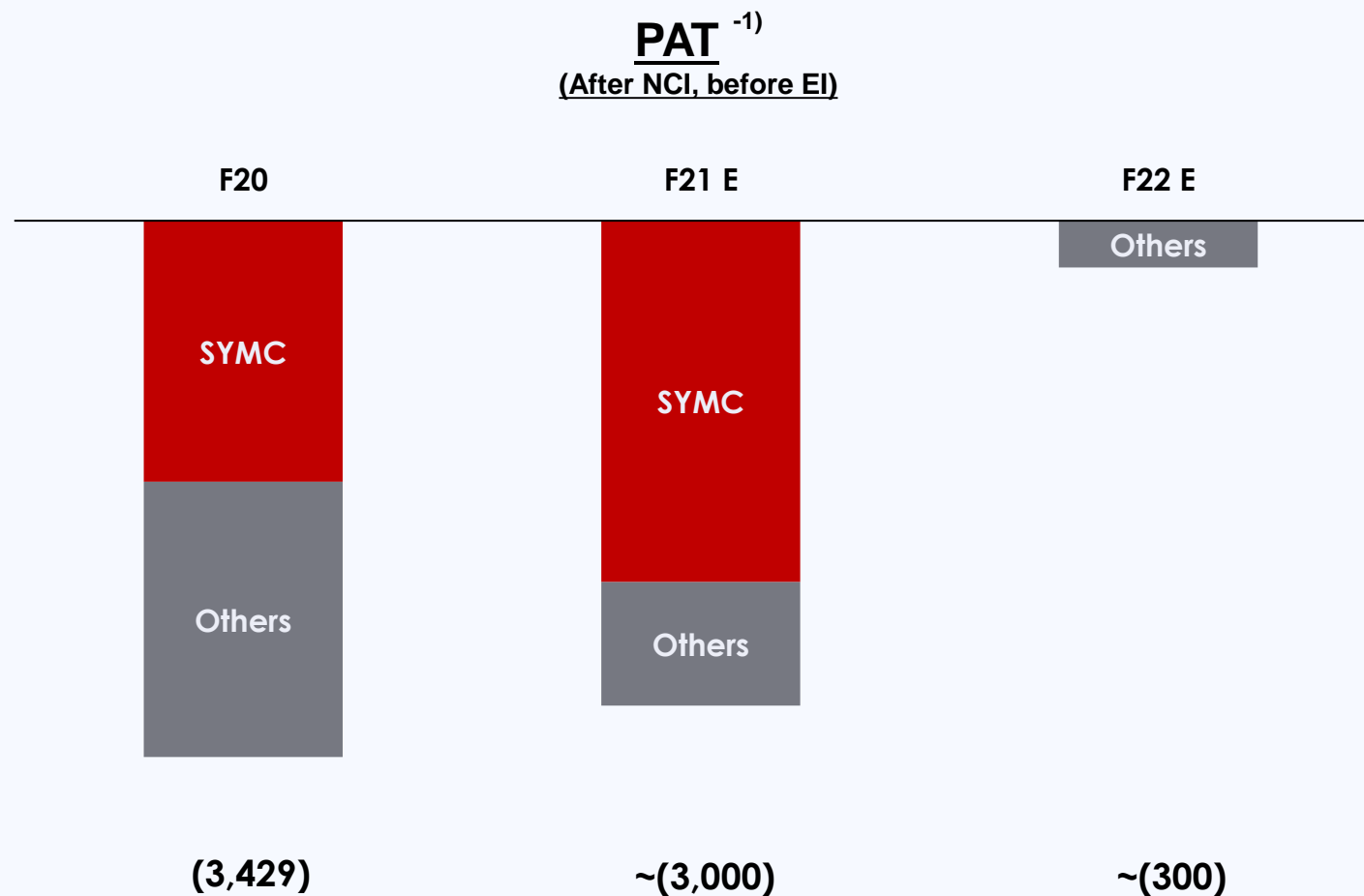
## Right to Win

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

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# INTERNATIONAL SUBS. OUTLOOK

