Mahindra & Mahindra Ltd.
Mahindra Towers,
Dr. G. M. Bhosale Marg,
Worli, Mumbai 400 018 India

Tel: +91 22 2490 1441
Fax: +91 22 2490 0833
www.mahindra.com

REF:NS:SEC:
16th February, 2024

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.

Dear Sirs,

Sub: Disclosure of Transcript of the Analyst/ Institutional Investor Meeting

This is further to our letter dated 7th February, 2024, wherein we had given you an advance intimation of the upcoming Analyst or Institutional Investor Meeting in terms of Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company had conducted M&MQ3 FY24 Earnings Call with Several Funds/Investors/Analysts on 14th February, 2024 with respect to the Unaudited Standalone and Consolidated Financial Results of the Company for the Third Quarter and Nine Months ended 31st December, 2023 in Mumbai and the Presentation(s) made there at along with the weblink of the Presentation(s) and weblink of the AV Recording of the said Earnings Call was submitted vide our letter dated 14th February, 2024.

The Transcript of the aforesaid M&M Q3 FY24 Earnings Call with Several Funds/Investors/Analysts is enclosed and is also available on the Company's website and can be accessed at:
https://www.mahindra.com/sites/default/files/2024-02/transcript-mm-q3f24-analyst-meet-14-feb-2024-final_0.pdf

Please note that no unpublished price sensitive information was shared/discussed in the aforesaid Earnings Call.

Kindly take the same on record.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED
NARAYAN SHANKAR
Digitally signed by NARAYAN SHANKAR
Date: 2024.02.16 16:57:28 +05'30'
NARAYAN SHANKAR
COMPANY SECRETARY

Encl: as above

"Mahindra & Mahindra Q3FY24 Analyst Meet"

February 14, 2024

MANAGEMENT: DR. ANISH SHAH – MANAGING DIRECTOR & CEO, MAHINDRA & MAHINDRA LIMITED
MR. RAJESH JEJURIKAR –ED & CEO, AUTO & FARM SECTORS, MAHINDRA & MAHINDRA LIMITED
MR. MANOJ BHAT – GROUP CFO, MAHINDRA &MAHINDRA LIMITED

Anish Shah: Hi, good afternoon, everyone. We are a couple of minutes past, so we'll start now and let me just take you through the highlights of the quarter, then we'll have Rajesh come in and talk about the auto and farm businesses, and Manoj will talk a little more about the financials.

Overall, a very solid operating performance excluding TechM, you've seen the TechM results, it's getting on a path for recovery and a turn-around now, but there's more work to be done…obviously, a lot more work there, but besides that, auto continues on a very strong momentum, gaining market share in SUV, up at 21% now. From a revenue standpoint, #1 in market share, and at 49.6% in LCV. So, very strong performance on both of those fronts.

Farm, while the industry has been tough, and we expect it to be down 5% to 6% for this year. The business has actually gained 80 basis points of market share and at the level that we are at is above 41%. That again is something that is very strong performance by the farm team.

Mahindra Finance turn around is very much on track. GS3 is at an all-time low of 4%. You've seen the results from Mahindra Finance that were published. The credit costs are on track in terms of what has been committed, strong disbursement growth, sequential NIMs are up. So, overall the business is on a very solid track.

And TechM is the sour spot for this quarter. Profit is down 61% due to a number of factors which were discussed in the TechM call, but it's one where with the new CEO coming in, we are seeing very good signs of a turnaround, a number of things have been put in place already. So, we shall expect much better results from TechM as we go forward.

In addition, our Growth Gems value unlock continues. We've launched India's largest renewables InvIT and that puts Susten in great shape to be able to deliver the growth that we want. We've got a large number of investors and we had to say no to many of them as well. But as the business grows, we have InvIT to be able to fund a large part of that growth in terms of the strategy we've outlined.

Susten has performed very well this year. It's in fact much higher than the track we had outlined for it. We talked about a 5x growth in Susten in five years. We are now looking at that and saying should that be 10x or should that be somewhere in between 5 and 10.

