

REF:NS:SEC:

12th June, 2020

National Stock Exchange of India Limited
"Exchange Plaza", 5th Floor,
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400051.

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001.

Bourse de Luxembourg
Societe de la Bourse de Luxembourg
Societe Anonyme/R.C.B. 6222,
B.P. 165, L-2011 Luxembourg.

London Stock Exchange Plc
10 Paternoster Square
London EC4M 7LS.

**Sub: SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 -
Presentation made to the Analyst/Institutional Investor**

This is further to our letter bearing REF:NS:SEC dated 8th June, 2020 wherein we had given you an advance intimation of the upcoming Analyst or Institutional Investor Interactions in terms of Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We wish to inform that the Company today had M&M Virtual Analyst Meet with Several Funds/Investors/Analysts on Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31st March, 2020 in Mumbai and the Presentation(s) which was made to them are attached herewith for your records.

Kindly take the same on record.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED



NARAYAN SHANKAR
COMPANY SECRETARY

Encl.: a/a



Analyst Meet F20

Automotive & Farm Sectors

RAJESH JEJURIKAR

12th June 2020

FES AWARDS – “BEING CONSUMER FOCUSED IS WHAT INSPIRES US”



**M&M 1ST IN THE
WORLD TO WIN TPM
ADVANCED
SPECIAL AWARD**



**TRA'S MOST TRUSTED
AND MOST
CONSUMER FOCUSED
TRACTOR BRAND 2019**



**CSI #1 FOR MAHINDRA
TRACTORS AND
#2 FOR SWARAJ TRACTORS
(JD POWER)**

CONTINUED DOMESTIC LEADERSHIP,
WITH 1% MARKET SHARE GAIN

41.2%

Industry down by 9.9%

CONSISTENT PROFITABILITY –
PBIT OF INR 2926 CRORES

PBIT 19%

LAUNCH OF NEW PLUS SERIES
WITH 1ST IN INDUSTRY 6YR WARRANTY



MAGNA BILLING GROWTH 9.3%
WITH VOLUMES AT

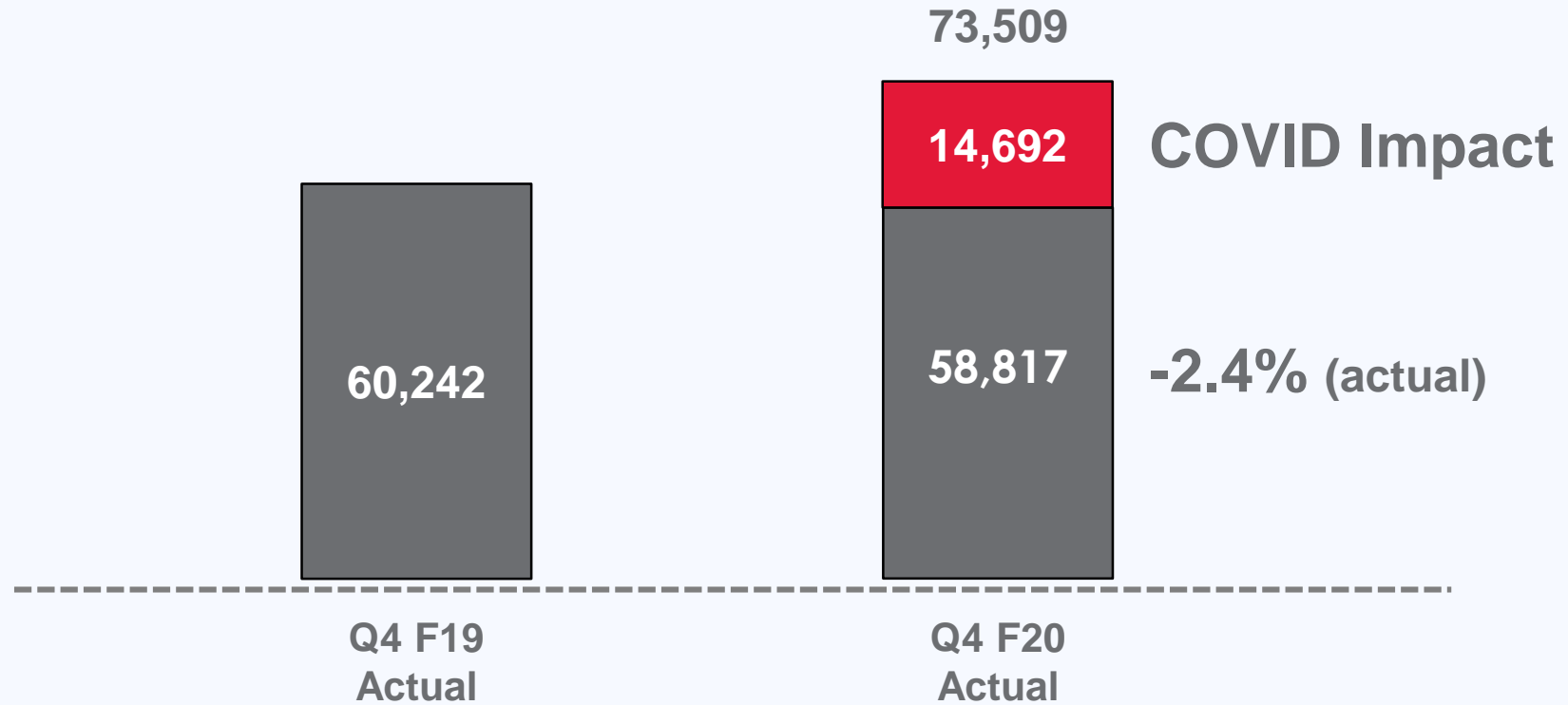
15,642

ERKUNT MARKET SHARE GAIN OF
0.9% TO 7.3% (#4 PLAYER)



FES COVID19 IMPACT

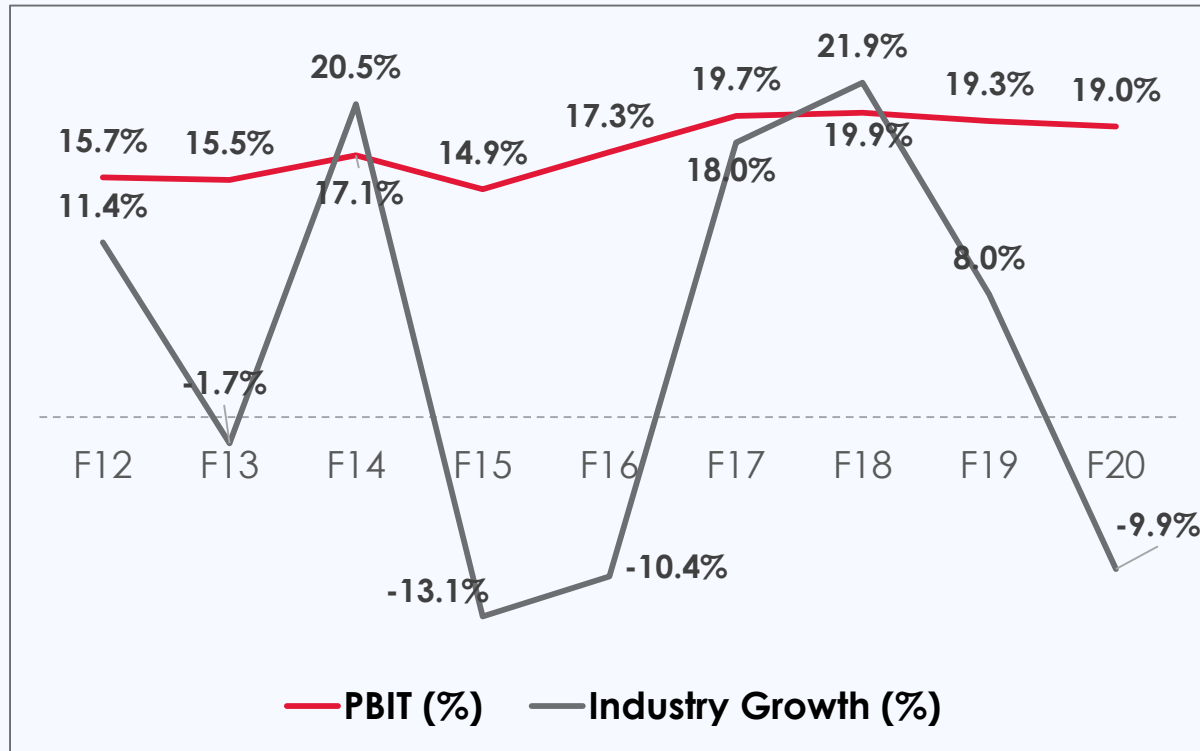
Volume : Loss in Domestic Sale of 13.7K tractors and Export Sale of 1K



