



## WEALTH FARMING

*BØRING IS BEAUTIFUL*

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DATE: 29-03-2025

## GREED AND FEAR

The stock market is all about greed and fear, and currently fear is on the driving seat and fear is playing with the sentiments of investors. Fear and greed is something which is an inherent part of investing, and if we talk about fear, we cannot eliminate the fear but yes we can always manage the fear by learning from the past history and great investors who have created huge wealth by surviving fear and greed. History tells us that it has never happened that markets went down and never recovered. In fact, history tells that no matter how down markets have gone, it has always made a new high. Yes, recovery time may vary, but markets have always recovered.

As investors we should be good at managing fear, because fear is something which kills the rationality. Even a person of highest intelligence can act irrationally if he or she is under fear. Fear compels investors to take irrational decision and then we have to regret for our decisions. And these decisions taken under fear

can destroy our potential wealth creation! Always remember that in greed peanuts are available at the rate of almonds and in the time of fear in the market, almonds are available at the rate of peanuts.

To be honest, when there is a fear in the market, it is a golden period for long term investors looking to start the investment journey or looking to invest more. As our very own Mr. Warren Buffet says investors should be fearful when others are greedy, and greedy when others are fearful.

Dear readers, it is a time for all of us to become greedy! Investors who will survive and digest this difficult phase of the market will eventually make big wealth in long term. Generally, market falls due to economic issues, but this time fall is not attributed to the issues in Indian economy, in fact, our economy continues to remain stable!

***It's time for New year celebration, we wish you a happy Chetichand, Gudhi Padwa and Ugadi. Let's hope the new year brings lot of Joy, Happiness and Prosperity to our lives.***

***And Wishing our Muslim brothers and sisters, a blessed Eid, filled with Joy, Happiness, and Prosperity.***

Happy Investing!

Thanks, and Regards

C.P. Madhwani

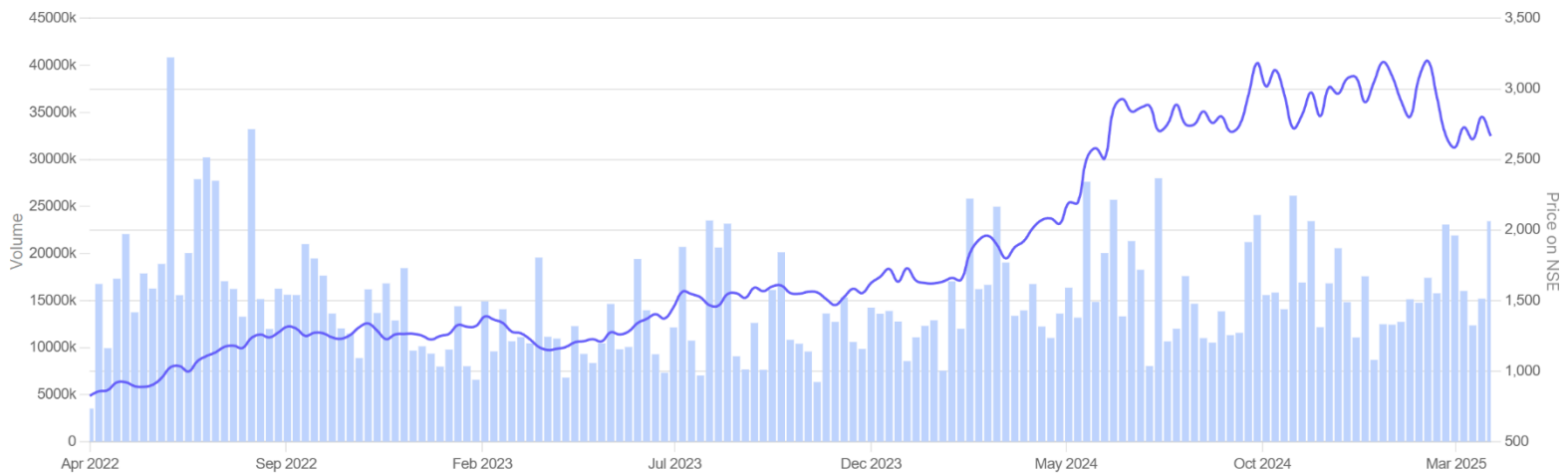
MAHINDRA & MAHINDRA LIMITED

**Mahindra**  
*Rise.*

DATE: 29-03-2025

<b>NSE SYMBOL</b>	<b>M&amp;M</b>
<b>BSE CODE</b>	<b>500520</b>
<b>MARKET CAPITAL (INR)</b>	<b>₹331500 Crores</b>
<b>FACE VALUE</b>	<b>₹5/-</b>
<b>BOOK VALUE</b>	<b>₹ 567/-</b>
<b>CURRENT PRICE</b>	<b>₹ 2666/-</b>
<b>BUYING RANGE</b>	<b>₹2300-2800</b>
<b>TARGET PRICE</b>	<b>₹4200-5600</b>
<b>HOLDING PERIOD</b>	<b>36-60 Months</b>
<b>STOPLOSS</b>	<b>₹2000/-</b>
<b>SUITABLE WEIGHTAGE IN PORTFOLIO</b>	<b>4% TO 6%</b>
<b>DEBT EQUITY RATIO</b>	<b>Consolidated =1.66 , Standalone= 0.03</b>
<b>EPS</b>	<b>₹99.60</b>
<b>PE</b>	<b>26.8</b>
<b>RISK</b>	<b>MEDIUM</b>
<b>STOCK TYPE</b>	<b>GROWTH</b>
<b>TOTAL EQUITY CAPITAL</b>	<b>₹558 CR</b>
<b>PROMOTER STAKE</b>	<b>18.48%</b>
<b>PLEDGE SHARES PRECENTAGE</b>	<b>0.02%</b>
<b>STAKE HELD BY FII</b>	<b>38.92%</b>
<b>STAKE HELD BY DII</b>	<b>29.22%</b>
<b>INDIVIDUAL INVESTOR'S STAKE</b>	<b>7.97%</b>

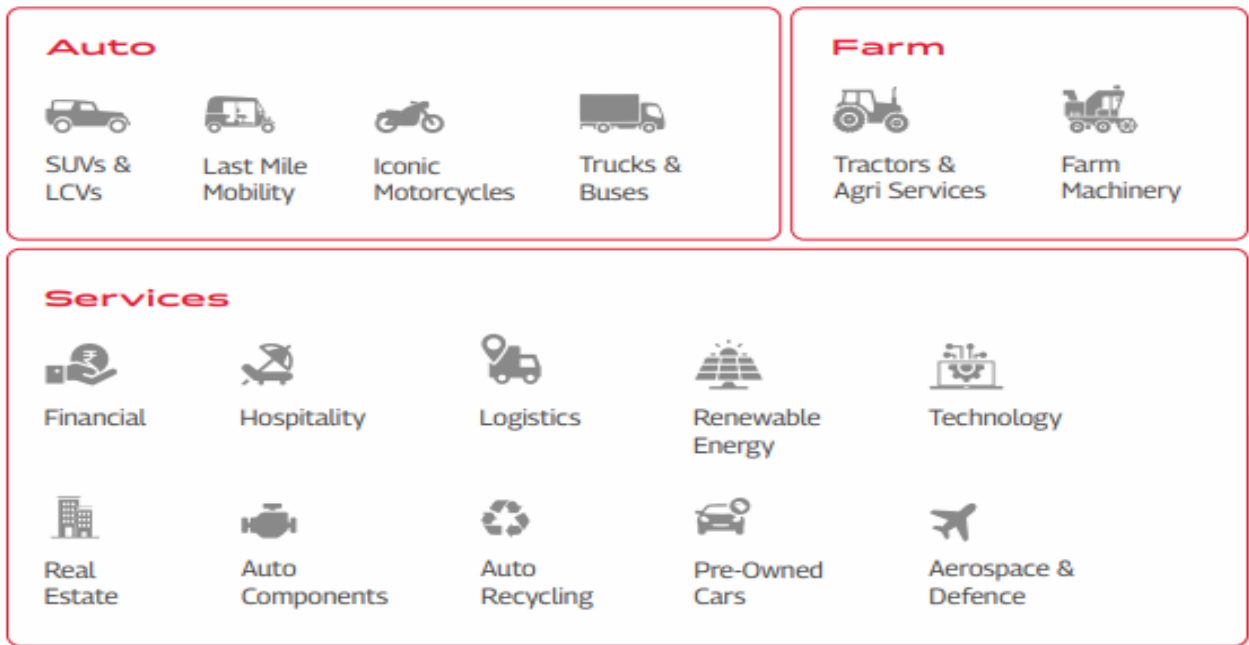
### Stock Graph of Last 3 Years



## MAHINDRA AND MAHINDRA LIMITED

A farmer plows his fields with a sturdy Mahindra tractor, a family embarks on a road trip in their trusted Mahindra SUV, a family enjoys a holiday at Mahindra Holidays & Resorts, a family buys its dream home at Mahindra Lifespace, a young entrepreneur secures funding for his dream venture through Mahindra Finance and many businesses avail the IT services of Tech Mahindra for digital transformation of their business with a focus on enabling scale and speed. These are not just everyday moments—they are powered by a brand that has been a part of India's growth story for more than 8 decades!

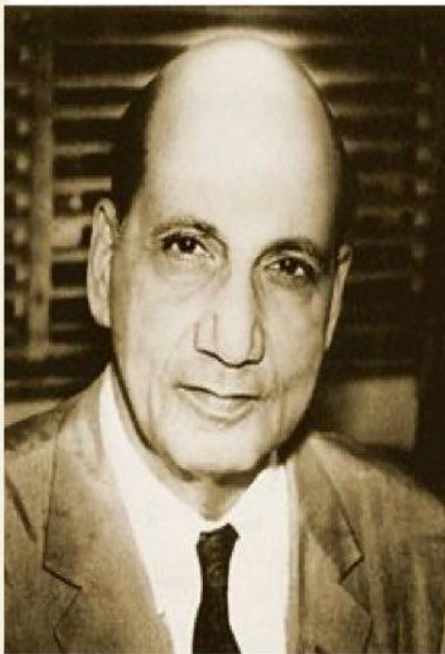
We're talking about the Mahindra Group, a conglomerate that has seamlessly woven itself into the fabric of millions of lives. Established in 1945, Mahindra has grown into one of India's most diverse and influential business groups. From automobiles and farm equipment to finance, IT, aerospace, and renewable energy, Mahindra has built businesses that drive progress and empower people.



**Now let's know about the interesting founding story about the Mahindra and Mahindra Limited on the next page,**

*Mahindra & Mahindra was founded as a steel trading company on 2 October 1945, in Ludhiana as **Mahindra & Mohammed** by brothers Kailash Chandra Mahindra and Jagdish Chandra Mahindra, along with Malik Ghulam Mohammed. Anand Mahindra, the present Chairman of Mahindra Group, is the grandson of Kailash Chandra Mahindra. In 1948, after partition, Ghulam Mohammed decided to move to the newly formed Pakistan, he became the first finance minister of Pakistan and later the third Governor General. The Mahindras were left with stationery and company stamp that said M&M.*

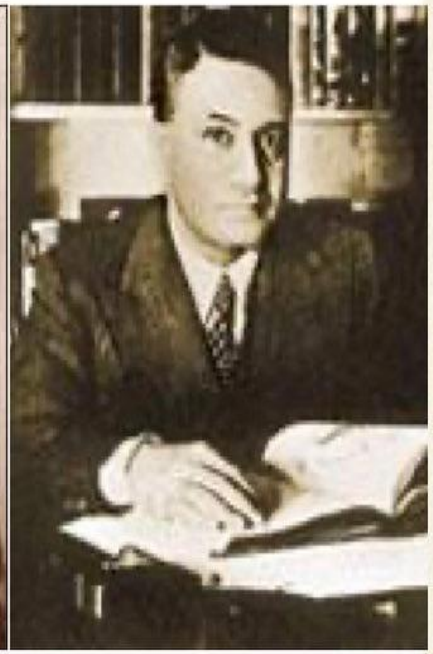
They did not have the financial resources to change the name. Since there were two Mahindra brothers in the business, they decided to continue the stamp name M&M, and they changed the company name to Mahindra & Mahindra. Around this transformative time, the company also began assembling Willys Jeeps under license, carving its niche in the rugged vehicle market. By taking on the assembly of Willys Jeeps, M&M set the stage for establishing itself in the automotive industry, particularly as a pioneer in utility vehicles.



**Kailash Chandra Mahindra**



**Malik Ghulam Muhammad**



**Jagdish Chandra Mahindra**



In early 1960's the company diversified by venturing into tractor manufacturing. This strategic move eventually positioned Mahindra and Mahindra as one of the world's leading tractor producers, deeply impacting the agricultural sector in India and globally. In 1970's M&M consolidated its foothold in vehicle production by broadening its range. The emphasis wasn't solely on utility vehicles anymore; the company expanded into various commercial and industrial segments. While in the 1980's and 1990's as the automotive landscape evolved, M&M diversified into passenger vehicles and more specialized commercial offerings. They invested in research and development, gearing up for the consumer market and ensuring long-term growth and innovation.