Second, from our last mile mobility standpoint, we've got a second investment. The first was IFC. The second is NIIF's India-Japan Fund and this comes in at a valuation of Rs.6,600 crores, 10% higher than the first one, again driven by strong performance in the business. As a result, overall consolidated PAT is up 34%. This does exclude two items from last year. One was the Susten gain that we had as a one-time when Ontario Teachers came in and took a 30% stake and the entire company was revalued, and second is the trucks and buses impairment that was taken last year in the third quarter as well. So, you see it on this slide here where revenue is up 15% for the quarter, 17% year-to-date. And from a PAT standpoint, you see the net impact of the two offsetting parts, the plus that we had last year from the Susten gain and the negative that we had last year from the trucks and buses impairment, on a net basis was a gain of 693 crores, without that, it's up 34% on a year-to-date basis, up 33% YTD.

We have talked about the three elements of a strategy. Capitalizing on market leadership in auto and farm and you see that in the numbers here beyond market share, as we look at the profit increase is up 49% despite the slowdown in the farm industry. That's driven by market share, margin performance in auto and it's also setting the business up for the future with brand investments as well as product launches that have been done in farm, that will be done in auto for EV.

TechM and Mahindra Finance, we talked earlier. Mahindra Finance is on a good track now. TechM has to get on that track and start its turnaround journey. And Growth Gems, while you see the numbers, your profits are up 3.3 x, but I'm little less focused on these numbers, more focused on the value creation from the Growth Gems that we will see. And we again talked about LMM and InvIT Life Spaces, I'd highlight is doing on a very strong track in terms of sales and on a 5X growth path that we've set for it. So, on balance, we've got our strategy working as we had planned it and therefore, we go back to the commitments we have made, 18% ROE, we stay firm with that, we are 19% year-to-date. And from an EPS standpoint, we are a 40% CAGR over the last two years. We've taken away the F'21 number. Obviously, will be a lot higher if we include that, but that was low number, so we haven't included that in the EPS growth that we see here.

With that, let me invite Rajesh for comments on auto and farm.

Rajesh Jejurikar: Hi, good, good afternoon, good evening, good morning depending on where you are.

Quickly walk you through the automotive business first:

And as you see in the auto, we had a volume growth of 20%, the SUV part of it was close to 30%, which is 211,000 and the revenue market share is at #1 position for the quarter and YTD April to September, and the quarter number is out there, 21%. LCV continues to be strong, and our LCV market share, less than 3.5 tons is at 49.6%.

We got the Automaker of the Year or Manufacturer of the year as they call it at the Autocar Awards, a reflection of the multiple things that have happened in the auto business.

On the left side, you see a chart which has the SUV volume growth and we've been able to be #2 on volume in a category in which most of our products are priced much higher than competition and for six quarters in a row. Many of you have this question, why are we not playing in the low end of the market. We strongly believe that we should play where our strengths are and our strengths allow us to be #2 on volumes even in a very competitive category, which the

SUV market today is. And of course, we are #1 on revenue market share given our price per unit is much higher than everyone else.

I guess this is the slide you all want a little bit more on. I'll talk a little on it now, but we'll take questions on it. So, 226,000 booking numbers have come down. On one hand, that's good news because we wanted to bring down waiting periods. That is what the whole ramp up was meant to be. So, part of it is that.

Part of it is December does see a higher cancellation rate. So, what you're seeing here is a 10% cancellation rate for the quarter that is partly spiked by December, which is the VINs changeover number. The January cancellation rate is back to less than 8%. So, what are the things that have happened? And we can take more of this in the Q&A.

So, firstly, new bookings continue to be healthy at 50,000-odd per month. The daily supply average has gone up to 40,000. So, obviously your bookings are going to come down as your availability has moved up from the past from 32,000 a month to 40,000 a month. So, you're correcting the bookings by improved delivery. Cancellations did go up and like I said, part of it is due to the VIN number.

So, on an overall basis, we would expect the bookings to be in this range, but the endeavor is to bring bookings down, because if you really have to grow the business, it's not going to be easy to grow a business when a customer walks in and they hear that you're going to get a product after 10 months or 12 months or eight months. That is not the nature of the market today. It may have been the nature of the market two years back, but it's not the nature of the market today. If we have to grow, we have to bring the booking numbers down. So, my input to all of you is, it's not good news to have a good booking number. It's good news to have growth. So, we want to be focused on bringing down this booking number with a period of time and we can talk more on this in the Q&A. I'm sure this is the top-of-mind question for all of you.