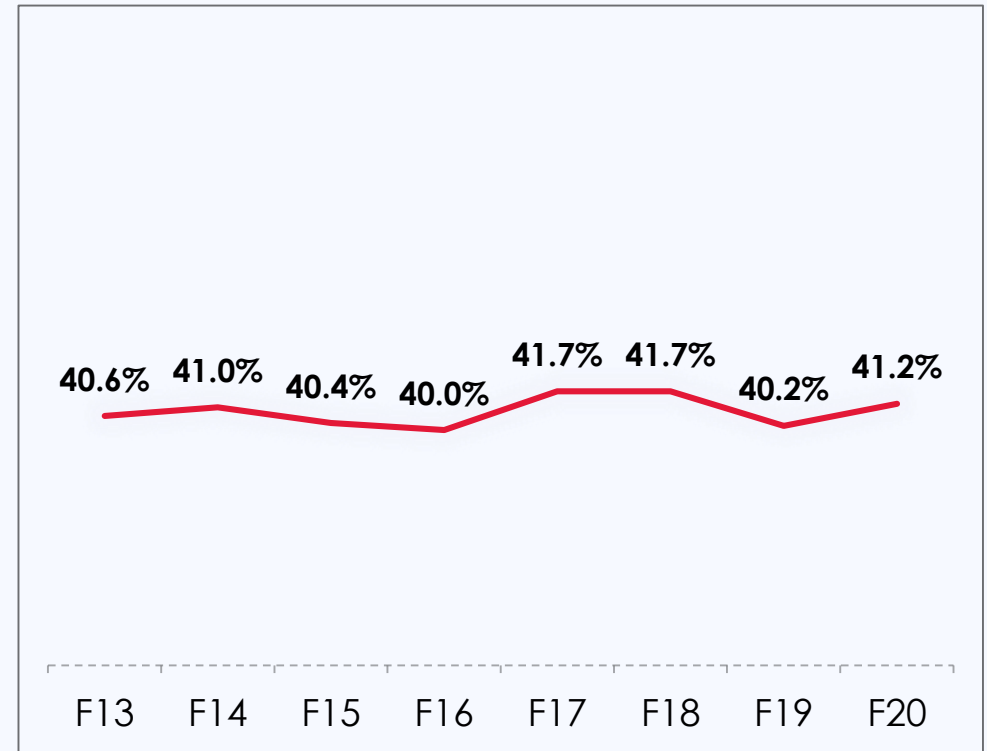
COVID-19 Impact on PBIT **~194 Crs**

RESILIENCE IN PERFORMANCE

Stability in Volatility



Continued Domestic Leadership



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

AS HIGHLIGHTS F20

CV* MARKET SHARE

27.7%

CV MS ▲ 3.1% pts

UV MS 19.0%

RESILIENT MARGIN PERFORMANCE[^]

OPM 13%

COMPLETE READINESS OF

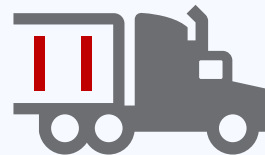


M. ELECTRIC
EBITDA BREAK EVEN IN F20



Treo crosses **4K** nos
70+ cities

RETAIL BETTER THAN BILLING



Dealer stock
only **10K** nos

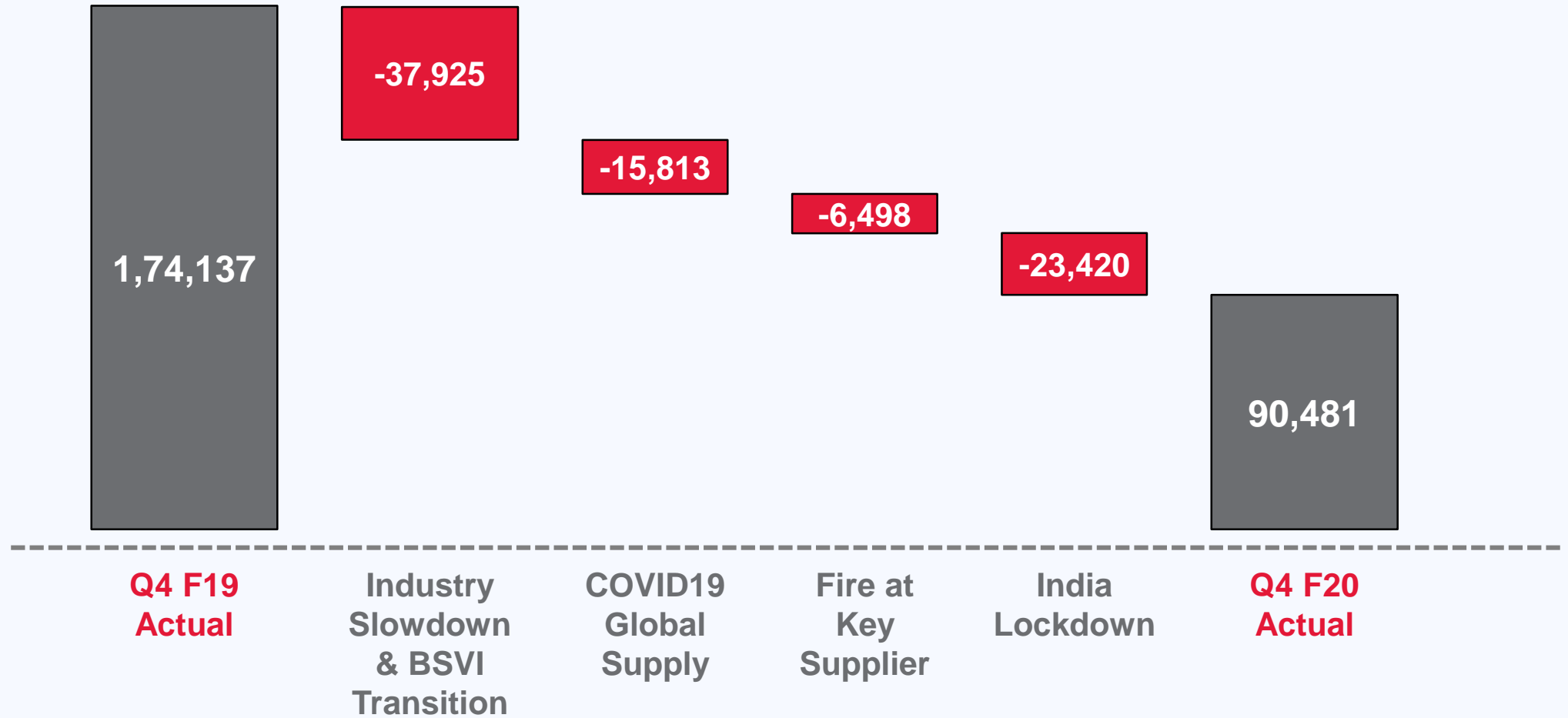
#2 IN SSI; #3 IN CSI
BIC IQS SCORE FOR MARAZZO