The economic liberalization of 1991 opened up the Indian market to foreign competition, putting additional pressure on Mahindra's traditional businesses. With Maruti Suzuki leading the passenger car segment and Tata entering the SUV market, Mahindra was in danger of becoming irrelevant. To regain lost ground, Mahindra launched the **Bolero** in 2000. This vehicle was a turning point for the company. Designed as a rugged, reliable SUV for rural India, the Bolero became a bestseller, particularly in semi-urban and rural markets. Its low maintenance costs and durability made it the vehicle of choice for commercial and personal use. The success of the Bolero helped stabilize Mahindra's financial position, allowing it to invest in new vehicle development—including its next breakthrough, **the Scorpio**.

Realizing the need for a modern, homegrown SUV, the company launched Project Scorpio. This ambitious project, led by Anand Mahindra, was Mahindra's first attempt at designing and manufacturing a completely indigenous vehicle. The company invested ₹600 crores (\$150 million) into the project, hiring international engineers and designers to create a world-class SUV. The result was the Mahindra Scorpio, which was launched in 2002 and became a runaway success, establishing Mahindra as a serious contender in the passenger vehicle space.

The 2000s saw Mahindra aggressively expand its footprint, both domestically and internationally. By 2005, it had become India's largest tractor manufacturer and later grew to become the world's largest by volume. To further consolidate its dominance in the agricultural sector, Mahindra acquired Punjab Tractors Ltd. in 2007.

In 2010's the company began exploring next-generation technologies, including electric vehicles and advanced mobility solutions. Strategic moves such as acquiring stakes in international brands and forming global partnerships further diversified its portfolio. A focus on sustainability and digitalization brought new dimensions to the traditional automotive business.

In 2021, the company announced a ₹10,000 crore (\$1.2 billion) investment in EVs, launching the XUV400 electric SUV in 2022 and developing a new EV platform in collaboration with Volkswagen. The auto sector saw a resurgence in 2022, with strong sales of SUVs like Thar, XUV700, and Scorpio-N, while its tractor business continued to dominate the global market. In December 2024, the company reported a 16% increase in overall sales, with SUV sales experiencing an 18% boost, driven by popular models like the 'Thar ROXX' and the 'XUV 3X0'. In January 2025, M&M participated in the 17th Auto Expo, held from January 17 to 22 at Bharat Mandapam in New Delhi. The company showcased its latest innovations, including the 'Thar Roxx', 'BE 6', and 'XEV 9E' models, underscoring its commitment to electric mobility and cutting-



edge automotive design. Today, the Group has a strong focus on purpose, believing in its crucial role in leading ESG initiatives globally, promoting diversity, and setting benchmarks in governance.

*Today Mahindra & Mahindra Ltd is one of the most diversified automobile companies in India with presence across 2-wheelers, 3-wheelers, PVs, CVs, tractors & earthmovers. It also has presence across financial services, auto components, hospitality, infrastructure, retail, logistics, steel trading and processing, IT businesses, Agri, aerospace, consulting services, defence, energy and industrial equipment through its subsidiaries and group companies. The group has a presence across 22 industries, 100+ countries and operates 150+ entities on a consolidated basis.*
























## GLOBAL FOOTPRINT

 THE GROUP HAS BUSINESS PRESENCE IN **100+ COUNTRIES**

 OUR R&D FACILITIES ARE SET UP IN **21 CENTRES** ACROSS **7 COUNTRIES**

India, Finland, Italy, Japan, Turkey, UK, USA

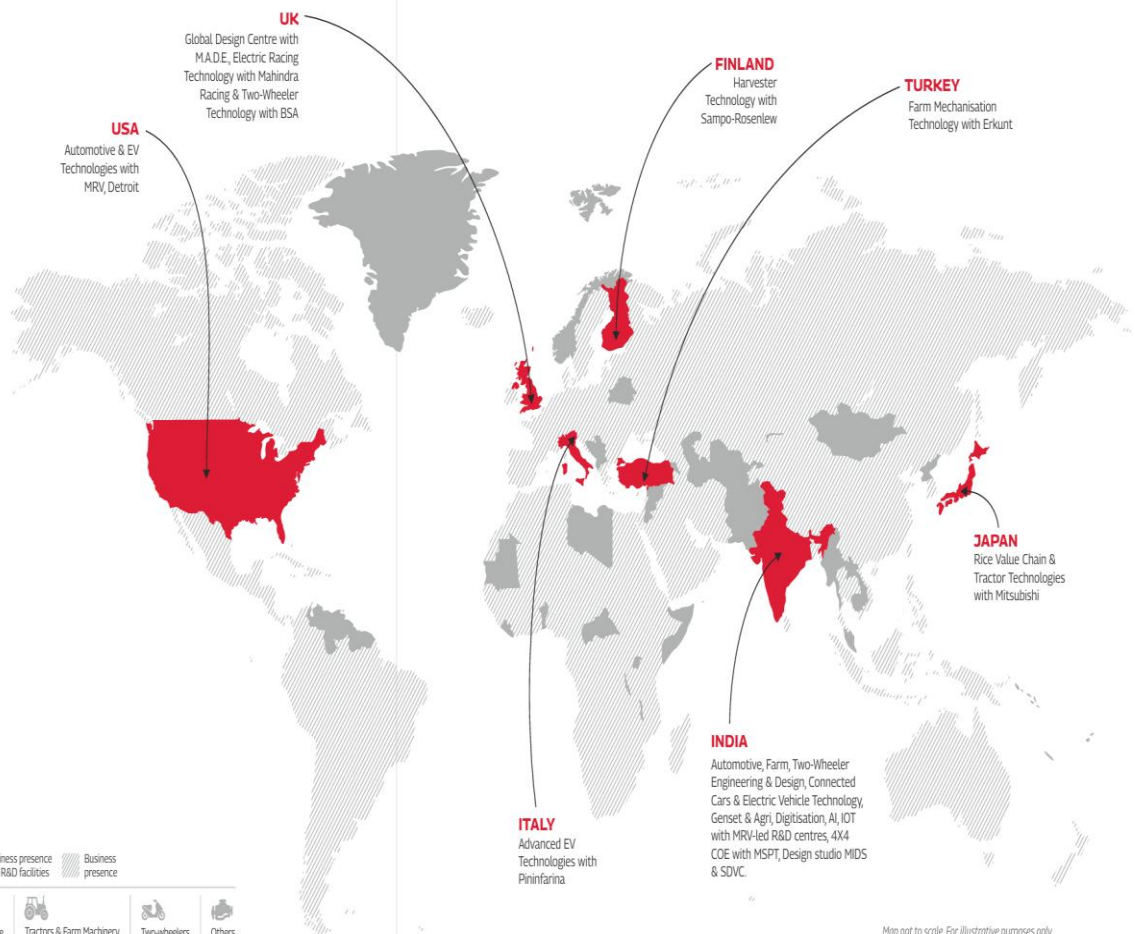
**69** MANUFACTURING FACILITIES AROUND THE WORLD

<b>47</b> INDIA	   
<b>02</b> ALGERIA	
<b>01</b> AUSTRALIA	
<b>01</b> BENIN	
<b>01</b> BRAZIL	
<b>01</b> FINLAND	
<b>01</b> INDONESIA	
<b>01</b> JAPAN	
<b>01</b> KENYA	
<b>01</b> MALI	
<b>01</b> NIGERIA	
<b>01</b> SOUTH AFRICA	
<b>01</b> SRI LANKA	
<b>01</b> TUNISIA	
<b>02</b> TURKEY	
<b>02</b> UAE	
<b>04</b> USA	   

MRV - Mahindra Research Valley, Chennai & Detroit  
MSPT - Mahindra SUV Proving Track, Chennai  
MIDS - Mahindra India Design Studio, Mumbai  
MADE - Mahindra Advanced Design Europe  
SDVC - Software Defined Vehicle Centre, Coimbatore

 Business presence and R&D facilities  Business presence

 Automotive  Tractors & Farm Machinery  Two-wheelers  Others





## MARKET SHARE

### SUV

Revenue  
market share

**20.4%**

▲ 130 bps



LCVS  
(<3.5T\*)  
market  
share

**49%**

▲ 350 bps



FARM  
EQUIPMENT  
market  
share

**41.6%**

▲ 40 bps



ELECTRIC  
3 WHEELERS  
market  
share

**58.7%**

▼ -890 bps



## BUSINESSES OF THE GROUP AT GLANCE

### AUTOMOTIVE

Mahindra & Mahindra's automotive business is one of the most diverse in the industry, offering a wide range of vehicles that cater to personal, commercial, and last-mile mobility needs. The company's portfolio includes SUVs, pickups, commercial vehicles, electric vehicles (EVs), three-wheelers, and construction equipment. Known for its rugged and reliable vehicles, Mahindra has built a strong presence in both urban and rural markets, addressing varying mobility needs across segments. Mahindra's core strength lies in creating authentic SUVs that resonate with consumers' evolving preferences.

***SUV share in the company's automotive segment increased from 21% in FY12 to 60% in FY24.***

In the **passenger vehicle (PV) segment**, Mahindra is a leader in the SUV category, holding a **20.4% market share** in the SUV segment as of FY24, while in Q3 of the current fiscal its **market share in SUV segment went up to 23%**. Iconic models like Scorpio, Bolero, XUV700, Thar, and XUV 3XO continue to drive strong demand. The company is focused on further strengthening its

position with a robust product pipeline, ensuring cutting-edge technology, safety, and performance.

In the **commercial vehicle (CV) space**, Mahindra holds a **49% market share in the light commercial vehicle (LCV)** segment (LCV<3.5T), While its market share went up to 51.90% in the Q3 of the current fiscal, making it a dominant player in small commercial transport. The company's lineup includes Mahindra Jeeto, Supro, and Bolero Pik-Up, which remain preferred choices for small businesses, while the Blazo and Furio range cater to medium and heavy commercial transport needs.

Mahindra is also at the forefront of **electric mobility**, developing an ecosystem that includes electric SUVs, three-wheelers, and last-mile solutions. With its Born Electric (BE) range, INGLO platform, and battery manufacturing facility, the company is driving the transition toward sustainable mobility. In FY24, Mahindra sold **74,171 EVs**, marking a **61% growth** over the previous year.



The recently announced range of BE and XUV electrical models can give tough competition many world class electric cars.

The company's focus goes beyond just manufacturing vehicles; it taps into customer emotions, creating products that make people say, "I want to own this vehicle".

#### DID YOU KNOW?

Long before Tesla became a buzzword, Mahindra acquired Reva in 2010 and launched the e2o, India's first mainstream electric car, paving the way for its EV ambitions.

The company continues to strengthen its manufacturing capabilities, expanding its Born Electric (BE) facilities and advancing battery production technology. Its manufacturing plants across India ensure efficient production for both ICE and EV models, supporting its growing domestic and global demand. Mahindra is also ramping up capacity to meet its ambitious product roadmap, with 23 new vehicle launches planned across ICE, BEVs, and LCVs by 2030.



## Press Note

### **Mahindra Electric Origin SUVs create new record in the EV category with booking value of ₹ 8472 crores (at ex-showroom price), securing 30 179 bookings on day 1**

**Mumbai, February 14, 2025:** Mahindra's Electric Origin SUVs—the XEV 9e and BE 6—have collectively registered booking value of ₹ 8472 crores (at ex-showroom price) on the first day of opening. The eSUVs have secured 30 179 bookings. This is noteworthy considering that the total electric passenger vehicle sales in India was about 1 Lakh units for the calendar year 2024.

The split between the XEV 9e and BE 6 is 56% and 44%, respectively. The top-end Pack Three, featuring a 79 kWh battery, accounted for 73% of the total bookings across both brands. This response indicates strong customer enthusiasm for Mahindra's next-generation electric SUVs and reflects the growing demand for premium EVs in India.

This strong demand underscores the confidence customers have in Mahindra's UNLIMIT India vision—delivering innovative, world-class electric SUVs that offer a distinctive blend of luxury, performance, and technology. The Made-in-India, For-the-World XEV 9e and BE 6 have attracted significant attention since their unveiling on November 26, 2024, signalling a robust market appetite for premium electric SUVs.

On the international front, Mahindra exported 24,663 vehicles in FY24, with strong demand in Australia, New Zealand, and South and Central America. The company is now expanding into the UK and Europe with its Born Electric range, leveraging its advanced EV ecosystem.

In line with its EV vision, Mahindra plans to invest **INR 12,000 crore between FY25 and FY27** to establish a state-of-the-art manufacturing facility and support the development and production of its upcoming electric SUV lineup.



## MAHINDRA LAST MILE MOBILITY LIMITED

Mahindra Last Mile Mobility Limited (MLMML) was incorporated as a wholly owned subsidiary, facilitating the structured transfer of Mahindra's last-mile mobility business from under Mahindra & Mahindra limited through Asset and Business Transfer Agreements. This strategic move enabled LMM to scale efficiently, attract investments, and accelerate growth in electric mobility and become one of the **GROWTH GEM** of the company.

LMM has emerged as **India's No. 1 electric three-wheeler manufacturer**, leading the transition to clean and affordable last-mile transportation. With 1,40,000+ EVs sold, its portfolio includes electric models like Treo, Zor Grand, and e-Alfa range, alongside ICE vehicles such as the Alfa three-wheeler and Jeeto four-wheeler. In FY24, new launches like Treo Plus, Jeeto Strong, and e-Alfa Super expanded its lineup, with 10+ new product launches/upgrades in the pipeline.