Where are we on capacity expansion? We had said we'll be at 49,000 capacity at the end of this financial year, that's the end of this quarter. We are on track for that. However, we don't expect to hit that number in the near future for two key reasons. One, we are ramping down XUV300. And as you see that we are in a mid-cycle refresh which is going to happen soon. So, for the next two to three months, we will see significantly lower volume of XUV300, which is one of our large selling products. So, we're not going to see the spike in volume coming out of capacity.

The second is there is a variability in between demand and specific models that we may have, so there will be some capacity mismatch. So, what we have done is to give you an idea of what's going to happen next year. We've basically taken the SIAM projections for the industry, which is passenger vehicles at 3%- 4%, UV at 10% - 12% and saying we will grow faster than that in mid-to-high teens. So, that's in a way an expectation of where you should see us next year and we can talk again more on that as we come to the Q&A.

The LCV industry has by and large been flat through the year, a little negative in fact. But we've, as you can see, gained very good market share and got growths out of the ability to grow market share with a very refreshed or in actually all new Pickup portfolio which has really helped us penetrate and gain share.

The Last Mile Mobility we just put this up, we have a wide and very strong product portfolio. Many more new products in the pipeline. A lot of work is happening on product development in this space. There is increasing competition and that's good news because the penetration of the L5 segment as we know it to be, is only 11% still. So, the ability to grow and penetrate this segment is going to happen with more competition and we believe that is good, because this is the segment out of all the automotive segments which has the best possibility for category penetration and that will happen when more people come in and together drive growth. So, we feel good about the fact that the industry will grow. Obviously, there would be some loss of market share. That's not significant at this point of time. And again, we can take more questions on that if you have.

The volumes in this segment in Q3 were 11,600 where we grew 118%, in January, we grew 69%. The market share in this segment was 48.5% in Q3, it's back to 60%-plus in January.

So, there are series of things happening and again the message is huge upside on category growth, which will allow us to drive a strong growth in this segment. The consolidated numbers for auto revenue was up 26%, PBIT was up 91% without considering the impact of trucks and buses impairment which was happened in last quarter. If we take that, then it was minus 95 Crs for PBIT, but we're leaving that out of the equation.

Margin is a favorite topic, which all of you have questions on. So, in Q3 of F'22, we had said, will go up by 3% in something we vaguely called the medium term, but that happened in one year which is Q3 of F'23. And in Q3 of F'24, it's up by another 1.7%. So, we have basically moved from 3.3% to 8.3% over this two-year period.

On FES, we all know the industry is down 4.9% in the quarter and about 4% for the year. In the quarter, we were down 4%, on YTD, we are down 2%, and we've gained 80 basis points market share in the quarter.

The rural economy is not having the best of time, but there are positives and negatives. So, one key driver of rural economy is government spending index. And internal index we look, we've created which looks at all the spending that happens in rural, it's not just agri, it is all the spending that the governments do in rural. We can see that curve moving up a little bit and hopefully that for us is a good indicator when you start seeing buoyancy. And you can see the downward curve, which is the time we've started seeing rural not as buoyant.

Of course, all of you know the rainfall delay, shortfall, reservoir levels, all of that. The positive news is in terms of trade are becoming positive. Output inflation is 6%, input inflation is 3%. So, there is 3% positive terms of trade, which is normally we've seen a very good sign of farmer sentiment. So, that's one very positive news on the rural side right now. This is the market share trend just for you to see.

Farm machinery is continuing to grow at 29% in spite of rural being slow. We had said, we would feel good if we end this year at 40%. We may not get to 40% this year, but we feel we are on the right track at 30%-plus, and as we see signs of rural economy pickup, we'll probably see much greater growth in this segment coming in.

Revenue was flat. This is consolidated, and PBIT was down 9% in the tractor segment. On core tractor margin basically we were at 16.9%, we had called out World Cup we said we have got a World Cup spend in Q3. We have not taken the impact of that on auto side. Of course, auto spend as well. So, we've not called that out as a percentage impact on auto margins, but because it has a significant impact on tractors, we've called that out. So, that's a 0.7% impact in the quarter of what we spend on World Cup advertising. So, if we had not done that, we would have probably been at 16.9% plus 0.7%, which we believe is a good core tractor margin in the current context.

So, you see the same thing on this graph, which is something that we've been showing for a period of time, which is industry growth mapped with our margin and basically saying that our margins operate in a very narrow band of 17% to 19%, typically irrespective of what happens to industry in that quarter. And you can see that if it was 16.9% plus 0.7%, then we are in that 17.5% kind of band even though we've seen industry down at minus 5.6 or minus 4.9 in this period of time.