*CV includes all commercial 4W from LCV <2T to M&HCV

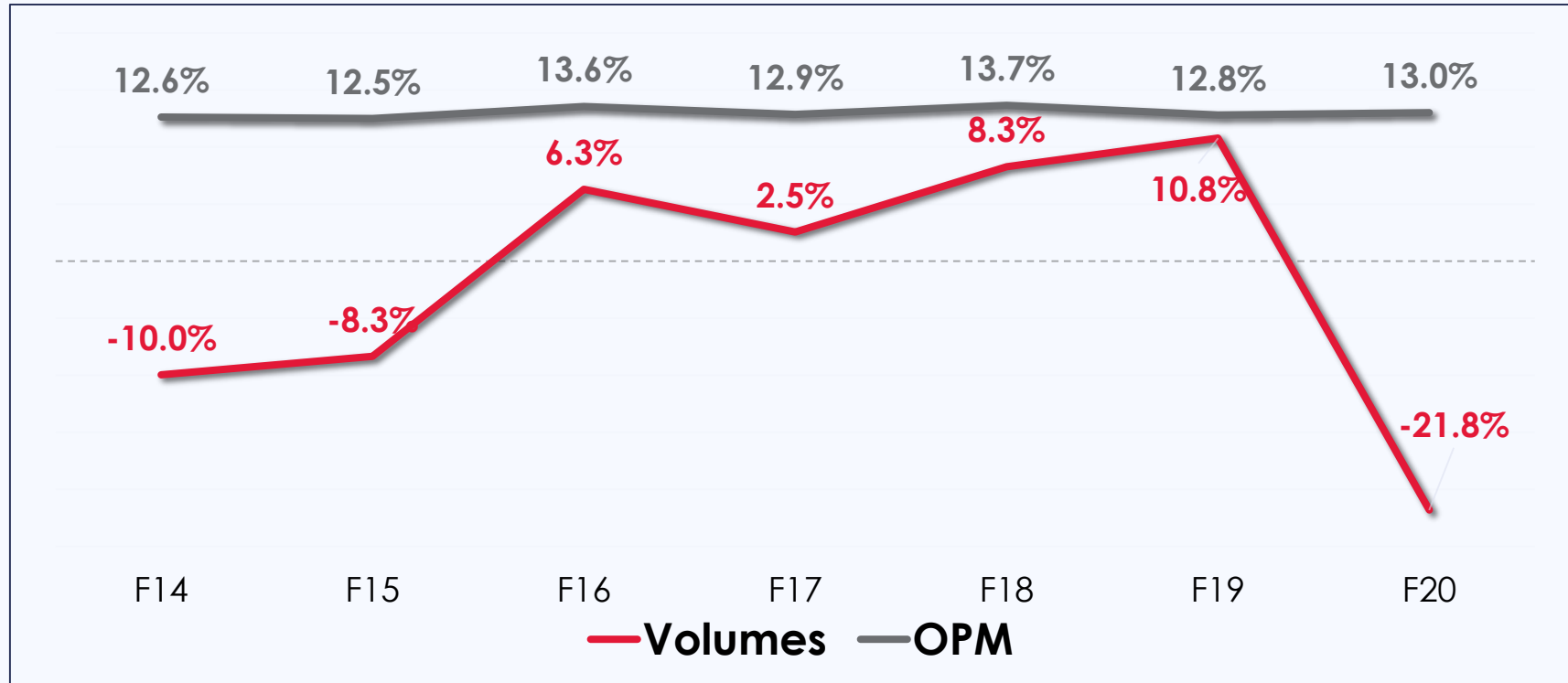
[^]OPM maintained between 12% – 14% since F13

AS Q4 VOLUME WALK



COVID-19 Impact on PBIT **~471 Crs**

Resilient OPM performance for Auto Sector despite volatility in volume / revenue



Progress so far...

Agreements signed

- Development of C-Segment SUV for Ford
- Joint development of connected vehicle solutions
- Supply of BS-VI compliant engines and powertrains for Ford

Agreements under discussion

- Co-development of Battery Electric Vehicle
- Joint Product Development of BSUV

Potential benefits..

Potential Benefits of Alliance

- Co-sharing of investments & technology
- Economies of Scale in Joint Sourcing
- Joint product development & capacity utilization
- Exports to Emerging Markets

JV start date delayed due to COVID

FUTURE DIRECTION

FARM EQUIPMENT SECTOR

DOMESTIC BUSINESS – CURRENT STATUS

Leverage strong rural opportunity by

- **Managing ramp up:**

- >90% dealer started
- Plants operating at > 80% capacity
- Aligning financiers

- **Leveraging new products**

- **Mechanisation opportunity eg Rice transplantors , harvesters**



FARM EQUIPMENT SECTOR – KEY PRIORITIES



Strengthen Core Domestic Business



Build Farm Machinery India Business



Turnaround Global Businesses



Build a Moat through Farming as a Service(FaaS)



K2 Project



“Krish-e” : FARMING as a SERVICE

Krish-e provides progressive interventions across the crop cycle that help improve farmer outcomes and are affordable and accessible.



PROJECT K2

4 Geographies, 4 Platforms, 38 Models

Light Weight Compact Global Tractor Project



**Large Utility - 11 Models
41 – 70 HP**



**Small Utility - 11 Models
25 – 40 HP**



**Compact - 10 Models
18 – 35 HP**



**Sub Compact - 6 Models
13 – 26 HP**

SE Asia & India



USA



Japan



MAGNA – TURNAROUND ACTIONS

Break even in F22 by

- Price and Value proposition
- Cost structure optimization:
 - Financing cost reduction
 - Manpower costs
 - Inventory reduction at plant/dealer
- More digital marketing



FUTURE DIRECTION

AUTOMOTIVE SECTOR

A WALK – RUN – FLY APPROACH

WALK (April – August)

- **Conserve Cash**
- **Segment Focus – rural, goods mobility, B2B**
- **Dealer and Supplier financial health**

Ramp up operations with safety first

- **Manufacturing at ~30% capacity**
- **100% Suppliers operational**
- **Dealers Operational >80%**



RUN (September – March)

- Launch of New Thar
- Bolero, XUV300 to be volume drivers
- Dealer business model redefined

- Strategic re-prioritization of capex
- Aggressive cost optimisation
- Synergy Projects with Ford JV



FLY (F22...)