LMM continues to deliver strong market growth, crossing 1,00,000+ unit sales for the first time in FY24. The E-3W segment remains the biggest driver, with 66,000+ sales, a **58.7% market share**, and 4X growth in two years. To meet surging demand, manufacturing capacity was tripled, reinforcing scalability and long-term sustainability.

The company secured funding from International Finance Corporation (IFC) and India-Japan Fund (IJF), while also collaborating with Attero for EV battery recycling, furthering its sustainability efforts. In a significant milestone, LMM raised ₹1,000 crores from external investors, valuing the business at over ₹6,000 crores.

To support its next phase of growth, LMM has initiated the construction of a **new manufacturing facility**, which will house a state-of-the-art battery assembly line, power pack production, and drivetrain component manufacturing for electric three-wheelers and four-wheelers.

## **TWO-WHEELER SEGMENT (Classic Legends Private Limited)**

Mahindra's presence in the two-wheeler segment is often overlooked, yet it plays a crucial role in the company's diversified mobility offerings. Through its subsidiary, Classic Legends Private Limited, Mahindra has successfully revived two legendary motorcycle brands—**Jawa and Yezdi**—capturing the imagination of modern riders with their blend of heritage and contemporary engineering. While many enthusiasts may not realize it, these iconic bikes are part of the Mahindra portfolio, reinforcing the company's commitment to performance, nostalgia, and innovation.

Since their reintroduction in 2019 and 2022, Jawa and Yezdi have carved a niche in India's premium motorcycle market. Strengthening this lineup, Mahindra launched the 42 Bobber in FY23 and the Jawa 350 in FY24, expanding its reach among enthusiasts seeking powerful and stylish rides. Beyond India, Mahindra is reviving the iconic British brand BSA, making strategic inroads into the UK and European markets.



## FARM MACHINERY AND EQUIPMENT

Mahindra & Mahindra is not just an automotive giant; it is also the world's largest tractor manufacturer by volume and a leader in farm equipment. The company's farm equipment sector is deeply committed to enhancing agricultural productivity and rural prosperity. Its diverse portfolio includes tractors, farm implements, and precision farming solutions, catering to the evolving needs of farmers worldwide. Mahindra's flagship brands, Mahindra Tractors and Swaraj Tractors, have established a stronghold in the Indian market, holding a dominant **41.6% market share in FY24. While in the Q3 of current fiscal its market share went up to 44.2% which is its highest ever quarterly market share.**

*Swaraj Tractors, a part of the Mahindra group unveiled limited-edition tractors, to mark the brand's Golden Jubilee. Limited-edition variants of the Swaraj 855 FE and Swaraj 744 FE tractors were showcased at a ceremony commemorating Swaraj Tractors' 50 anniversary.*

Another hero in Mahindra's portfolio is the **Mahindra OJA**, a specialized tractor family designed for horticulture and paddy cultivation. With a rapid production ramp-up, OJA tractors enable Mahindra to tap into 25% of the global tractor market while expanding into new regions like Europe and ASEAN. The brand was recently introduced in the U.S., with plans to enter Europe by Calendar Year 2025, further strengthening Mahindra's global footprint. To stay at the forefront of agri-tech innovation, the company has also established Centers of Excellence in Turkey, Finland, and Japan.

Manufacturing is a core strength of Mahindra's farm division, with Zaheerabad serving as a global production hub. This facility played a key role in Mahindra achieving the milestone of selling 40 lakh tractors, including exports.





With a growing focus on mechanization, the company is scaling up its **farm machinery segment**. Company has aggressive plans to grow its Farm Machinery business, through launch of 'Made in India' farm machinery products. These include rotavators, harvesters and rice transplanters amongst others. Mahindra's Farm Machinery business is dedicated to enhancing agricultural productivity by addressing labour shortages, improving efficiency, and reducing costs. With India's farm mechanization rapidly expanding, Mahindra leverages advanced R&D, global partnerships, and manufacturing expertise to drive innovation, making it a key **GROWTH GEM** for the Group.

Offering a diverse range of farm implements and machinery for tasks like potato planting, baling, spraying, and paddy transplanting, Mahindra has expanded its portfolio with rotary tillers, harvesters, and tractor-driven implements for domestic and export markets. Its Centers of Excellence in Turkey, Finland, and Japan continue to fuel product advancements.

***Despite rural headwinds, the segment achieved 32% YoY growth, recording its highest-ever revenue. Mahindra secured 20.3% market share in rotavators, rising to #2 in just three years while rice transplanters grew 62% YoY. The company also expanded into North America with new offerings.***

With a recovering rural economy and rising mechanization, Mahindra aims to sustain 30%+ growth and aims to triple its size by FY26 compared to FY22, reinforcing its leadership in farm machinery.



## FINANCIAL SERVICES

### MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED (MMFSL)

Mahindra & Mahindra Financial Services Limited (MMFSL) is a listed entity and M&M holds 52.16% stake in the company, it is a leading non-banking financial company (NBFC) focused on providing tailored financing solutions to individuals and businesses across India.

The company offers loans for the purchase of new and pre-owned vehicles, including auto and utility vehicles, tractors, passenger cars, commercial vehicles, and construction equipment. Additionally, MMFSL extends housing finance, personal loans, SME financing, insurance broking, and mutual fund & AMC as well as Mutual Fund distribution services. Its strong relationships with dealers and partnerships with Original Equipment Manufacturers (OEMs) allow it to offer convenient on-site financing at dealerships, simplifying the purchase process for customers with quick and flexible credit options.

### Diversified Product Portfolio



#### Vehicle Financing

Loans for auto and utility vehicles, tractors, cars, commercial vehicles and construction equipments



#### Pre-Owned Vehicles

Loans for pre-owned cars, multi-utility vehicles, tractors and commercial vehicles



#### SME Financing

Loans for varied purposes like project finance, equipment finance and working capital finance



#### Personal Loans

Offers personal loans typically for weddings, children's education, medical treatment and working capital



#### Mutual Fund Distribution

Advises clients on investing money through AMFI certified professionals



#### Insurance Distribution

Insurance solutions to our retail customers through Corporate Agency License



#### Housing Finance

Loans for buying, renovating, extending and improving homes in rural and semi-urban India through our subsidiary MRHFL



#### Mutual Fund & AMC

Asset Management Company/ Investment Manager to 'Mahindra Manulife Mutual Fund',



#### Insurance Broking

Insurance solutions to retail customers as well as corporations through our subsidiary MIBL

Expanding its global presence, MMFSL operates in the US through Mahindra Finance USA LLC, a joint venture with a subsidiary of the Rabobank Group, providing wholesale inventory financing to dealers and retail financing to customers for Mahindra Group products.

The company's strengths lie in its diverse financing portfolio, catering to transport operators, farmers, businesses, self-employed individuals, and salaried customers, while also actively participating in the growing used-vehicle financing market. Its insurance broking services focus on understanding customer needs and providing end-to-end insurance advisory across policy purchase, servicing, and claims settlement.

Through its housing finance arm, **Mahindra Rural Housing Finance Limited (MRHFL)**, the company offers loans tailored for individuals in rural and affordable housing segments, covering property purchase, construction, renovation, and extension. In SME financing, MMFSL supports businesses with project finance, equipment finance, and working capital solutions, with a strong focus on auto ancillary, engineering, and food/agri-processing industries.

The mutual fund business under **Mahindra Manulife** aims to deliver consistent investment performance, offering 22 schemes across equity, fixed income, multi-asset, and liquidity funds, catering to retail, mass affluent, and institutional investors.

For FY'24, MMFSL crossed the INR 1,00,000 crore mark in AUM, closing the year with an AUM of INR 1,02,597 crore, reflecting a 24% YoY growth and a 3- year CAGR of 17%. As a key player in the EV financing space, MMFSL has secured an exclusive lending partnership with Mahindra & Mahindra for its upcoming Born Electric Vehicles, set to begin bookings from February 14.

The company has also expanded its insurance offerings by signing agreements with nine insurance providers for life, non-life, and health insurance distribution. Additionally, MMFSL is leveraging digital opportunities, having partnered with IDFC Bank for FASTag issuance while also receiving in-principle approval from NPCI for the TPAP license, further enhancing its digital presence and revenue streams.

## INFORMATION TECHNOLOGY SERVICES

Tech Mahindra is the listed company and M&M holds 25.34% stake in the company. Tech Mahindra is at the forefront of digital transformation, leveraging cutting-edge technology to drive innovation and deliver exceptional customer experiences across industries. As part of the

Mahindra Group, it combines deep domain expertise with technological prowess to accelerate business growth.

With a clear ‘Scale at Speed’ vision for FY27, the company is streamlining its sales organization from 12 to 6 SBUs to enhance synergy, accountability, and focus on high-value accounts. It is also driving margin expansion by centralizing delivery structures to foster innovation, improve cost efficiencies, and strengthen domain expertise. Additionally, Tech Mahindra is refining its organizational agility by balancing robust processes with creative freedom to promote an entrepreneurial mindset. The company’s FY27 targets include revenue growth exceeding peer average, an EBIT margin of 15%, ROCE above 30%, and a capital return of over 85% of free cash flow.



In FY24, Tech Mahindra delivered \$676 million in free cash flow (+36% YoY) with an improvement of 4 days in DSO, achieved over 7% growth in the Manufacturing vertical, implemented a new organizational structure within three quarters, and launched the Indus Project—India’s first Large Language Model (LLM) to preserve and celebrate Indian languages. For Q3 FY25, the company reported revenues of \$1.567 billion, reflecting 1.3% constant currency growth year-on-year, and secured \$745 million in new deal wins, driven by large and multi-tower deals in Telecom and Manufacturing.

What sets Tech Mahindra apart is its unique position within a multi-business conglomerate, offering a real-time proving ground for innovation. By actively driving the digital transformation of Mahindra Group businesses, it continuously refines its expertise while unlocking synergies across industries. If there’s one company that knows how to identify the golden thread of innovation and weave the future with it, it’s Tech Mahindra.

## GROWTH GEM BUSINESSES

**Growth Gems is the term given by Mahindra and Mahindra. And for all the business which falls under the Growth Gems, company has a vision to grow them by at least 5x in next 5-7 years.**

As per the management commentary following companies are expected to be the future value creators for the group. These are the businesses that possess the right mix of opportunity that aligns with the India growth story and a definitive right to win within the sector. Company's aim is to achieve a fivefold increase in their scale and Value.

By nurturing these 'Growth Gems,' company is setting the stage to transform these "Gems" into major growth drivers of the Groups' future. Within the ambit of the Group's strategic objective to "Deliver Scale," the 5X Challenge of Growth Gems is particularly pivotal. These Growth Gems are 10 businesses identified for their exceptional potential and strategic fit within the Mahindra Group's broader vision.

Now let's discuss them one by one.

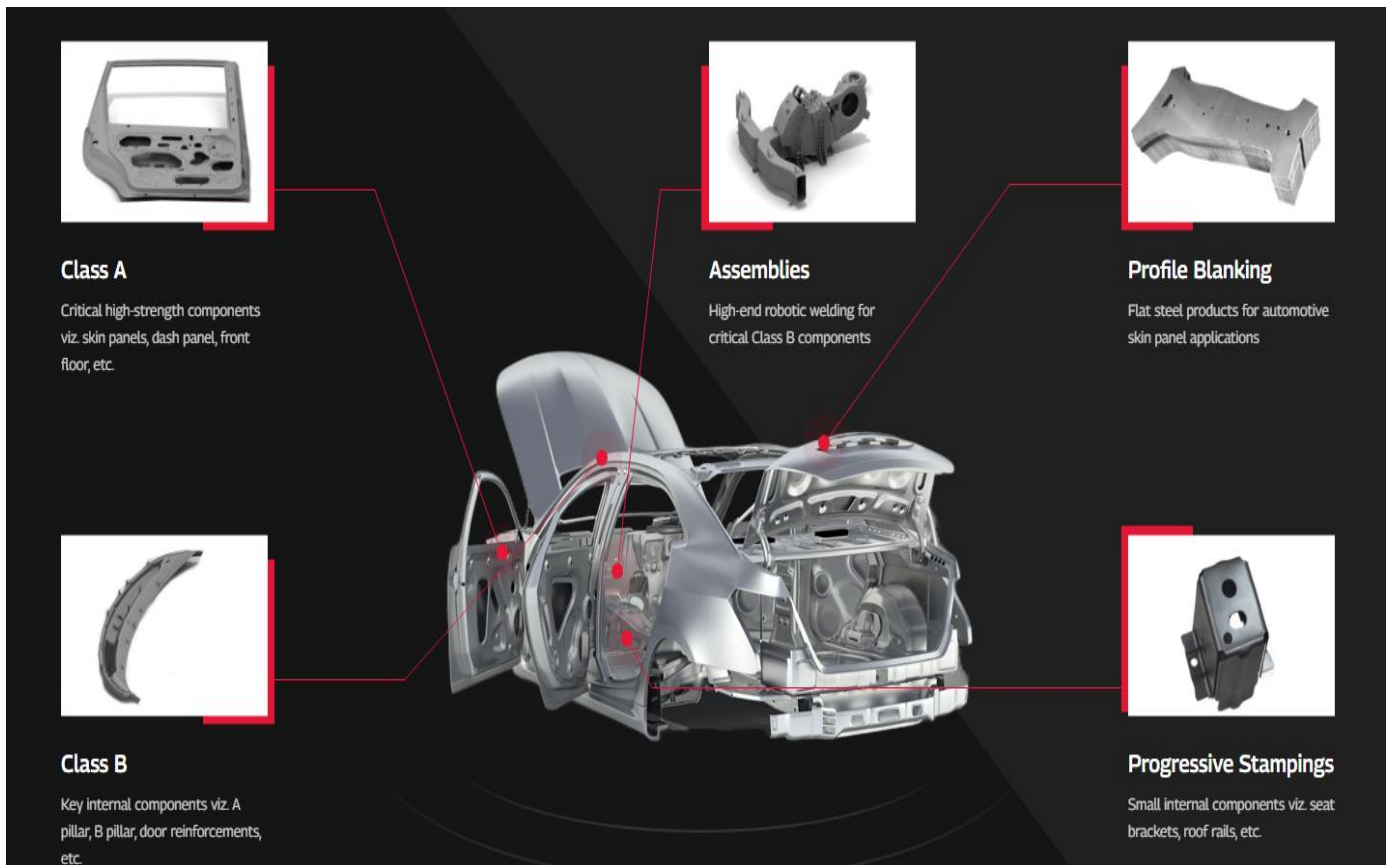
### 1. MAHINDRA ACCELO LIMITED

Mahindra Accelo Limited was established as part of Mahindra Group's vision to drive innovation, sustainability, and efficiency in the mobility and energy sectors. Its 100% owned subsidiary of the M&M. Originally set up as Mahindra Intertrade, the company evolved into Accelo, **GROWTH GEM** of the company, expanding its footprint in automotive components, EV parts, and vehicle recycling.