So, with that I'll hand over to Manoj. Thank you.

Manoj Bhat: Thank you, Rajesh. Good evening everyone. So, I just have two short slides and I think this one Anish has covered largely in terms of the PAT. I think I just want to highlight two things. One is from a revenue perspective, while auto and farm, Rajesh did cover, but financial services saw very good growth about 24%. We had Accelo growing about 21%. So, multiple businesses are doing well from a perspective of contributing to the consolidated results.

I think on the Susten and Trucks, the 693 was an impact in the last quarter.

To look at the MTBD business, I think we had Performed a critical review and taken the charge last year, and that's an extraordinary item, was classified as extraordinary, but for purposes of comparison, the 34% is probably a more accurate number to look at.

I think just another cut in terms of what is the journey from 1,984, which is the number which is excluding Susten as well as excluding the trucks and buses impairment, I think clearly auto is a significant addition in terms of Rs.721 crores of profits. Farm, as Rajesh mentioned, was slightly down including I think there's an impact of the World Cup there.

And if I look at services, two things. First is TechM, I think there has been a drop in profitability and that's something we are working towards in terms of how do we get back on the journey of profit improvement.

On Mahindra Finance, while the number looks down, I think last year, we had the benefit of some of the credit cost reversals coming through which is absent this time. But otherwise, the business continues to do very well with focus on credit costs and were much in line with whatever they had committed from a year end perspective.

And overall Growth Gems, I think there's a small increase. I think the 147 is also there was some FOREX charge in the previous quarter which is no longer there, a FOREX loss. So, I think that's a quick journey from 1,984 to 2,658.

With that I think we'll leave more time for questions because I think we don't have too many other events happening like some of the past quarters. So, I thought we would engage in more discussions. Thank you so much.

Amarjyoti Barua: All right. We'll open it up for questions here and then move on to online as well. A fair bit of questions coming in there.

Kapil Singh: My question is firstly on the demand itself. We are looking at 3% to 4% growth for the industry for SIAM. If you could just look at the fact that UVs we are talking of 10% to 12% growth, right, so basically what we are implying is that some non-UV segment is probably going to decline in some sense, and if I look at M&M talking of 15% or let's say mid-teens to high-teens kind of growth, then ex of M&M industry growth will be a very low number right if my math is right. So, is this forecast made bottom up by SIAM or how is it done and how are you as a company thinking about it?

Rajesh Jejurikar: I had exactly the same sort of questions when I saw these numbers. And my follow up to that was I want to see the modeling. So, I have asked for the modelling which has just come to me a day or two back. I mean, I maybe spent two minutes on the slides, but there is a modeling. So, it is not some consensus view of talking to five OEMs and putting it together. There is a modeling that which I don't know if you got a chance to go through what you sent to me, but.

Veejay Nakra: It takes a typical regression model into understanding where it looks at economic factors, it looks at agri factors. I think it is also along with that takes into consideration what OEs are talking about and they put all of that together to give out what they're forecasting. So, there is a very clear regression-based model which they used to arrive at that forecast. It's not a unique modeling. It's typically what most economists would use in terms of arriving at the growth figures.

Kapil Singh: So, for M&M, if you could talk about what's going on through the different models. We've seen, as you were saying, the order books we see for some of the models like 700 have seen a big there. We've seen some upgrades also. So, if you could just give some color on different models, how you are thinking about it? And also on the electric vehicles, we've recently seen some price cuts. So, is it becoming more cost competitive versus ICE or the competitive intensity is actually increasing? And how do you see the buildup versus because some of the players say that probably EVs will not be viable, and hybrid should be a solution as well that should be looked at by the governments.