- **Build distinctive SUV brand**
 - **Digital transformation of customer experience**
 - **Leverage:**
 - 2 new models W601, Z101
 - New Pick up and Supro focus
 - EV Portfolio
- **Path to profitability for Global subsidiaries**
 - **Platform synergy to optimize capex**
 - **Improve Margin of Safety**



AUTOMOTIVE AND FARM SECTORS

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*

THANK YOU



Reigniting Value Creation



Analyst Meet

Dr Anish Shah | 12th June 2020

KEY MESSAGES

- Resilient performance of Domestic Auto & Farm in a tough year
- Ssangyong and other International subsidiaries drive significant reduction in profits
- Strong cash position to tackle COVID
- Tough actions underway to re-ignite value creation

F20 Results



Rs Cr

	F20	Vs F19	Excl COVID, BSVI
Revenue	44,866	-15%	-8%
EBITDA	6,351	-16%	-5%
PBT (before EI)	5,402	-23%	-12%

- Operating margins maintained at 14.2%
- Cash Generated Rs 3,946 cr
- Farm Market Share up 1%
- Auto LCV < 3.5T Market Share up 1.2%

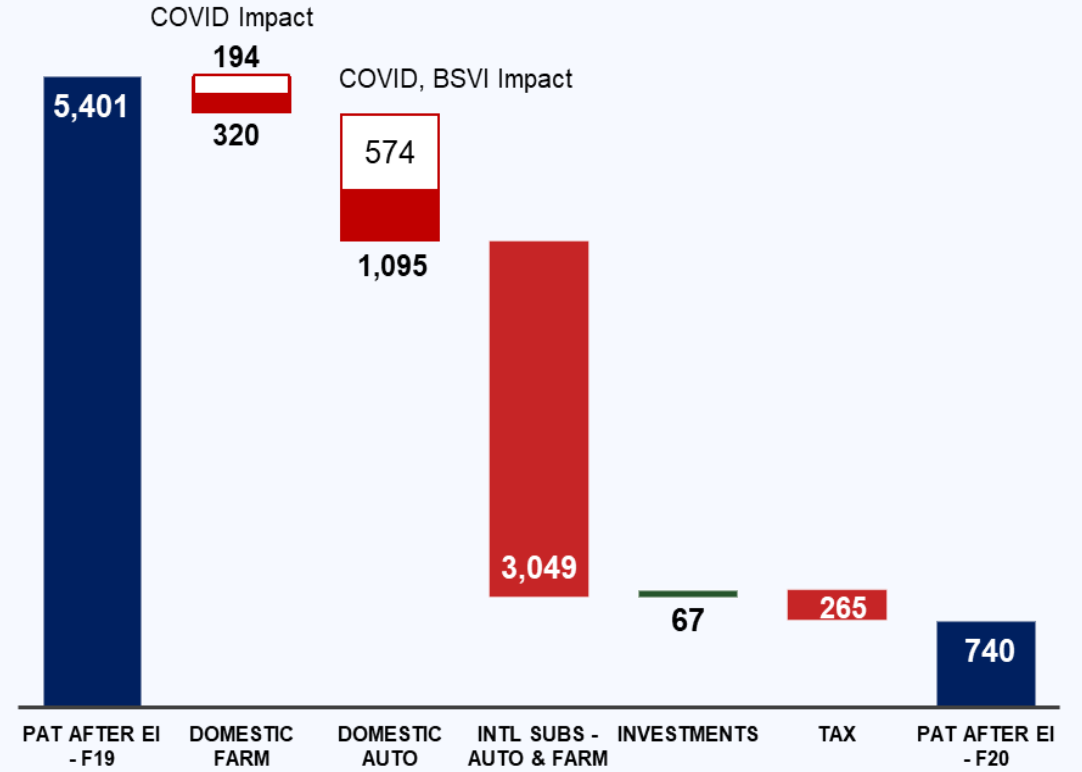
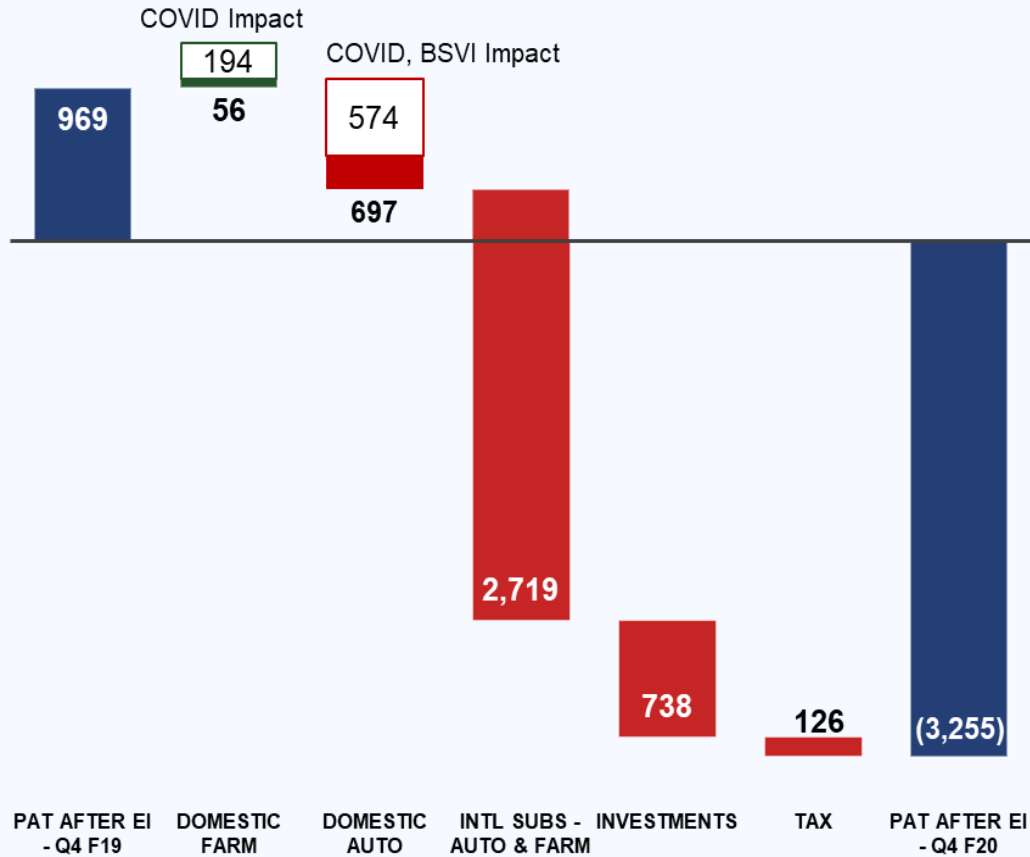
PAT (AFTER EI)