Today, Accelo supplies Body-in-White (BiW) components, power components, electrical stampings, and purlins to major OEMs across India. Leveraging India's first high-speed

progressive stamping lines, it delivers high precision and efficiency in production, ensuring superior quality for its customers.

A key part of Accelo's sustainability efforts is **CERO, India's first and largest government-authorized vehicle recycler**. CERO promotes **zero tolerance for pollution and unsafe recycling practices**, playing a pivotal role in the country's transition to organized vehicle recycling. With 32 collection centers and 9 Registered Vehicle Scrapping Facilities across 41 cities, Accelo is positioned as the market leader in this space.



Financially, **Accelo achieved its highest-ever revenue of approximately INR 4,600 crore in F24**, driven by strong volume growth and new customer acquisitions. The company has also fully operationalized its EV component lines, reinforcing its readiness for India's growing EV market. Over the years, Accelo has strategically built state-of-the-art manufacturing facilities, world-class stamping capabilities, and sustainable recycling solutions, reinforcing its leadership in India's mobility ecosystem.

Looking ahead, Mahindra Accelo aims to become India's largest supplier of auto components by enhancing manufacturing capabilities and leveraging technological



advancements. Additionally, it targets market leadership in organized vehicle recycling by FY28, aligning with the Group's commitment to sustainability and innovation.

## 2. MAHINDRA SUSTEN PRIVATE LIMITED

Mahindra Susten, founded in 2010, is a pioneer in India's renewable energy sector and one of the Mahindra Group's **GROWTH GEM, M&M holds 70% stake in the company and it's a subsidiary of M&M**. With experience in executing over 4.2 GWp of renewable projects globally as an Engineering, Procurement, and Construction (EPC) contractor, the company has demonstrated its capabilities in the industry. ***As it expands its role as a power solutions developer, it has developed 1.5 GWp of solar projects as an Independent Power Producer (IPP) and aims to scale this portfolio to 7.0 GWp by FY27.*** Managing an IPP portfolio exceeding 1.5 GWp with an annual generation capacity of over 2.6 billion units, the company has strengthened its financial position by onboarding **Ontario Teachers' Pension Plan (OTPP)** as a strategic investor with a 39.99% stake.

In January 2024, Mahindra Susten co-sponsored India's largest renewable energy Infrastructure Investment Trust (InvIT), the Sustainable Energy Infra Trust (SEIT), with an offer size of INR 2,262.8 crore (USD 273 million). This InvIT includes eight operational solar power assets totaling 1.54 GWp across India. The initiative attracted global investors, including the Asian Infrastructure Investment Bank (AIIB), enhancing Mahindra Susten's financial robustness and strategic positioning for future renewable energy developments.

## Projects Developed

Our projects delivers the best-levelized cost of energy (LCOE) for sustainable green energy solutions.



Rewa | 336.3 MWp



ISTS-2 | 334.88 MWp



Goyalri Project | 77.94 MWp

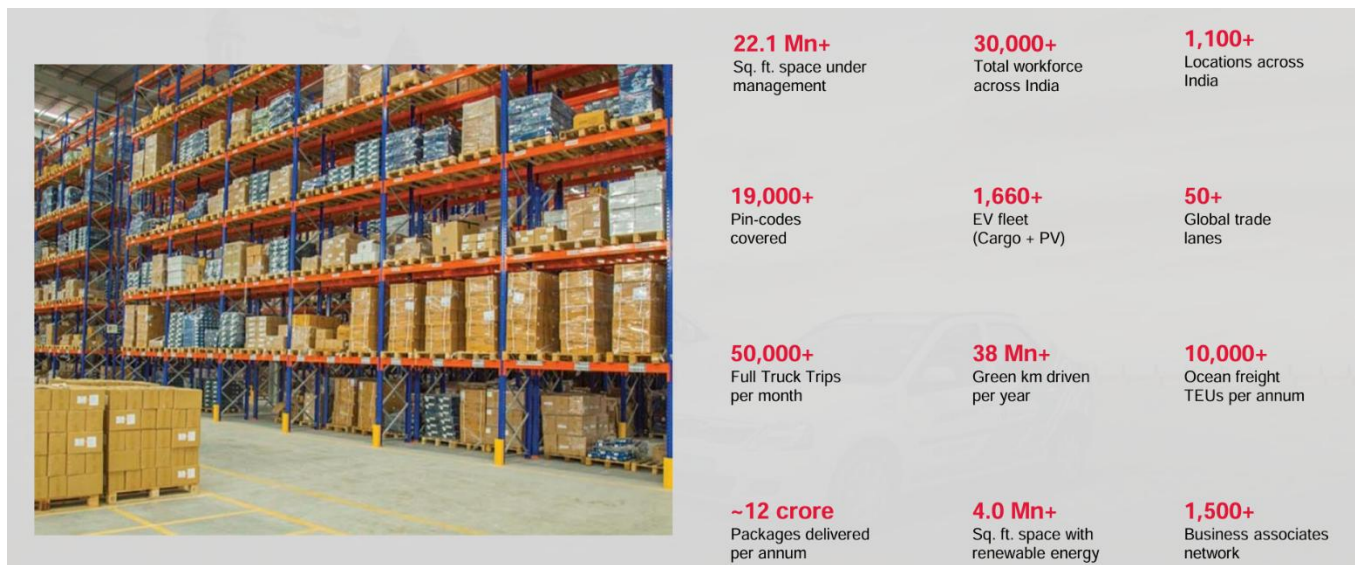
Furthering its growth, **Mahindra Susten secured INR 1,448 crore in financing from HDFC Bank and Axis Bank in December 2024** to develop 560 MWp of solar projects in Gujarat and Rajasthan. The company also ventured into the hybrid renewable energy segment, investing INR 1,200 crore to set up a 150 MW solar and wind project, underscoring its commitment to innovative and sustainable energy solutions.

Further strengthening its portfolio, Mahindra Susten recently secured a 300 MW solar project under SJVN's 1,500 MW solar tender. Through these initiatives, the company continues to expand its renewable energy footprint while aligning with broader Environmental, Social, and Governance (ESG) objectives.

### 3. MAHINDRA LOGISTICS LIMITED

Mahindra Logistics Limited (MLL) is a listed subsidiary of M&M with 58.03% stake, company is a leading provider of integrated logistics solutions in India, helping businesses streamline their supply chains with advanced technology, automation, and sustainable practices. The company operates across five key divisions, each catering to different logistics needs.

Company has set a vision to be a Rs. 10,000 crore logistics service providers by FY 2026; delivering exceptional customer experience through differentiated, technology enabled solutions.







**Contract Logistics** is MLL's largest segment, offering transportation, warehousing, in-factory logistics, and value-added services. It ensures smooth supply chain operations for industries like automotive, consumer goods, e-commerce, and manufacturing. The company recently secured new orders worth INR 100 crores, strengthening its position in this space. **2x2 Logistics**, company's subsidiary, **achieved 1.5x revenue growth YoY** with revenue rising to INR 25.3 crores from INR 14 crores YoY, and PAT improving to INR 2.1 crores from INR 40 lakhs, handles high-value and time-sensitive cargo, ensuring safe and timely transportation for industries that require precision and reliability.

**B2B Express Business** focuses on fast and efficient transportation, using a mix of road and air networks to ensure timely deliveries. It provides priority shipping services for businesses that need quick turnaround times. FY2023-24 marked the first year of operations since Rivigo was acquired. During the first half of the year, MLL experienced significant challenges in network integration, which resulted in lower operating performance. Through H2 FY2023-24, the operating performance improved, and company reported an improved performance since Q4 of FY23-24.

The Express Business generated INR 89.1 crores in revenue in Q3 of FY25, slightly lower than last year's INR 95.6 crores, but reduced its PAT losses to INR 24.8 crores.

**Lords Freight**, a subsidiary of Mahindra Logistics, specializes in international freight forwarding and customs clearance, offering end-to-end global logistics solutions. It provides multi-modal transportation via air, ocean, and land, catering to industries like automotive, pharmaceuticals, chemicals, and retail.

The division focuses on customs brokerage, cargo consolidation, warehousing, and door-to-door delivery, ensuring smooth import and export operations. With investments in digital freight solutions and real-time tracking, Lords Freight enhances Mahindra Logistics' global supply chain capabilities.

**Mobility Solutions** offers safe and cost-effective transport services for individuals and enterprises, including employee transportation, fleet management, and airport transfers in major cities across India. Mobility Solutions recorded INR 78.1 crores in revenue in Q3 of FY25, down from INR 83.9 crores last year.

**Whizzard Last-Mile Logistics** specializes in delivering goods to the final customer, a crucial part of the supply chain. With rising demand for e-commerce and hyperlocal deliveries, this segment is growing rapidly. The company is also investing in electric vehicles (eDeL 3W and 4W) and charging infrastructure to make last-mile delivery more eco-friendly. Whizzard Last-Mile Logistics saw a major jump in revenue from INR 3.2 crores to INR 42.2 crores YoY in Q3 FY25, showing strong growth in e-commerce logistics.

In Q3 FY25, Mahindra Logistics reported a 14.1% year-on-year revenue growth, reaching INR 1,594.2 crores. Warehousing revenue grew 15% YoY to INR 299.6 crores, while gross margins improved to 9.2%. EBITDA increased to INR 73.7 crores, compared to INR 52.3 crores in Q3 FY24. However, the company reported a consolidated loss of INR 9 crores for the quarter.

With growing competition from startups and changing customer demands, MLL is focusing on "Distribution and Fulfilment Solutions" to improve logistics efficiency.

## 4. MAHINDRA HOLIDAYS & RESORTS INDIA LIMITED

Mahindra Holidays & Resorts India Limited (MHRIL), a listed subsidiary of the Mahindra Group with 66.75% stake, it is a leading player in the leisure hospitality industry, operating primarily through its flagship brand, **Club Mahindra**. Founded in 1996, the Company has established vacation ownership business in India, where it is the market leader with over 2.97 lakh members. Together with its Finnish subsidiary, Holiday Club Resorts Oy ("HCR"), Mahindra Holidays has over 3.5 lakh members and access to 152 resorts in India, Asia, Europe and the USA — making it the largest vacation ownership company outside the USA.

Club Mahindra's vacation ownership model allows members to enjoy a week-long holiday annually at any of its resorts for a specified tenure. With a growing customer base of over 290,000 members, the company has built an extensive network of more than 140 resorts across India and internationally, offering diverse holiday experiences across hill stations, beaches, wildlife sanctuaries, backwaters, and heritage sites.

### Multi-Year Sources of Value Creation across the Membership Tenure



To expand its reach and diversify offerings, MHRIL made a strategic acquisition of Holiday Club Resorts Oy, a prominent vacation ownership and leisure hotel operator in Finland. This move strengthened its presence in the European market, allowing members access to a wider range of international destinations.

Domestically, Club Mahindra operates resorts in key tourist states such as Goa, Kerala, Himachal Pradesh, Rajasthan, and Maharashtra, while its international footprint includes properties across Asia, Europe, and the United States. To enhance guest experiences and improve operational efficiency, MHRIL has been integrating digital solutions, including advanced customer relationship management, hotel operations automation, and personalized travel planning tools. These efforts align with its commitment to delivering high-quality holiday experiences while staying competitive in an evolving hospitality landscape.