Rajesh Jejurikar: Lots of questions. So, let's quickly walk through the model wise because I think that's also be of interest to most people. So, Thar continues to have a very strong order book. The longest waiting period we have in all our models right now, is the two-wheel drive Thar, the new bookings are strong and the old bookings are very strong. The Scorpio Classic again continues to be extremely strong. Scorpio-N is strong as well. Bolero has a few weeks, if at all a waiting period. So, that's more or less like not on a booking, less than it hasn't been for the last few months if you've seen that chart. What is going off from a number point of view is also 300 because we're not taking bookings on that now. So, clearly that whole thing is gone and that will come back when we come with the mid cycle refresh. So, that I think is one thing that you need to factor in, that's not there right now. So, that's one thing which is not there. XUV700, I'm going to spend a little bit of time because I think a question is also specifically around that. So, I think we have two things that we need to do from my XUV700 point of view. One is signal that you don't have to wait for too long, because one of the problems that we will have or we face as we ramp up wanting to get a big increase is the perception that you have to wait too long. So, the perception right now in XUV700, you got to wait 12 months or 15 months because that's how it has been. Unless that perception changes, now 2.5 years old product, in August this year, it will be three years. So, we do have to have people feeling that you can get this reasonably quickly in weeks, if not days. So, one of the things we've done is to bring in this new model, which comes in with captain seats and so on and so forth, and we're making that available faster. So, we are trying to signal that some models are available faster. I think the big thing that we need to do on XUV700 right now is we have the MX series, I don't know how many of you remember and then we have the X3, X5 because 80% 85% of our orders went to the AX7, AX7L. In a way the existing word of mouth on XUV700, it's a Rs.25 lakh product. Now we have got to open the funnel because we have really good competitive products from 14, 15 lakhs going up all the way. But because the whole first flush of demand and now continues to be on the higher end version, we have to correct the feeling that this is a Rs.25 lakh product, because this can play in against multiple set of competitors, and we've not got the chance to leverage that. So, that's one of the things that we'll start doing. So, in a way a dilemma that we need to start marketing ourselves here because there are segments to open up. And we don't want to get locked in the mindset that we have to keep a booking period open. So, we've actually proactively reached out to old 700 customers and seen whoever doesn't want to buy… we've removed them from the booking list so that we are able to put ourselves in the mindset that we need to market ourselves in the right segments to get growth. I'm coming back to saying what is important for us is growth, not a numeric booking number. And 700 is a very strong product, but we have to think of the fact that we have right now two very strong products at volumes which primarily the average price point is 23 to 25 lakhs. There is no other product which is selling this kind of volume at that average price point at. So, in a way we have the brands. So, we have to bring the average price point down to drive growth.

Kapil Singh: On EVs and 400 –

Rajesh Jejurikar: The first part of your question, we have managed to kind of addressing. So, on the EV front, I think you're talking about the recent price drop and is it competition or commodities? I think it's a little bit of both. We did bring in the upgraded 400… I don't know if you had a chance to see that, it's looking really nice. And then competitors do react to moves that are made… so somebody's reacted to a move that we made. Of course, it's enabled by the fact that battery prices have gone down as well. I really don't think right now it's a competitive intensity thing because the size of the category is so small. I think it's roughly Rs.3,000-odd a month in the category that we are talking, which is the price points these products are playing at. And we hope with the 400 that we have, we should get to about 25% market share of this small segment.

Kapil Singh: If I can squeeze in on profitability, was there an impact of World Cup spend that we should think, could be sort of not a normal spend for the auto business as well? And if you are looking at 15% growth or higher than that, then should we expect operating leverage and how are you thinking about playing the market in terms of do you want to keep the products affordable to drive growth or should we expect margins also to have potential to rise further?

Rajesh Jejurikar: So, there was some World Cup impact on the auto side, but in the overall scheme, it would have made a smaller than 0.7% decimal impact on auto. So, we didn't want to call it out specifically, but of course there was an impact of World Cup in Q3 on auto. To the point of view of next year, I don't want to answer that very specifically because firstly we have to go through our budget process and which will all happen now. But directionally, we would want to see growth, we do want our products to remain within access and that there are multiple ways to do that, doesn't mean necessarily price drop, it is marketing variants, which we have in our portfolio today, which we haven't marketed because we were on a long waiting period. So, I think there are multiple set of things that we need to do to drive growth. Growth is going to be important for us and we have to use cost levers and we always talk about the fact that cost is something which can be a bottomless pit, we just got to keep digging and finding cost and we would continue to do that. So, I think directionally we would want to see growth and improve business performance.