Standalone

Q4 F19 to Q4 F20

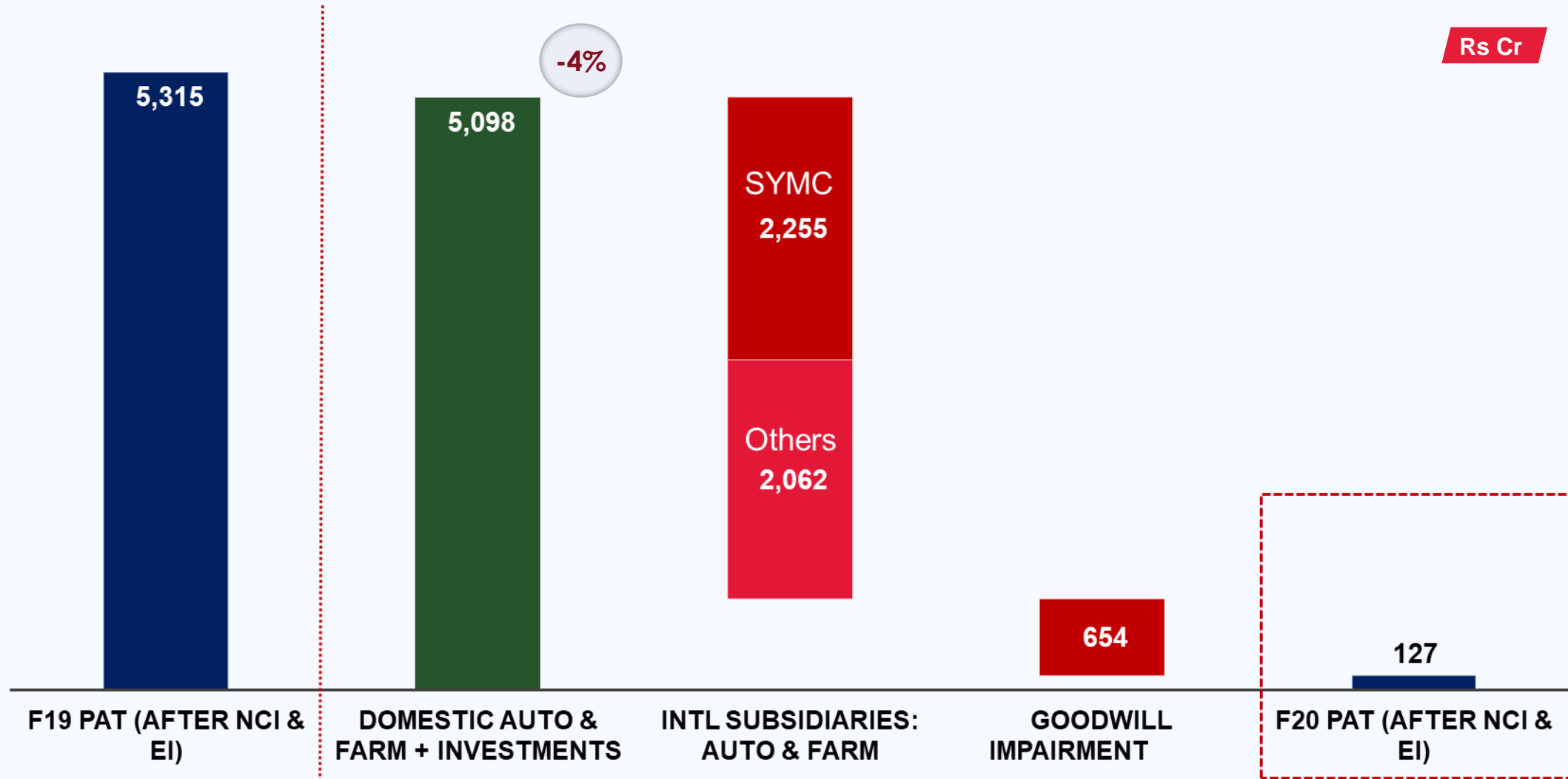
F19 to F20

Rs Cr



PAT (AFTER NCI & EI): F20

Consolidated

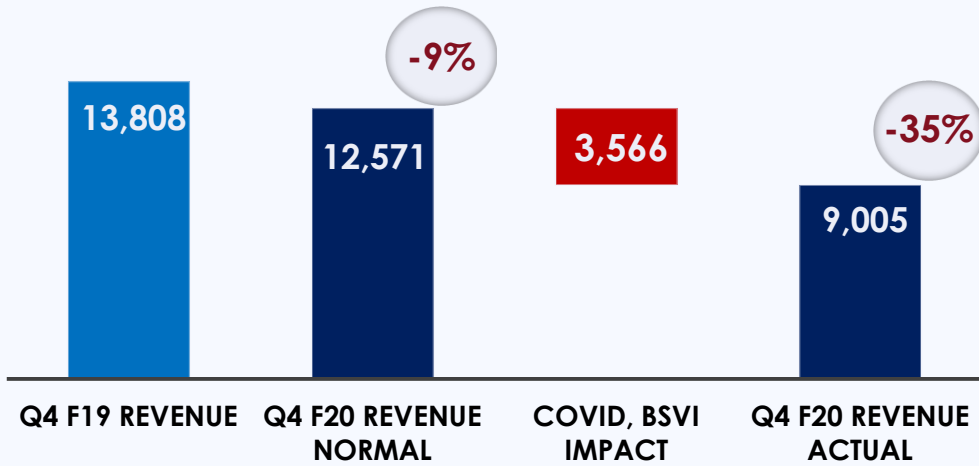


Consolidated basis

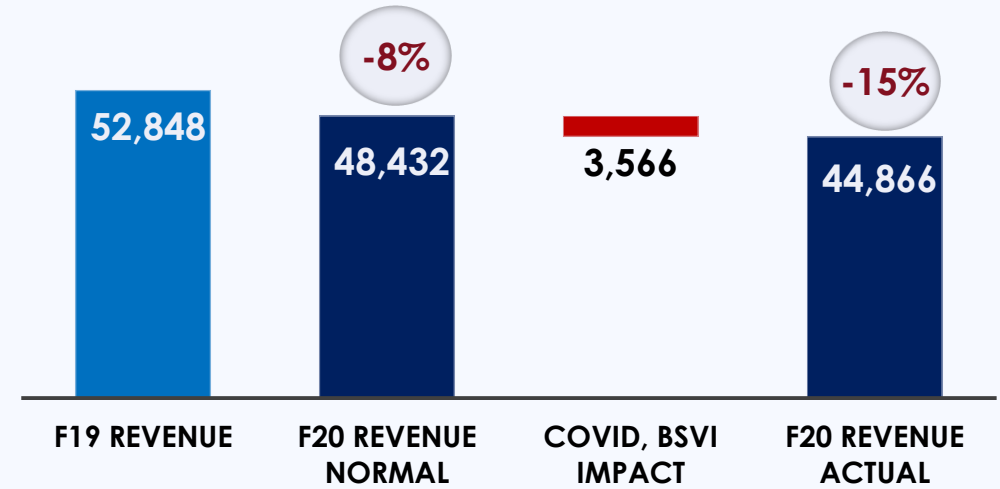
PMTC and Genze are included in International Auto and Farm