## 5. MAHINDRA LIFESPACE DEVELOPERS LIMITED

Mahindra Lifespace Developers Limited, it's a listed subsidiary of M&M with 51.15% stake. Company was established in 1994, is the real estate development arm of the Mahindra Group, committed to bringing the Group's 'Rise' philosophy to life through vibrant residential communities and business ecosystems. The company operates under two key brands— 'Mahindra Lifespaces,' which caters to the premium, mid- premium and luxury segment housing market, and 'Happinest,' which focuses on affordable housing.

With a strong presence in key markets such as Mumbai, Pune, and Bengaluru, Mahindra Lifespaces follows a strategic approach to land acquisition through outright purchases, Joint Development Agreements (JDAs), and society redevelopment projects. It offers a wide range of residential solutions, including high-rise apartments, plotted developments, villas, row houses, and supporting retail and commercial spaces, ensuring diverse offerings for different customer needs.

In addition to its residential business, Mahindra Lifespaces is a pioneer in the ***Integrated Cities & Industrial Clusters (IC&IC)*** segment, catering to businesses looking for well-developed infrastructure. The company operates under two brands in this space— '*Mahindra World City*,' which develops large-scale integrated cities, and '*Origins*,' which focuses on industrial clusters. These developments provide plug-and-play infrastructure, making them an attractive destination for domestic and international businesses looking to set up operations in India. Currently, Mahindra Lifespaces has three operational projects in this segment: Mahindra World Cities in Chennai and Jaipur, along with the industrial cluster project '*Origins Chennai*.' Collectively, these projects span approximately 4,800 acres, with a leasable potential of around 3,300 acres, driving industrial growth and economic development in their respective regions.

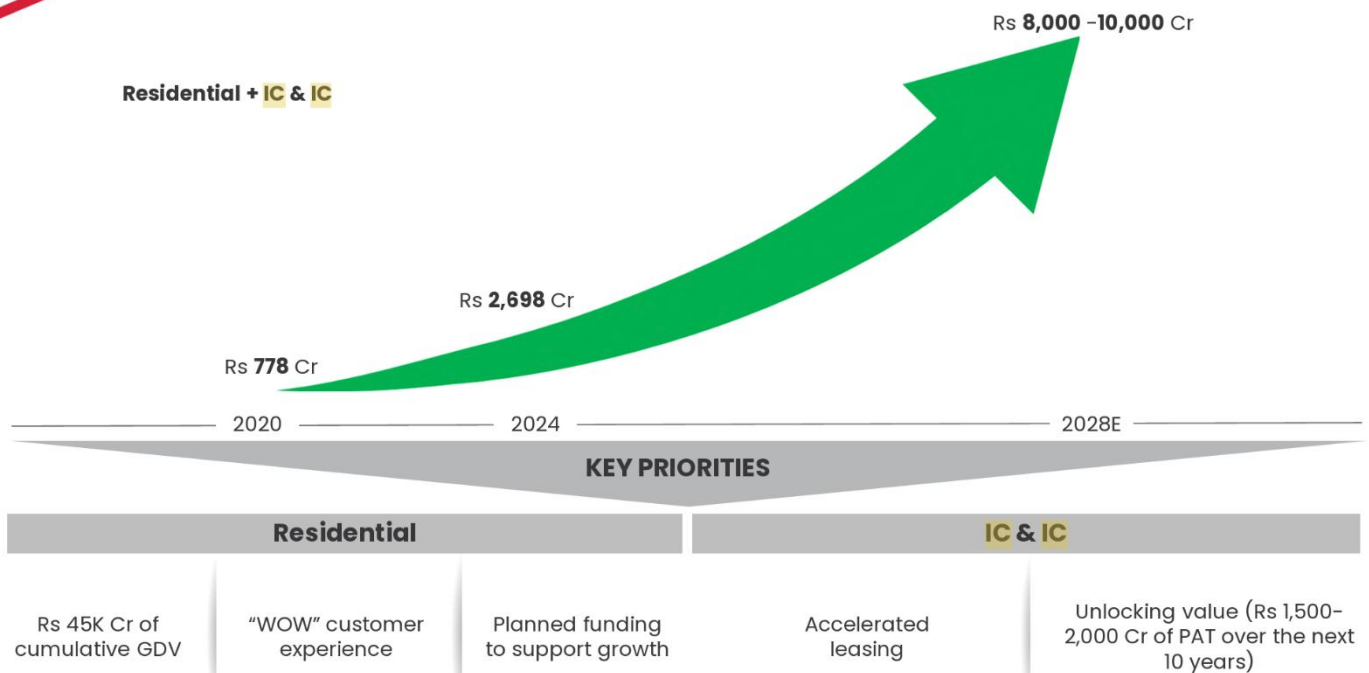
In FY24, Mahindra Lifespaces made significant strides in its growth trajectory, launching eight new residential projects and acquiring Gross Development Value (GDV) worth ₹4,400 crores—four times the previous year's acquisitions. The company also achieved its highest-ever residential pre-sales, reaching ₹2,328 crores, reflecting a 28% year-on-year growth.

Building on this momentum, the first nine months of FY25 have been marked by even stronger performance, with GDV additions totalling approximately ₹14,000 crores, further supplemented by a ₹1,000 crore transaction in Bengaluru. Residential pre-sales stood at ₹1,749 crores, demonstrating sustained demand for Mahindra Lifespaces' offerings. Looking ahead, the company has planned three major launches in Q4 FY25, reinforcing its commitment to expanding its portfolio and delivering high-quality residential and industrial developments.

The company has acquired 37 acres of land in Bhandup and its having a GDV of ₹12,000. As on date GDV of acquired land stands at ₹37000 crores and GDV to be acquired is about ₹9500 crores.

MAHINDRA LIFESPACES

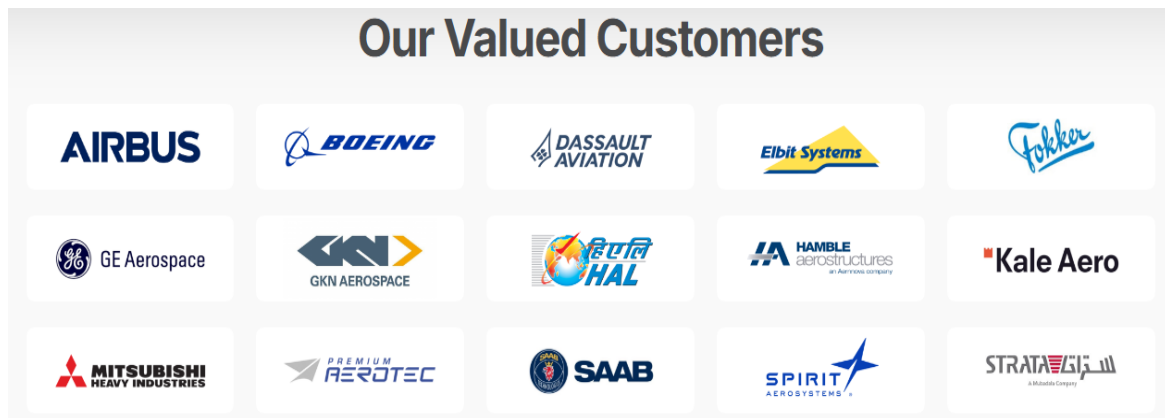
## OUR GROWTH ASPIRATION: Rs 8 – 10K Cr



## 6. MAHINDRA AEROSTRUCTURES PRIVATE LIMITED

Mahindra Aerostructures Pvt. Ltd. (MASPL) is a wholly owned subsidiary of Mahindra & Mahindra Ltd., marking the Group's strategic expansion into aerospace manufacturing. Established to enhance India's presence in global aerospace supply chains, MASPL is a Tier-1 supplier to major aircraft manufacturers, delivering high-precision aerostructures and assemblies. It operates a 250000 ft<sup>2</sup> (25000 m<sup>2</sup>) plant near Bangalore, India, which is equipped with comprehensive capabilities for sheet metal and machined parts, welding, finishing and assembly. The business holds AS9100D and 6 NADCAP certifications alongside numerous customer accreditations.

MASPL specializes in manufacturing complex sheet metal components, machined parts, and subassemblies, supplying to leading OEMs like Airbus, Boeing, and other global aerospace firms. ***It was the first Indian private company to manufacture primary aero structures for international aircraft programs, solidifying its role in the global aerospace ecosystem.*** The company's core capabilities include advanced CNC machining, precision sheet metal forming, surface treatments, and full-fledged aerostructure assembly, providing end-to-end solutions to its customers.



Beyond manufacturing excellence, MASPL prioritizes innovation, lean manufacturing, and sustainability, optimizing processes to enhance efficiency and minimize environmental impact.

## 7. CAR & BIKE



It falls under Mahindra First Choice Wheels Limited which is in turn a subsidiary of M&M with 56.19% stake. Car&Bike is India's leading auto portal for content and commerce hitting 30 Mn+ unique visitors month. It's content credentials scale across TV and digital platform including carandbike.com, The car&bike Show (a popular auto show in India), and car&bike Awards (India's most credible auto awards). With exclusive auto content and used car e-commerce, car&bike has designed a 360-degree automotive experience, aiming at delivering the best of auto-world to users.



## 8. CLASSIC LEGENDS

We have discussed about this particular growth gem on page number 15. Please go through the same.

## 9. MAHINDRA LAST MILE MOBILITY

We have discussed about this particular growth gem on page number 14. Please go through the same.

## 10. MAHINDRA FARM MACHINERY

We have discussed about this particular growth gem on page number 16 Please go through the same.

**FOLLOWING COMPANIES ARE NOT GROWTH GEMS AS PER THE DEFINITION GIVEN BY THE COMPANY BUT M&M HOLDS A SIGNIFICANT STAKE.**

## **MAHINDRA EPC IRRIGATION LIMITED**

Mahindra EPC Irrigation Limited is a listed subsidiary of M&M with 54.21% stake, its a pioneer in micro-irrigation in India since 1986, specializes in sustainable precision farming solutions, including micro-irrigation, water management, irrigation automation, community irrigation, and protected cultivation.

Formerly known as EPC Industries Limited, the company operates under Mahindra & Mahindra Limited's Farm Equipment Sector. It is recognized for its high-quality products and ability to provide customized end-to-end irrigation and water management solutions for both individual farmers and communities.

To enhance service delivery, Mahindra EPC has established multi-location manufacturing facilities across India and offers a comprehensive range of services, including planning, design, installation, agronomy support, and after-sales services, both in-person and through digital channels. The company has successfully introduced drip irrigation technology for non-traditional crops like paddy, demonstrating its commitment to innovation.

Mahindra EPC is registered under the Government of India's "*Per Drop More Crop*" scheme for micro-irrigation subsidies, with a strong network of over 1,000 channel partners and branch offices across the country to support its implementation. Expanding its reach, Mahindra EPC has established a presence in Africa through channel partners and completed several irrigation projects in the region. In the protected cultivation segment, the company has designed and delivered innovative solutions to small and marginal farmers, in addition to high-end technology solutions for large-scale agricultural needs.





## BRAINBEES SOLUTIONS LTD (FIRST CRY)



A FirstCry – Mahindra Venture

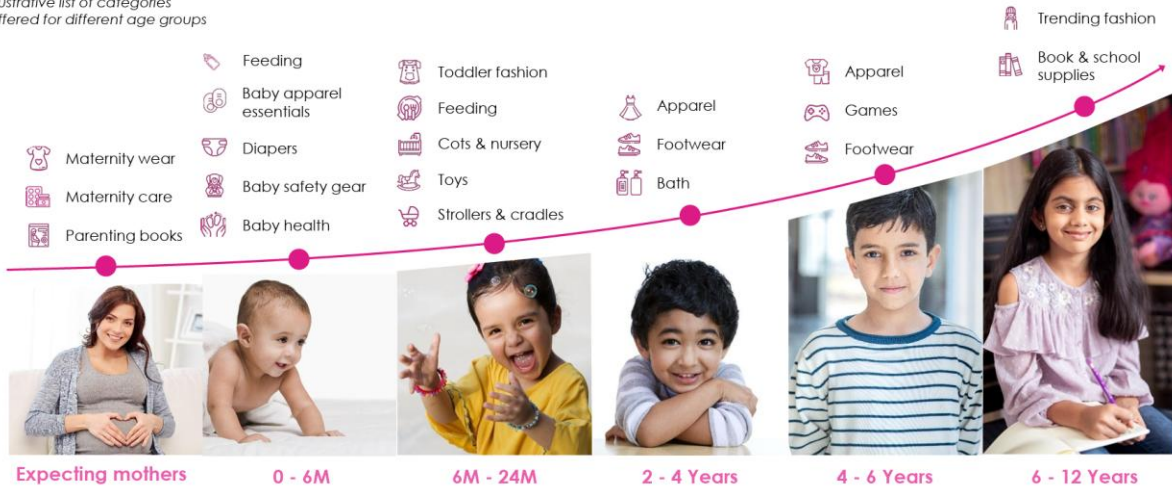
M&M holds 9.73% in Brainbees Solutions Limited. The company was founded in 2010, Brainbees Solutions Limited offers products for mothers, babies, and kids through its online platform '**FirstCry**'. The company offers a wide range of products for infants up to age 12, including apparel, footwear, baby gear, toys, and personal care. With over 1.5 million SKUs from 7,500+ brands, the platform features products from Indian and global third-party brands, as well as its own, across categories like fashion, toys, school supplies, skincare, and maternity wear.