Rs Cr



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(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

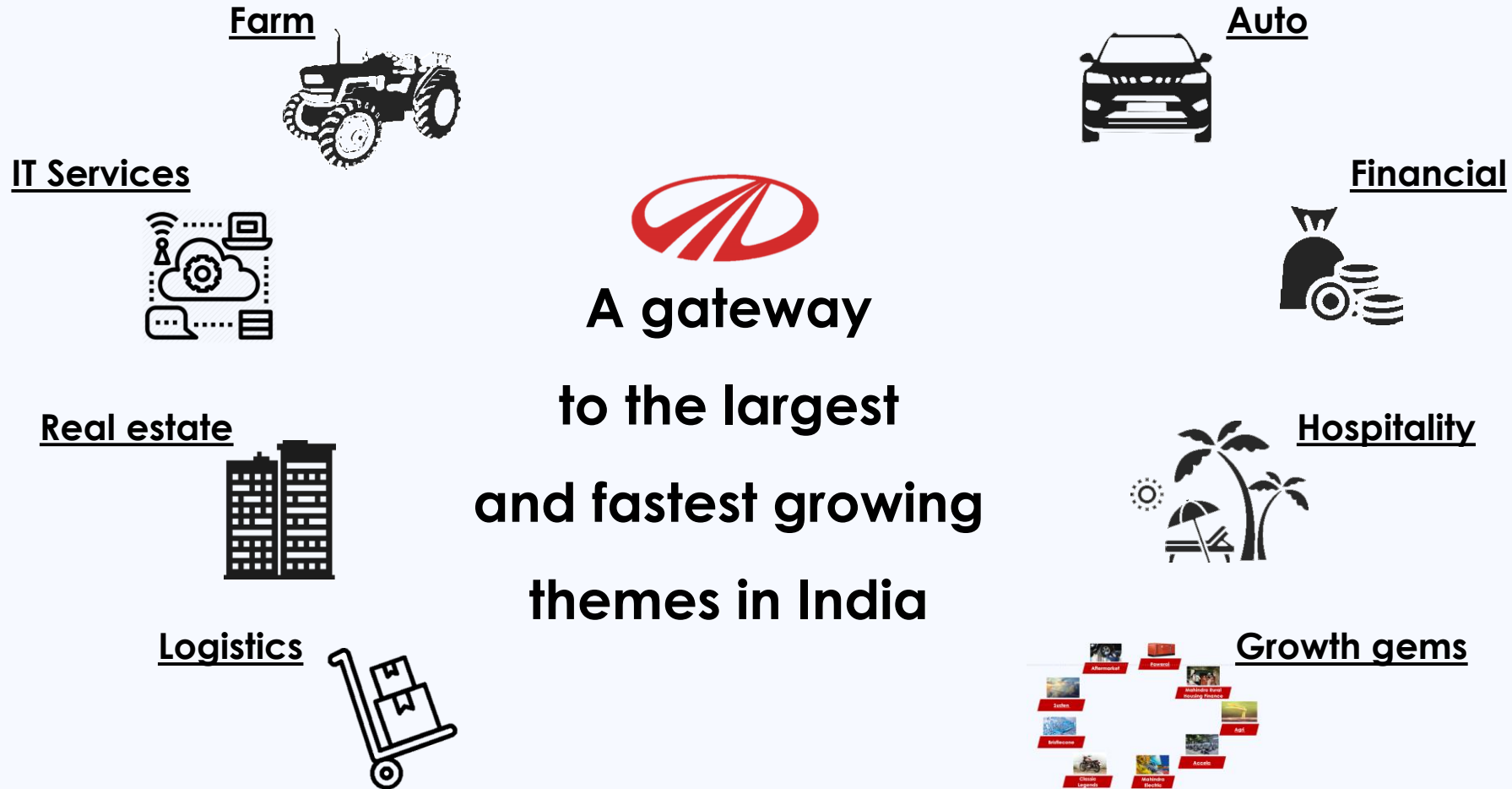
2016: Investment -Cox Automotive

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**