Rs Cr

Q4 F19 to Q4 F20



F19 to F20

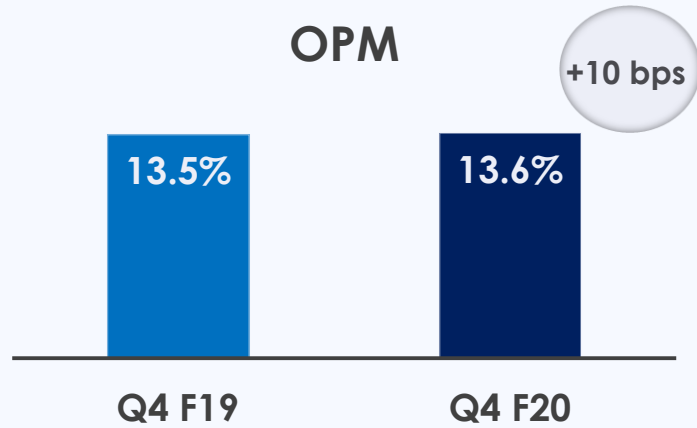


OPERATING PROFIT MARGIN

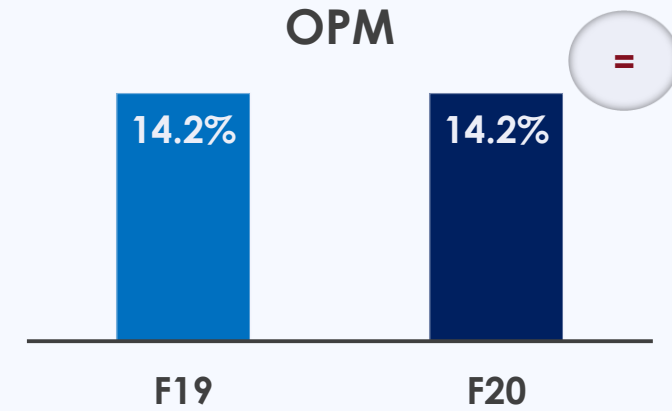
Standalone

Rs Cr

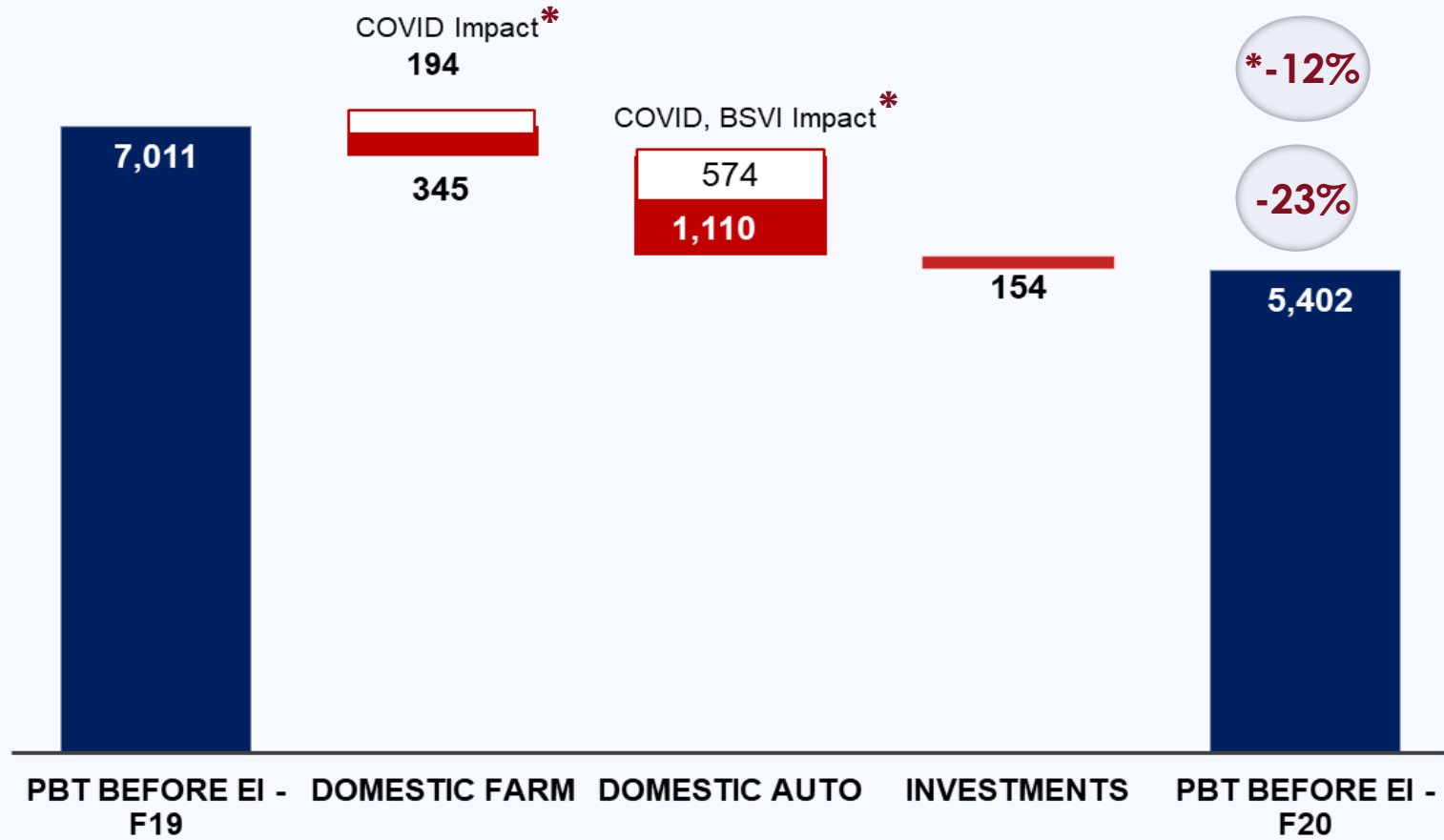
Q4



Full Year

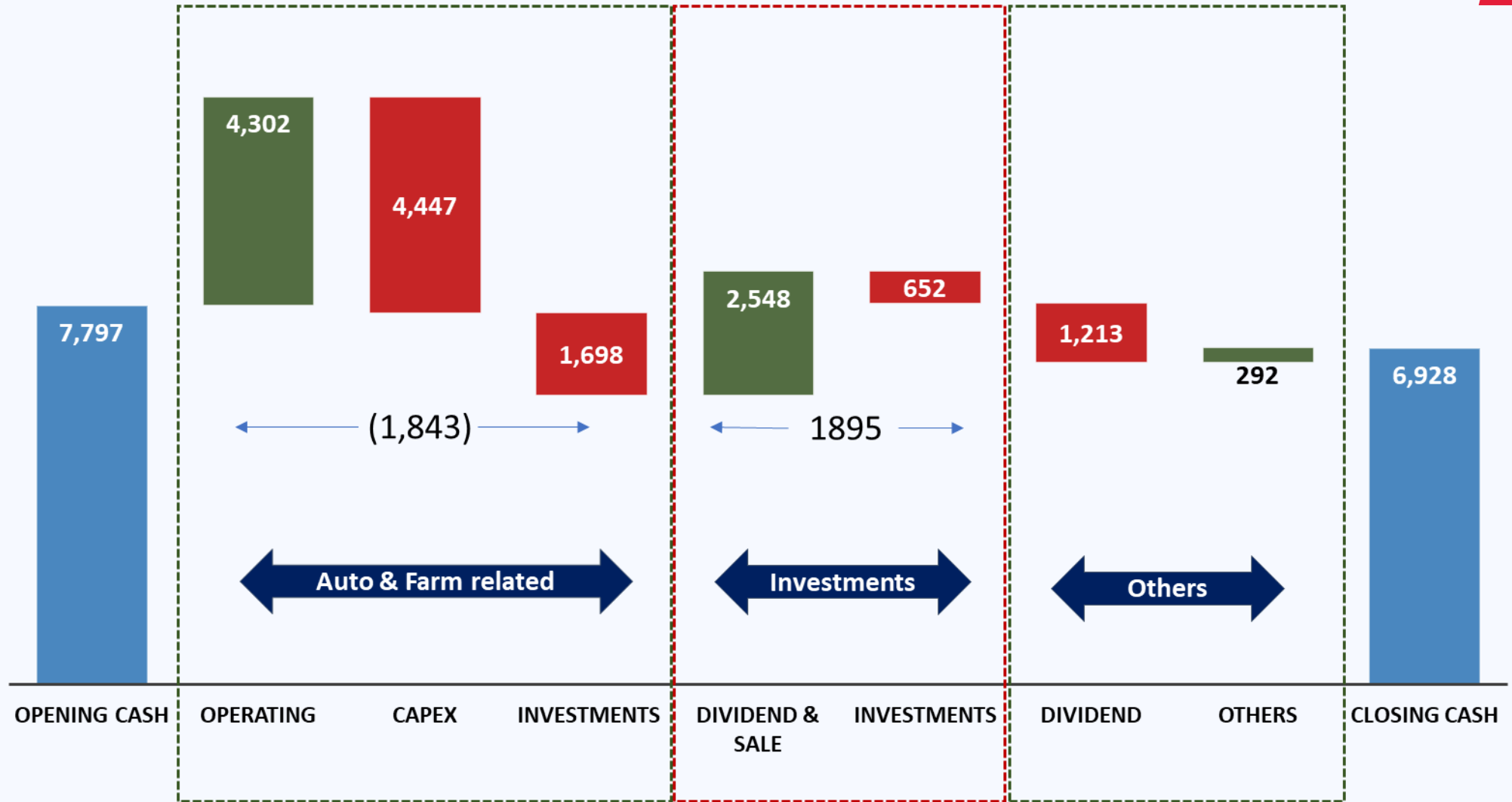


Rs Cr



CASH INFLOWS & OUTFLOWS: F20 Standalone

Rs Cr



Standalone M&M + MVML
 PMTC is included in Auto & Farm related

SUMMARY

- Resilient performance of Domestic Auto & Farm in a tough year
 - Market share gains: Farm up 1%, Auto LCV<3.5T up 1.2%
 - Operating Margins maintained for both Farm and Auto
 - Profits lower due to BSVI transition & COVID impact
- Ssangyong and other International subsidiaries drive significant reduction in profits
- Strong cash position to tackle COVID
 - Current Cash Balance of Rs 10,300 cr
 - Additional Committed Borrowing line of Rs 2,250 cr