As of March 31, 2024, the Firstcry app had over 127 million downloads. The company operated 1,063 stores across 533 cities in India, covering 2.12 million square feet of retail space. This made Firstcry the largest specialty retailer for mothers, babies, and kids in India. **BabyHug**, one of FirstCry's house brands, was the largest multi-category brand for mother, baby, and kid products in India by GMV in FY24, according to a RedSeer report. Other key house brands include **Pine Kids**, **Cute Walk by BabyHug**, and **Babyoye**.

## Addressing Babies' and Kids' needs across age groups through a wide assortment of products

**1.8 MM SKUs<sup>(1)</sup> offered from 8,023 brands<sup>(1)</sup> across our platforms**

*Illustrative list of categories offered for different age groups*



## LET'S GET TO KNOW THE PROMOTERS & MANAGEMENT OF THE COMPANY.



**Mr. Anand Mahindra**

**Chairman, Mahindra Group**

In 1981, Anand joined Mahindra UGINE Steel Company Ltd (MUSCO) as an Executive Assistant to the Finance Director. In 1989 he was appointed President and Deputy Managing Director of MUSCO. He initiated the Mahindra Group's diversification into new business areas of real estate development and hospitality management. On 4 April 1991, he took the role of Deputy Managing Director of Mahindra & Mahindra Ltd., a producer of off-road vehicles and agricultural tractors in India. In April 1997, Anand was appointed the Managing Director and in 2001 the Vice Chairman of Mahindra & Mahindra Ltd.

In August 2012, he took on the role of Chairman of the board and Managing Director of the Mahindra Group from his uncle, Keshub Mahindra. In November 2016, Anand was re-designated as Executive Chairman of Mahindra & Mahindra Ltd and continued to be the Chairman of Mahindra Group. He was a co-promoter of Kotak Mahindra Bank (formally known as Kotak Mahindra Finance Ltd.). In 2013, he ceased to be a promoter and stayed on as a non-executive director.

Mr. Anand Mahindra is the Chairman of the Mahindra Group, Mahindra & Mahindra Limited, and Tech Mahindra Limited. Under his leadership, the Group has expanded domestically and internationally across key sectors, including automobiles, agriculture, IT, and aerospace. Strategic acquisitions such as Swaraj Tractors, Reva Electric, Satyam Computer Services, Peugeot Motorcycles, Holiday Club Resorts, and Pininfarina S.p.A. have further strengthened its presence.

He has served on esteemed global bodies, including the Reserve Bank of India Board, UN Global Compact Board, and the World Bank Group's Advisory Board for doing business. Recognized for his contributions to trade and industry, he received the Padma Bhushan Award in 2020. His global recognition includes being named in Barron's List of Top 30 CEOs (2016) and Fortune's World's 50 Greatest Leaders (2014), along with prestigious honors from France and Italy.

Mr. Anand Mahindra says, ***"The future is pregnant with potential. So, I find it somewhat ironic that the law requires businesses to use the suffix 'Ltd'" (to convey limited liability, of course). That is a correct description of our legal position, but we in M&M do not see ourselves as limited in any other fashion. We know that there will always be challenges; there will always be ups and downs. But we also know that our resilience is unquestionable, our imagination is unfettered, and our aspirations are unconstrained. We are truly Mahindra – Unlimited."***

**Dr. Anish Shah****Group CEO and MD, Mahindra Group**

Dr. Anish Shah is the Group CEO and MD of the Mahindra Group, overseeing its diverse businesses across 20 industries and 100+ countries, with a workforce of over 260,000 associates. His leadership focuses on fostering a purpose-driven organization, leveraging technology, and driving value creation across businesses. Committed to sustainable growth, he champions Mahindra's philosophy of "Rise" and actively promotes women empowerment and environmental sustainability.

Before joining Mahindra, Dr. Shah was President and CEO of GE Capital India, where he led the successful transformation of its business, including the turnaround of its SBI Card joint venture. His career spans leadership roles at GE Capital's US and global units, Bank of America, Bain & Company, and Citibank. In December 2023, he became President of FICCI and holds key positions in the UK Investment Council, World Economic Forum, and the India-Australia CEO Council.

Dr. Shah holds a Ph.D. from Carnegie Mellon's Tepper School of Business and a Post-Graduate Diploma in Management from IIM Ahmedabad. He has been recognized among Fortune India's Best CEOs (2023) and has a keen interest in sports, reading, and travel.

## STORY OF KOTAK MAHINDRA BANK

*You might be wondering: is Kotak Mahindra Bank part of the Mahindra Group because it shares the 'Mahindra' name? The answer lies in the bank's origins.*

*In 1985, Uday Kotak founded Kotak Capital Management Finance Ltd., focusing on financial services like bill discounting. During Uday Kotak's wedding in 1986, he discussed his business vision with Anand Mahindra, who, along with his father Harish Mahindra, saw potential in the venture. They invested ₹1 lakh in the company, acquiring a 5% stake. Mr Uday Kotak, asked Anand Mahindra to associate the Mahindra name with his new venture, Kotak Capital Management Finance Ltd., which later became Kotak Mahindra Finance Ltd.*

*Over time, the Mahindras reduced their shareholding, and by 2009, their stake had diminished significantly. Consequently, they were declassified as promoters of the bank. Today, Kotak Mahindra Bank operates independently and is not part of the Mahindra Group.*

## SECTOR OUTLOOK

### Indian Automotive Industry

India holds a dominant position in the global heavy vehicles market, ranking as the largest producer of tractors, the second-largest manufacturer of buses, and the third-largest manufacturer of heavy trucks. The country's automobile sector is categorized into four main segments: two-wheelers, three-wheelers, passenger vehicles, and commercial vehicles, with two-wheelers and passenger cars driving domestic demand.

The Indian passenger car market was valued at approximately \$32.7 billion in 2021 and is projected to grow to \$54.84 billion by 2027, registering a CAGR of over 9% between 2022-2027. Meanwhile, the global EV market, valued at \$250 billion in 2021, is expected to expand fivefold to \$1,318 billion by 2028.

The sector benefits from cost advantages, as automobile firms operating in India save 10-25% on costs compared to Europe and Latin America. *The industry is targeting a fivefold increase in vehicle exports between 2016 and 2026, with total exports standing at 47,61,487 units in FY23.* The sector's contribution to India's GDP has risen from 2.77% in 1992–93 to approximately 7.1% today, supporting nearly 19 million jobs directly and indirectly.

**Table: Domestic sale (in million units)**

Category	2020-21	2021-22	2022-23	2023-24	1 Year CAGR	3 Year CAGR
Passenger vehicles	2.71	3.07	3.89	4.22	8.48%	15.91%
Commercial vehicles	0.57	0.72	0.96	0.97	1.04%	19.39%
Three wheelers	0.22	0.26	0.49	0.69	40.82%	46.38%
Two wheelers	15.12	13.57	15.86	17.97	13.30%	5.93%
<b>Grand total</b>	<b>18.62</b>	<b>17.62</b>	<b>21.20</b>	<b>23.85</b>	<b>12.50%</b>	<b>8.60%</b>

(Source: Society of Indian Automobiles Manufacturers)

For the first half of FY25 (April-September), in terms of production, the total number of passenger vehicles, three-wheelers, two-wheelers, and quadricycles reached 1,56,22,388 units. Notably, India crossed a milestone in EV adoption, selling 41,63,945 EVs in FY24 (as of May 2024).

### Growth Potential and Market Trends

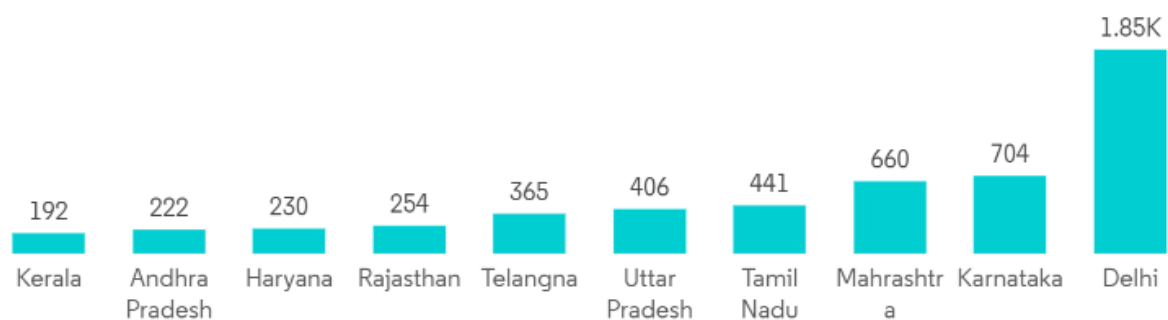
Despite its manufacturing strength, India's car ownership rate remains significantly lower than in developed markets. While 80-90% of the population in the US, China, and Europe owns a car, India lags behind at just 8%. Recognizing this untapped potential, global automakers such as Kia Motors and Volkswagen have adapted their models to cater to India's large middle-class population, making the sector highly competitive.

The country is also focusing on electric vehicles to promote sustainable mobility. India achieved a milestone in EV sales, recording 13,25,112 EVs in FY24 (as of January 2024). In FY23, EV sales reached 11,83,422 units, reflecting a 158% year-on-year growth. The India Energy Storage Alliance forecasts that India's EV market will grow at a CAGR of 36% until 2026, with the EV battery market expanding at a CAGR of 30%.



The sector has also attracted significant investments, with the Indian government expecting \$8-10 billion in domestic and foreign investments by 2023. Foreign Direct Investment (FDI) inflows in the automobile sector reached \$36.26 billion between April 2000 and March 2024. The EV industry alone presents an investment opportunity of over \$200 billion by 2030, requiring \$180 billion for vehicle production and charging infrastructure development.

Operational Public Electric Vehicle Charging Stations in India as of March 2023, by Top States



### Government Policies and Incentives

The Indian government has introduced several initiatives to boost domestic manufacturing and research in the automotive sector:

- **FAME-II:** A subsidy of \$696.8 million (₹5,790 crores) has supported the sale of over 1.34 million EVs as of January 2024.
- **PLI Scheme:** Offers \$3.5 billion in incentives until 2026 to promote clean technology vehicle manufacturing.
- **Vehicle Scrappage Policy:** Launched in 2021 to phase out old polluting vehicles.
- **Bharat NCAP:** India's own vehicle safety rating system to enhance consumer awareness and safety.

The government is also focusing on urban transportation reform to create an integrated EV mobility ecosystem with low carbon emissions.

## Indian Tractor Industry

The Indian agricultural tractor market is projected to grow from USD 7.92 billion in 2025 to USD 10.95 billion by 2030, at a CAGR of 6.7%. With 51.09% of India's land dedicated to agriculture, the sector is rapidly modernizing due to workforce shifts and the increasing need for efficiency. Agricultural employment declined from 44% in 2021 to 43.4% in 2022, prompting greater adoption of advanced farm machinery.

### Market Dynamics and Technological Advancements

The industry is witnessing significant technological advancements, particularly in sustainable and smart farming solutions. In January 2024, TAFE introduced electric tractors with auto-steer and farm management systems, while Sonalika launched its advanced "Tiger" series with CRDS and HDM+ engines in February 2024. The horticulture sector is also driving demand, with production area expanding from 28.04 million hectares in 2021-22 to 28.44 million hectares in 2022-23. Companies like VST Tillers Tractors and HTC Investments are forming strategic alliances to cater to these evolving needs.

### Capital Investments and Expansion

Major players are investing heavily in manufacturing capabilities. In March 2024, Sonalika Tractors set up two new plants in Hoshiarpur, Punjab, while Escorts Kubota Ltd announced a Rs 4,500 crore investment in a new Rajasthan facility to double production to 3.4 lakh units annually. These initiatives reflect strong market confidence and a focus on scaling operations.

### Market Drivers

1. **Infrastructure Growth:** Increased government investment in infrastructure has boosted demand for tractors beyond agriculture.
2. **Technological Advancements:** New high-performance models, such as Swaraj 963 FE, offer better productivity, durability, and efficiency.
3. **Government Support:** Subsidies like PM Kisan Tractor Yojana and Telangana Yantra Laxmi Scheme make tractors more affordable for farmers.

### Segment Analysis: Engine Power

The 30-50 HP segment dominates the market with an 86% share in 2024, growing at a 7% CAGR. These tractors balance power and affordability, making them ideal for India's small and

marginal farmers. Manufacturers like VST Tillers and Zetor Tractors are continuously innovating in this segment.

### India Agricultural Tractor Market Leaders

- 1 Mahindra & Mahindra Limited
- 2 John Deere India Private Limited
- 3 TAFE Limited
- 4 Escorts Group
- 5 International Tractors Ltd (Sonalika)

#### Market Concentration



Source: Mordor Intelligence



India Agricultural Tractors Market: Market Share by Engine Power Segment (2024)



Source: Mordor Intelligence



Other segments include:

- Under 30 HP: Suited for small-scale and horticultural applications.
- 51-80 HP: Ideal for medium-to-large farms and heavy-duty tasks.
- Above 80 HP: Used in large-scale commercial farming.