Actions to Reignite Value Creation



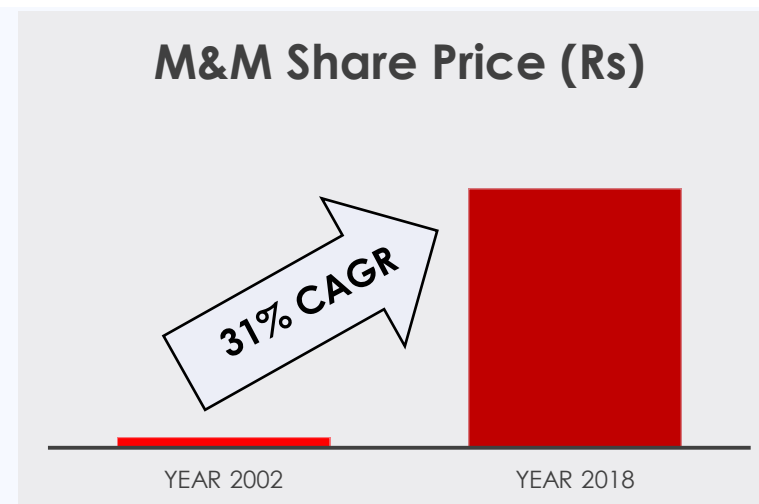
NOT LONG AGO...



anand mahindra  @anandmahindra · Aug 21

In 2002, we began our annual Group conference labelled "BlueChip" because we vowed we would lift our performance & make the stock price reflect our genuine potential. So forgive us for being emotional today. The Nifty hit a high & our stock proved to be the best performer since 2002..

***Aug 2018:** NIFTY scales new high and M&M leads the Year 2002 NIFTY pack with highest returns @ 31% CAGR



M&M highest performer in NIFTY since its inception...fill Aug 2018

LEGACY OF VALUE CREATION



F02-F18

F18-F20

Operating Cash Flow pre Capex (Rs Cr)

2,433

5,210

EPS CAGR

34%

(87%)

Avg RoE

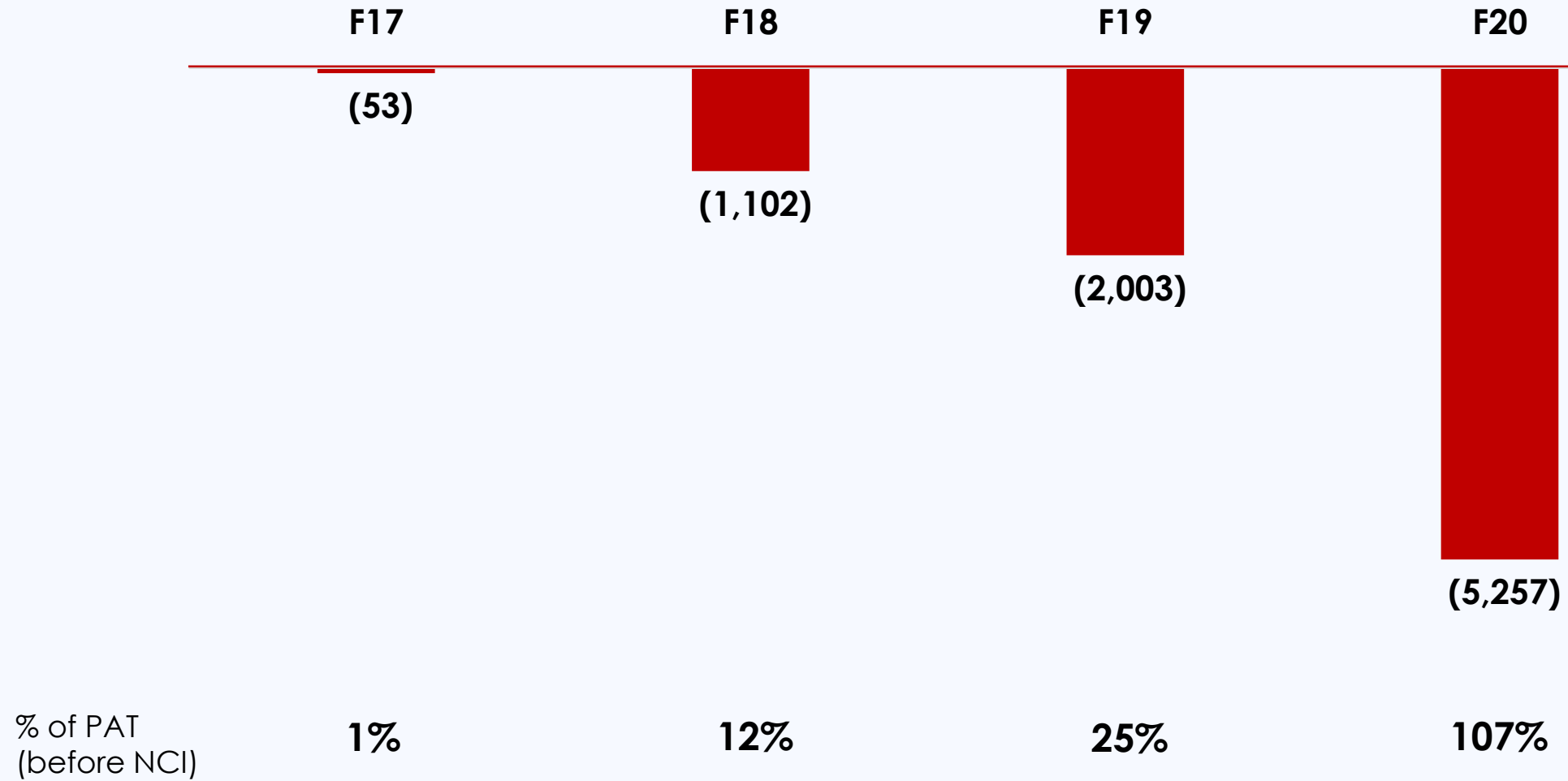
22%

12%

EPS and RoE on consolidated basis
Cash Flow is Average per annum on standalone basis for M&M

LOSSES OF INTERNATIONAL SUBS

Rs Cr



ACTION ON LOSS-MAKING SUBS

Tighter Capital Allocation Norms

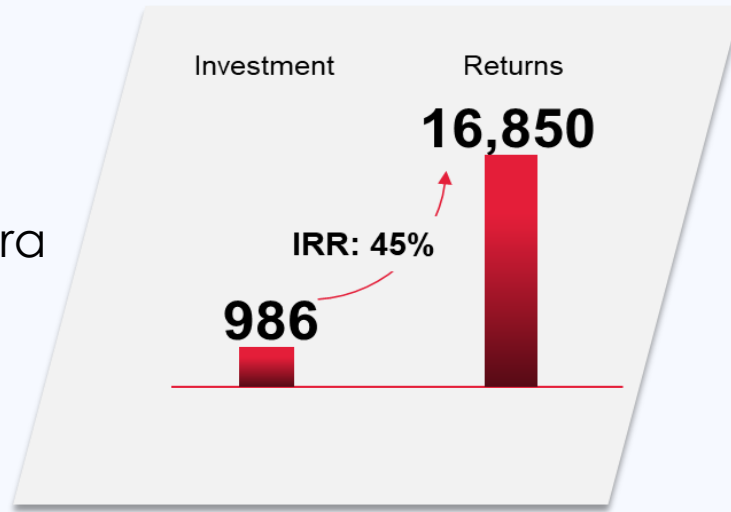
Loss-making businesses/entities to be closely scrutinized & put under 3 categories, viz. A, B and C

Category	A	B	C
Logic	Entities with clear path to 18% RoE	<i>Delayed or unclear path to profitability but quantifiable strategic impact</i>	Unclear path to profitability
Action	Continue	Continue	Exit (Explore partnership, alliance or shut-down)

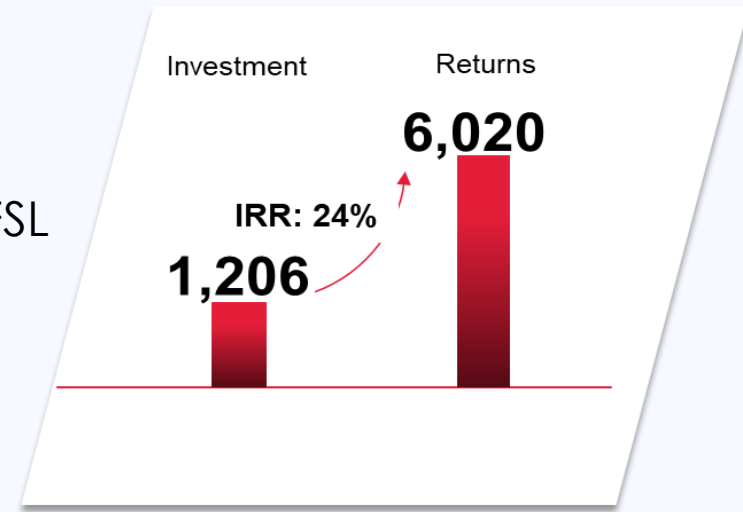
VALUE CREATION IN LISTED COMPANIES

Rs Cr

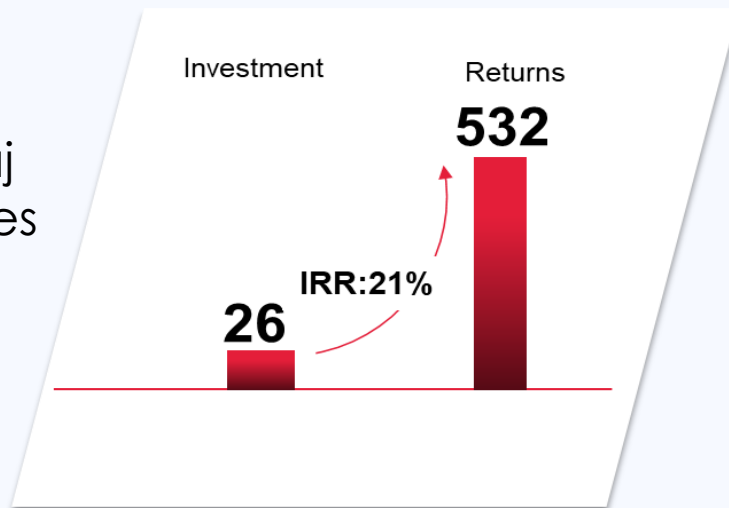
Tech
Mahindra



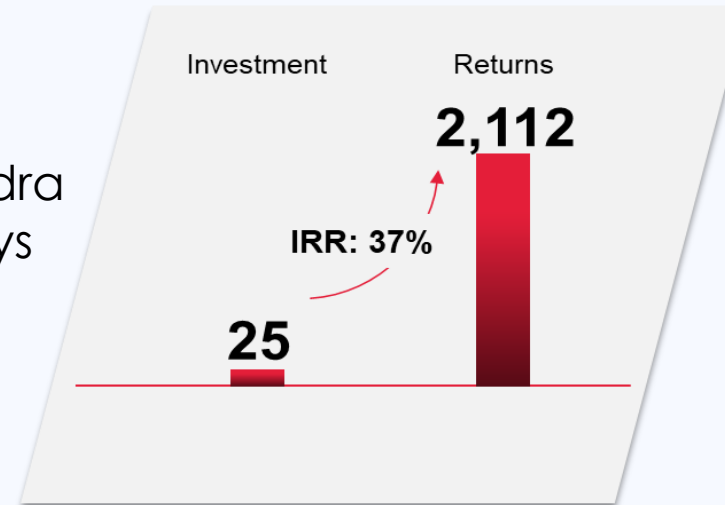
MMFSL



Swaraj
Engines



Mahindra
Holidays



Returns include dividends, sale & market value of the holding on 31st Mar, 2020. Investment include both original cost and subsequent investments

HARNESS VALUE FROM POTENTIAL BILLION \$ CANDIDATES



Aftermarket



Powerol



Mahindra Rural
Housing Finance



Mahindra
Susten

Make in India...
Supply to the World



Agri



Mobility



Mahindra
Accelo



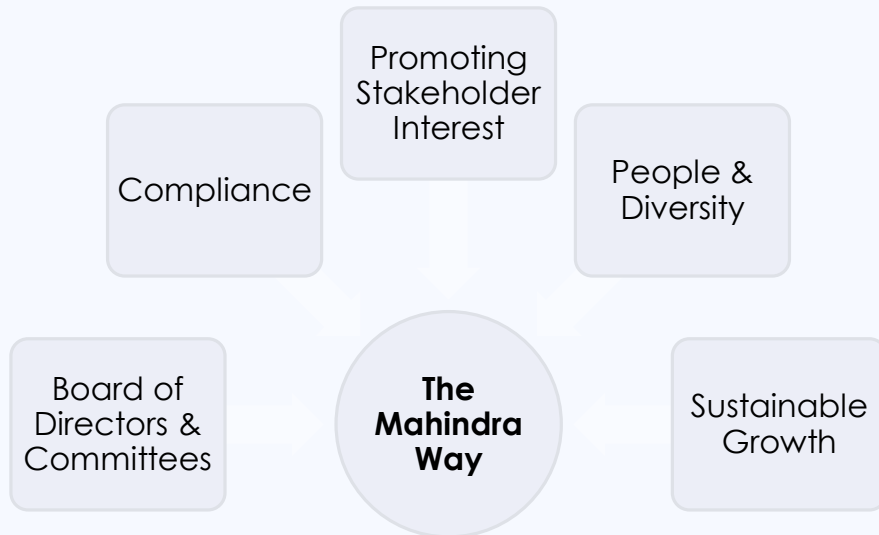
Classic
Legends



Mahindra
Electric

Mahindra: A gateway to
the largest and fastest
growing themes in India

GOVERNANCE IS OUR BEDROCK



Growth, Governance & Social Focus



M&M: Golden Peacock Global Award for 'Excellence in Corporate Governance for 2019'



M&M: 'Best Corporate Governance – India 2019' award from Business Vision



Award winner
India 2019

M&M: IR Magazine Award 2019 for 'Best financial reporting (large cap)'



M&M: ICSI 'National Award for Excellence in Corporate Governance in Listed Segment: Large Category' for 2019



Mahindra Annual Report 2019 wins Gold at the MARCOM Awards, USA

M&M: **AAA rating for 6 years** in a row, from four key Credit Rating Agencies



PATH FORWARD

- Tightened Capital Allocation norms
- Act on all loss making subsidiaries
- Define clear narrative for Auto
- Harness value from unlisted gems

On track to Re-Ignite Value Creation

#FUTURise