## Conclusion

The Indian automotive and tractor industries are on a strong growth trajectory, driven by technological advancements, rising demand, and supportive government policies. The automotive sector is witnessing increased adoption of electric vehicles, expansion in passenger and commercial vehicle segments, and significant investments in manufacturing and infrastructure. Meanwhile, the tractor industry is benefiting from increasing mechanization, innovation, and government subsidies, enhancing market penetration. With a focus on sustainability and smart technologies, both industries are poised for sustained growth, positioning India as a key player in the global automotive and agricultural machinery markets.

## FINANCIALS

Let's take a look at the consolidated results of third Quarter of FY25 that is October to December quarter of FY 2024-25:

Particulars	AMOUNT IN CRORES(₹)								
	Qtr ended Dec, 2024 (₹)	Qtr ended Sept, 2024 (₹)	QoQ %	Qtr ended Dec, 2023 (₹)	YoY %	9 month ended Dec, 2024 (₹)	9 month ended Dec, 2023 (₹)	YoY %	Year ended March, 2024 (₹)
Revenue	41470.05	37923.74	9.35%	35299.39	17.48%	116611.51	103626.54	12.53%	139078.27
Operating Expense	-33239.32	-30790.34		-29075.41		-94004.26	-85427.09		-114186.34
Operating Profit	8230.73	7133.4	15.38%	6223.98	32.24%	22607.25	18199.45	24.22%	24891.93
Depreciation	-1495.17	-1301.99		-1122.59		-4044.93	-3388.73		-4723.78
Interest	-2362.16	-2217.02		-1944.88		-6686.87	-5498.91		-7488.21
Other Income	411.33	659.22		510.52		1479.32	1909.28		2176.42
Share of Subsidiaries, Joint Ventures and Associates	307.26	466.35		245.17		1098.05	726.7		1121.43
PBT	5091.99	4739.96	7.43%	3912.2	30.16%	14452.82	11947.79	20.97%	15977.79
Tax	-1467.51	-1378.90		-935.16		3921.50	-2802.91		-3707.97
PAT	3624.48	3361.06	7.84%	2977.04	21.75%	10531.32	9144.88	15.16%	12269.82
Operating Profit Margin	19.85%	18.81%		17.63%		19.39%	17.56%		17.90%

### Quarterly Results: -

- Last year in October to December (FY 2023-24) quarter, company did revenue (sales) and profit of ₹35299.39 crores and ₹2977.04 crores respectively.

- In immediate past quarter i.e., July to September (FY 2024-25), company did revenue (sales) and profit of ₹37923.74 crores and ₹3361.06 crores respectively.
- And in the latest October to December (FY 2024-25) quarter, company has done revenue (sales) and profit of ₹41470.05 crores and ₹3624.48 crores respectively.
- In YoY terms, sales of the company have increased by 17.48% and profits by 21.75%.
- In QoQ terms, the company has grown its sales by 9.35% and profits by 7.84%.
- And if we talk about yearly results (April 2023 to March 2024) for FY 2023-24 company did a revenue of ₹139078.27 crores and profit of ₹12269.82 crores.
- Basic EPS was ₹28.51 for the quarter as compared to ₹28.43 in Q2 FY '25.

### 9 Months FY25 Results:

- Last year from April to December (FY 2023-24), company did revenue (sales) and profit of ₹103626.54 crores and ₹9144.88 crores respectively.
- And in the latest April to December (FY 2024-25), company has done revenue (sales) and profit of ₹116611.51 crores and ₹10531.32 crores respectively.
- In YoY terms, Company's sales grew by 12.53% and profits by 15.16%.

**Let's take a look at the standalone results of third Quarter of FY25 that is October to December quarter of FY 2024-25:**

Particulars	AMOUNT IN CRORES(₹)								
	Qtr ended Dec, 2024 (₹)	Qtr ended Sept, 2024 (₹)	QoQ %	Qtr ended Dec, 2023 (₹)	YoY %	9 month ended Dec,	9 month ended Dec,	YoY %	Year ended March, 2024
Revenue	30963.76	28919.34	7.07%	25736.73	20.31%	87015.86	75902	14.64%	101335.77
Operating Expense	-26153.95	-23649.09		-22087.86		-72819.61	-64341.54		-86205.58
Operating Profit	4809.81	5270.25	-8.74%	3648.87	31.82%	14196.25	11560.46	22.80%	15130.19
Depreciation	-1045.05	-961.36		-831.18		-2921.03	-2499.78		-3488.01
Interest	-61.42	-55.13		-34.8		-169.45	-100.82		-140.48
Other Income	264.56	677.22		387.34		1199.33	1873.56		1956.08
PBT	3967.9	4930.98	-19.53%	3170.23	25.16%	12305.1	10833.42	13.58%	13457.78
Tax	-1003.59	-1090.10		-680.50		2887.28	-2191.20		-2815.49
PAT	2964.31	3840.88	-22.82%	2489.73	19.06%	9417.82	8642.22	8.97%	10642.29
Operating Profit Margin	15.53%	18.22%		14.18%		16.31%	15.23%		14.93%

**Quarterly Results: -**

- Last year in October to December (FY 2023-24) quarter, company did revenue (sales) and profit of ₹25736.73 crores and ₹2489.73 crores respectively.
- In immediate past quarter i.e., July to September (FY 2024-25), company did revenue (sales) and profit of ₹28919.34 crores and ₹3840.88 crores respectively.
- And in the latest October to December (FY 2024-25) quarter, company has done revenue (sales) and profit of ₹30963.76 crores and ₹2964.31 crores respectively.
- In YoY terms, sales of the company have increased by 20.31% and profits by 19.06%.
- In QoQ terms, the company has grown its sales by 7.07% but profits decreased by 22.82%.
- And if we talk about yearly results (April 2023 to March 2024) for FY 2023-24 company did a revenue of ₹101335.77 crores and profit of ₹10642.29 crores.
- Basic EPS was ₹24.70 for the quarter as compared to ₹32.01 in Q2 FY '25.

**9 Months FY25 Results:**

- Last year from April to December (FY 2023-24), company did revenue (sales) and profit of ₹75902 crores and ₹8642.22 crores respectively.
- And in the latest April to December (FY 2024-25), company has done revenue (sales) and profit of ₹87015.86 crores and ₹9417.82 crores respectively.
- In YoY terms, Company's sales grew by 14.64% and profits by 8.97%.



## Quarterly Results

Consolidated Figures in Rs. Crores / [View Standalone](#)

	Dec 2021	Mar 2022	Jun 2022	Sep 2022	Dec 2022	Mar 2023	Jun 2023	Sep 2023	Dec 2023	Mar 2024	Jun 2024	Sep 2024	Dec 2024
Sales +	23,594	25,934	28,414	29,870	30,621	32,456	33,892	34,436	35,299	35,452	37,218	37,924	41,470
Expenses +	19,068	21,657	24,016	24,802	25,368	26,798	27,642	28,706	29,075	28,848	29,975	30,790	33,239
Operating Profit	4,526	4,278	4,399	5,068	5,254	5,658	6,249	5,730	6,224	6,604	7,243	7,133	8,231
OPM %	19%	16%	15%	17%	17%	17%	18%	17%	18%	19%	19%	19%	20%
Other Income +	815	1,135	675	1,348	1,184	662	1,065	812	756	750	733	1,126	719
Interest	1,211	1,222	1,219	1,382	1,596	1,634	1,719	1,835	1,945	1,989	2,108	2,217	2,362
Depreciation	919	935	960	1,092	1,110	1,194	1,128	1,139	1,123	1,335	1,248	1,302	1,495
Profit before tax	3,211	3,256	2,894	3,943	3,732	3,492	4,468	3,568	3,912	4,030	4,621	4,740	5,092
Tax %	23%	20%	18%	23%	20%	14%	18%	30%	24%	22%	23%	29%	29%
Net Profit +	2,485	2,608	2,361	3,021	2,994	2,998	3,684	2,484	2,977	3,125	3,546	3,361	3,624
EPS in Rs	15.99	18.00	17.66	22.30	21.53	21.20	28.21	18.88	21.38	22.15	26.40	25.50	25.58

## Profit & Loss

Consolidated Figures in Rs. Crores / [View Standalone](#)

	Mar 2013	Mar 2014	Mar 2015	Mar 2016	Mar 2017	Mar 2018	Mar 2019	Mar 2020	Mar 2021	Mar 2022	Mar 2023	Mar 2024	TTM
Sales +	68,693	74,001	71,448	75,841	83,773	92,094	104,721	75,382	74,278	90,171	121,269	139,078	152,063
Expenses +	59,578	63,830	62,655	65,759	73,038	78,868	89,514	65,224	62,791	75,488	100,983	114,186	122,852
Operating Profit	9,116	10,170	8,793	10,082	10,735	13,226	15,207	10,158	11,487	14,683	20,285	24,892	29,211
OPM %	13%	14%	12%	13%	13%	14%	15%	13%	15%	16%	17%	18%	19%
Other Income +	841	773	800	1,399	2,077	4,366	2,676	885	1,152	3,204	3,961	3,298	3,328
Interest	2,297	2,954	3,157	3,368	3,648	3,987	5,021	6,021	6,102	5,018	5,830	7,488	8,676
Depreciation	2,080	2,170	2,124	2,442	2,813	3,280	3,991	3,367	3,378	3,508	4,357	4,724	5,380
Profit before tax	5,580	5,820	4,313	5,672	6,350	10,326	8,871	1,655	3,158	9,362	14,060	15,978	18,483
Tax %	35%	26%	40%	37%	36%	23%	32%	119%	52%	23%	19%	23%	
Net Profit +	4,129	5,154	3,381	3,554	4,051	7,958	6,017	-321	1,512	7,253	11,374	12,270	13,656
EPS in Rs	33.38	37.89	25.26	25.35	29.77	60.41	42.76	1.02	14.58	52.91	82.68	90.62	99.63

## Balance Sheet

Consolidated Figures in Rs. Crores / [View Standalone](#)

	Mar 2013	Mar 2014	Mar 2015	Mar 2016	Mar 2017	Mar 2018	Mar 2019	Mar 2020	Mar 2021	Mar 2022	Mar 2023	Mar 2024	Sep 2024
Equity Capital	295	295	296	270	311	543	544	554	555	556	557	557	558
Reserves	19,666	23,012	25,561	26,222	29,467	36,232	39,439	39,415	41,027	46,567	55,809	65,633	69,944
Borrowings +	28,711	35,167	37,911	41,553	48,762	55,898	70,848	82,092	80,625	77,605	92,247	108,647	116,844
Other Liabilities +	27,460	29,415	30,608	31,806	35,296	43,696	51,057	43,655	42,762	47,661	55,670	59,884	67,934
<b>Total Liabilities</b>	<b>76,131</b>	<b>87,889</b>	<b>94,376</b>	<b>99,852</b>	<b>113,835</b>	<b>136,369</b>	<b>161,889</b>	<b>165,716</b>	<b>164,968</b>	<b>172,388</b>	<b>204,283</b>	<b>234,722</b>	<b>255,280</b>
Fixed Assets +	18,307	18,381	19,047	20,585	20,989	26,182	28,983	29,689	21,380	26,018	27,140	28,129	35,328
CWIP	1,631	2,191	3,032	2,371	4,279	4,269	4,760	6,856	7,873	6,703	3,969	8,039	4,544
Investments	6,440	8,082	10,027	11,603	14,662	16,018	18,268	19,210	28,778	30,060	35,272	35,208	34,411
Other Assets +	49,752	59,234	62,270	65,293	73,905	89,900	109,878	109,960	106,938	109,607	137,902	163,345	180,997
<b>Total Assets</b>	<b>76,131</b>	<b>87,889</b>	<b>94,376</b>	<b>99,852</b>	<b>113,835</b>	<b>136,369</b>	<b>161,889</b>	<b>165,716</b>	<b>164,968</b>	<b>172,388</b>	<b>204,283</b>	<b>234,722</b>	<b>255,280</b>

***Now dear readers, if we look at the Q3 FY25 results, M&M has delivered strong performance on a consolidated basis, with growth in both revenues and profits. On a standalone basis, while revenue has increased, profits have been impacted due to a slowdown in some international businesses, primarily driven by economic challenges in key operating regions.***

***However, when comparing standalone and consolidated results, it is evident that M&M's core standalone business containing automotive and farm equipment operations continue to be the primary revenue and profit drivers, contributing more than 72% of consolidated revenue and around 87% of consolidated profit. Other businesses, including Mahindra Electric, financial services, and international subsidiaries, remain in a growth phase, with certain segments scaling up and others undergoing strategic assessments to optimize performance.***

***If we look at the balance sheet, since long i.e. more than 7 years, Equity Capital of the company has remained relatively stable, with minor fluctuations. If we look at the gross block in the balance sheet since year 2013 to till date, company has consistently grown its gross block (fixed assets), which shows that company has done capacity expansions on regular basis. Here it must be noted that company is a low debt company, though if we see the borrowings in the balance sheet it may look to be a high debt company, but in actual it is not. Company has one subsidiary company called Mahindra & Mahindra Financial Services Limited***

*which is an NBFC company and the business model of NBFC companies require borrowings to lend the money to customers and in all banks and NBFCs borrowing is always very high! Because in true sense borrowing is nothing but a purchase from the perspective of an NBFC company. It's like purchase of goods to sell the goods at some margin. NBFC company borrows money and lends the same with some addition of margin.*

*The company is a cash flow generating machine since many years, if we look at the core business of the company, company has been generating positive cash flow from operations since so many years. And in the last financial year company has generated ₹11279 crores of cash from operations!*

*Company has a healthy ROE 22.4% of and ROCE of 26.5% in the core business operations. Which shows its efficiency. Trailing 12 months EPS is ₹99.63 and if we calculate ROI as per current share price of ₹2666, it comes at 3.73% which is not great but decent. If an investor invests in this company in the range of ₹2400-2800, in long term one may expect an ROI of 6-8% which can be considered a good ROI. We believe in long run (In next 3-5 years) EPS should reach to around ₹150-200 (as per the management guidance of 15-20% EPS growth) and ROI can be in the range of 5.60% to 7.5%*

#### **Commenting on Q3 FY25 performance**

**Dr. Anish Shah, Managing Director & CEO, M&M Ltd. said,** *“Our businesses continue to demonstrate strength in execution. Auto and Farm delivered solid performance on market share and margins, on the back of focused execution. The transformation at TechM is gathering momentum. MMFSL continues to balance asset quality and growth priorities, with GS under 4% on the back of strong AUM growth. Our Growth Gems are demonstrating steady progress towards their long-term objectives.”*

**Mr. Rajesh Jejurikar, Executive Director & CEO (Auto and Farm Sector), M&M Ltd. said,** *“The launch of our flagship Electric Origin SUVs, the BE 6 and XEV 9e set a new benchmark in global innovation. Thar ROXX won the Indian Car of the Year (ICOTY) as well as Autocar car of the year. In Q3 F25, we were No. 1 in SUV revenue market share with 200 bps YoY increase. LCV < 3.5T volume market share is at 51.9%, a gain of 230 bps. The Auto segment PBIT is up by 120 bps YoY. We achieved highest ever Q3 tractor market share at 44.2%, gain of 240 bps YoY, and farm PBIT is up by 260 bps YoY.”*

## OTHER SIGNIFICANT UPDATES

- M&M's Thar Roxx production capacity stands at 9,000 units per month, with complete fungibility between the 3-door and 5-door variants. Given strong demand, the company is planning to increase capacity by 2,000 units in the coming months to cater to growing bookings. The prior discounts on the 3-door Thar variant have now been withdrawn, indicating robust demand.
- M&M's export business remains focused on leveraging existing models in established international markets such as South Africa, Chile, Australia, and New Zealand. The XUV3XO has witnessed strong demand in South Africa, reinforcing M&M's ability to compete globally.
- In the next phase of its international expansion, M&M is planning to introduce a new lifestyle pick-up truck for global markets, aimed at catering to demand in markets where rugged and performance-oriented vehicles are preferred.
- The company also has long-term plans to export its EVs globally, further strengthening its international portfolio.
- The highly anticipated BE 6E and XE 9E EV bookings commenced on February 14, with management expecting an initial sales run rate of 5,000 units per month.
- These new models mark M&M's aggressive push into the electric vehicle space, targeting customers in the INR 25-30 lakh price segment, a very large proportion of people who never considered Mahindra in past, looking at luxury brands or owning a luxury brand, are now considering at Mahindra seriously. Many of them have bought Thar as a 2nd car or 3rd car or whatever but there's a very serious consideration of this as being a car they will use every day to work. This expansion into the premium segment represents a significant shift in M&M's brand positioning.
- ***MM has articulated a clear roadmap for its EV transition and has already partnered with Volkswagen (VW). Under this partnership, VW will supply components of its MEB platform to MM's INGLO platform. INGLO is a modular platform that will support all future EV models, as M&M has planned to launch seven BEVs till 2030.***
- From Q4 onwards, the financial impact of M&M's EV ramp-up will be reflected in standalone financials, as the company is engaged in contract manufacturing for its EV

subsidiary, Mahindra Electric Automobile Limited (MEAL). This shift is expected to improve economies of scale and operational efficiencies over time.

- M&M has significantly strengthened its position in the Indian tractor market, achieving 44.2% market share in Q3, marking its highest-ever level.
- One of the key drivers of M&M's outperformance has been the successful refresh and transformation of the Swaraj brand, which has been well received by customers. The company has also expanded into the 20-30 HP tractor segment, a category that has shown strong demand.
- Historically, M&M's dominance has been stronger in North and Central India, but demand revival in South and West India has further strengthened its market presence, allowing for a more balanced geographical footprint.
- On the international front, M&M's subsidiaries are facing challenges, particularly due to hyperinflation in Turkey and weak demand in key regions.
- The company is currently evaluating its international business strategy, with a review expected to be completed by Q4 to determine the best course of action.
- ***MM has identified ten businesses as its growth gems and has set an ambitious target of achieving 5x growth in 5-7 years for each of these segments. Any incremental value unlocked in any or all of the growth gems in the coming years is likely to provide additional returns for MM shareholders.***

## AGM 2024 NOTES

- Mr. Anand Mahindra said, We are excited about the future, and company has set an ambitious investment plan of investing ₹370 billion i.e. ₹37000 crores over the next 3 years towards the commitment of growth and innovation. Company will invest above mentioned amount in Auto, Farm and Services businesses (excluding Tech Mahindra) in FY25, FY26 and FY27. These investments will, to a large extent towards building capacity, with a pipeline of 26 new models/facelifts in the next 5 years.

- For FY 24, company achieved highest combined sales of vehicles and tractors in its history with almost 825000 vehicles and 380000 tractors sold. In tractor market company continues to lead the industry.
- Automotive division has been at the forefront of the innovation. The Scorpio N has been a blockbuster success and Scorpio Classic specially customized for Indian army stand as a symbol for company's commitment to the nation.
- Company has expanded its global footprint with Mahindra's "Futurescape" vision showcasing the Thar E, and its global pickup vehicle concept. It's an exciting chapter in its global journey.
- In the electrical vehicle concept, company continues to be pioneers in India. Company introduced the XUV 400 EL pro variant. It won three prestigious electric car of the year awards delivering the surge over 51% in the sales of its EVs this year.
- In farm equipment sector, the last year was with challenges and significant achievements. Despite of the slowdown in domestic tractor demand and weaker global tractor market. Company sold almost 380000 tractors under the Mahindra, swaraj and trackstar brands maintaining its industry leadership in domestic tractor market for the 41<sup>st</sup> consecutive year.
- Mahindra Tractors has achieved a milestone of selling 40 Lakh tractors inclusive of exports in March 2024. The Mahindra Yuvo Tech Plus, based on Mahindra's next-generation Yuvo tractor platform, has been rolled-out from Mahindra's Zaheerabad facility, the youngest tractor facility and a global production hub for Mahindra Tractors.
- On the international front the OJA tractor family and its rapid ramp up, positions the company to tap into 25% of the global tractor industry and explore new market in Europe and Asean.
- At the group level, company saw Mahindra finance's loan book crossing the threshold of ₹1 trillion i.e. ₹ 1 lakh crores. Increasing by 24% over the previous year.
- Company continues to focus on achieving the full potential of Mahindra Finance and Mahindra Holidays in the years to come.



- M&M has seen tremendous competition in India in last 20 years, and company leads in SUV segment, and ***the company is confident of its ability to compete with anyone in the EV space as well.***
- When it comes to competition, Bajaj, Atul auto and Piaggio are its main competitors in electric 3 wheelers. In tractors its primary competitors are sonalika, TAFE, Escorts, Kubota, John Deere and CNH.
- Company is part of Dow jones sustainability world index. There are only six Indian companies and M&M is part of that. In fact, Tech Mahindra is also part of that. Hence out of 6 Indian companies two are from Mahindra group. Actually M&M was the first Indian automobile company to enter this index.
- As on 31<sup>st</sup> March 2024, MHRIL (Club Mahindra) has a cash balance of close to ₹1400 crores. In FY24 alone it generated close to ₹400 crores. The business model will continue to generate positive cash flows which will help to fund the expansion of the portfolio. Company is focusing on capital light model parallel to building its own resorts.
- On automotive pipeline, company is planning 9 ICE SUVs, 7 BEV's and 7 LCV's by 2030.
- Company is rapidly ramping its manufacturing and supply chain capacity. It ended FY20 with an SUV production capacity of 19000 vehicles per month, now that has been increased to 49000 vehicles per month. As a result, waiting period across its portfolio has gone down significantly.
- ***Company does not give any forward guidance but yes, it continues on its target path of achieving EPS growth of 15-20% each year.***

## CLOSING REMARKS

Since last 3-4 years, M&M has grown rapidly in terms of profitability and revenues, Mahindra cars have now become choice of many consumers in India, to be honest, company has transformed its brand positioning by launching excellent designs with high tech features. In earlier years, there were not much cars manufactured by Indian companies with comparable features and designs, hence many consumers preferred Japanese, Korean and German brands like Maruti Suzuki, Hyundai, Honda, Toyota, Volkswagen etc. But now Indian consumers have great choices available in the form of Mahindra and TATA.

As India advances towards its goal of becoming a \$7 trillion economy by 2030, the Mahindra Group is strategically positioned to capitalize on this growth. The Group has carefully curated its portfolio across sectors that are expected to drive over 70% of India's economic expansion in the coming decade. With a strong presence in these key industries, Mahindra is well-equipped to lead in its segments or achieve significant growth, reinforcing its position as a dominant player in the evolving economic landscape.

Now we are listening to the news of TESLA and BYD entering the Indian market, there is a fear in the market that it will hurt many other car companies including M&M. But Mahindra believes that competition is always good in the market, and they would like to welcome TESLA and BYD in Indian market.

*M&M believes their cars boast of really high technologies, which makes them comparable to any global luxury brand. According to the management, M&M's EVs are comparable to global best products on every possible parameter, except the pricing, where Mahindra is really aggressive. "When it comes to global brands, it is not at all a question of being scared. We actually welcome them here (TESLA and BYD). Let them come and launch something like this in India, but at these prices... Even after they localise, let's see if any of these players can do what we are doing," M&M's Management said.*

Company is leader in SUV segment, in LCV'S (upto 3.5T), in tractors and in electric 3 wheelers. Company has significant market share, which positions the company as one of the prominent players in the market. Company has strong subsidiaries and associates in form of M&M Financial services and Tech Mahindra. Company has identified 10 growth gems businesses for which company is aiming for at least 5x growth in next 5-7 years.

M&M has meticulously built its portfolio to be in sectors that will contribute to over 70% of India's growth over the next decade. Company believes it has a clear right to win in these sectors and it is well positioned with companies that are either leaders in their segments or are positioned well for exponential growth.

*In last 5 years till current trailing 12 months, on consolidated basis, company has grown its revenue from Rs.104,721crore to Rs.152,063 crore which translates into the CAGR of 7.75%, and in the same period company has increased its profit from Rs. 6017 crore to Rs.13656 crore which translates into the CAGR of 17.81%.*

*5 years ago, company's share price was near ₹280 and currently share price is near ₹2666. Hence this company in last 5 years has given a return of 56.94% CAGR!!*

For everyone's knowledge, one lakh invested in M&M 5 years back now is now more than Rs.9.5 lakhs. Also, company has been paying regular dividends to its shareholders adding shareholders value. A multibagger for the investors who are holding from last 5 years.

But it's very sad that most of the people in the stock market are looking for gambling, looking for doubling money overnight and eventually lose all capital and blame stock market for that. But they forget to blame their own greed.

*About shareholding pattern, around 18.48% stake is held by promoters, 38.92% stake is held by FIIs, DIIs hold around 29.22% stake, and around 8% stake is held by retail individual investors.*

Management has guided that it will continue to growth the EPS to the tune of 15-20% and based on that In next 3-5 years if company achieves an EPS of around ₹150-200 and if we assign a PE of 28 then we may expect the share price to rule around ₹4200 (₹150 EPS\*28 PE) in 3 years' time and in the next 5 years we may expect the share price to rule around ₹5600 (₹200 EPS\*28 PE). Hence, we assign a long-term target of ₹4200-₹5600 in next 3-5 years.

**Accumulation strategy:** *Best accumulation strategy for long term investment would be to buy in 2-3 parts during market dips in the buying range. Buying in a phased manner can also be a great strategy. One may add this company in two parts one is near the current price (₹2666) and second part should be invested in any good dip near ₹2300-2400. We believe market may give good opportunities to add this quality company in dip due to weaker market sentiments.*

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Thanks, and regards,

C.P. Madhwani

## DISCLOSURES

-Recommendations given in this report have been researched and prepared by Chitra Madhwani (SEBI Reg. No. – INH000016162). Address: D-8 Govt. Sindhi Society, Warshiya, Vadodara, Gujarat, 390006, India.

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-Individuals who wish to acquire securities or use the services recommended by us should do so after conducting their independent research, investigation, and analysis. They will not have any claims against Chitra Madhwani and her team for any losses incurred.

All disputes are subject to the jurisdiction of Vadodara, India, only.

## **THE END**

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