Anish Shah: I just go back to your question, Kapil, on hybrid side versus EVs. We see hybrid essentially as an extension of ICE and we had a choice when we could have gone into hybrid very easily and we felt that EV was a better place to be, because that is a technology for the future. That is dramatically different from ICE, products are much better, much more fun to drive. You've got a huge impact on emissions, huge impact on operating cost, whereas if you look at all of those factors on hybrid, it's not dramatically different from ICE. Now, there are certain markets around the world, Norway, for example, which is 90%-plus EV already. What is the noise coming from some other markets which have hit 20% or so from an EV penetration standpoint. There are two parts. One is in cold weather, the range fluctuates quite significantly and second is charging ecosystem is not as strong as it should be because people still have to wait for 30-minutes to charge a car, and sometimes if a charger is not working or you got more people in line, it is a much longer wait and which is why folks are saying, I don't want to wait. That is the reality we will have to face with an adoption of EV, and which is why governments around the world are incentivizing EV use because charging ecosystem as well as cars on the road will go hand-in-hand. As more cars come in, charging ecosystem comes in. If one lags, the other will fall slightly as well. In India today we've got a very low penetration; 1.5% or maybe even lower. Therefore, we will see first people who can charge at home and charge at office EVs. Then it will start moving towards getting a broader population of chargers in place. And as that comes, there will be a greater market that opens up. So, that's what we modeled out saying it will go through that evolution in India as well and even globally I think as ecosystem and charging technology. I was talking with someone in the battery space, and they said, there is technology now that can charge 200 kilometers in three minutes. Right now, we've got to look at that in more detail and see, okay, what is required for that to happen. As that starts happening and maybe it's there now, maybe it's there a few years later, but as that starts happening, then it's much more easier to do it. Then your petrol pumps around the world start putting up EV chargers because it takes the same economics in a sense to have a car come in and go out from a time standpoint. So, those are going to be some of the challenges that we will see in EV adoption. I see us being able to go through each of those modules, but we'll have to work through that. It's not going to be an easy answer. It will have to be charging ecosystems comes together with the demand on the road… but EV is going to be the future. We'll go through some hiccups along the way, but that's really where the markets are going to end up.

Binay Singh: Just continuing on that on the CAFE regulations or any emission regulations that are coming up, could you update us a little bit on that? And is there any sort of internal estimate about number of EVs you need to sell to meet the next CAFE norms or anything on that side?

Rajesh Jejurikar: In F'24, which is a current year with whatever we have sold of 400 so far and what we will sell in Feb, March will comfortably meet the norms.

Binay Singh: And what is the next key milestone to watch?

Rajesh Jejurikar: From by way of the number?

Binay Singh: Of the CAFÉ norms, yes.

Rajesh Jejurikar: That is far away base, that is BS7 there's no date yet right now.

Binay Singh: So, even for CAFE after 2024, the '25, '26 –

Rajesh Jejurikar: Yes, the same.

Binay Singh: So, in a way you don't have to sell more EVs to meet that requirement?

Rajesh Jejurikar: To the extent that which our ICE grows, the number of Evs will go up marginally higher. So, it is based on what you're selling in a mix of diesel, petrol, etc., So, that is what is used to how many Evs do you need to sell to offset and meet a certain CAFE norm. So, that's a derived number. So, what I'm telling you is for F'24, based on our current sales mix, whatever we sold of 400 till now plus what we are planning to sell in Feb, March, we should be comfortable.

Binay Singh: And secondly, just going back to rural. Earlier, we knew that M&M on the UV side also had a sizable rural exposure. So, whenever rural would be reach your UV portfolio would also get impacted by that at least in the numbers now because urban is doing so well, it's not very visible. But, is there any underlying data which makes you think that if rural was to rebound a year down the line, there are a few models which are sort of underserved now in those categories which could turn around or you don't see any rural slowdown in Uvs?

Rajesh Jejurikar: So, Bolero is primarily a rural, semi-urban model and clearly that hasn't seen growth this year and it's possibly because of the state of rural. That being said, Scorpio Classic is also primarily a rural product, but it caters to a totally different target group and that target group has a lot of money. So, when we say there is rural economy is under pressure, it's not everyone in rural is under pressure, right? It's even when you look at urban there are segments who are very rich and that's why we're seeing demand for certain kind of vehicles and there is maybe the salaried class or some smaller businesses who aren't postponing buying of vehicles. So, you see that in urban as well. So, that is affecting us in the products like Bolero, but it doesn't affect us in a product like Scorpio Classic, which is primarily really rural. Even Scorpio N, I think Vijay, 40% plus rural. So, it has very high rural presence as well and we don't see a stress in these segments there. we see some bounce back from Bolero itself.

Rajesh Jejurikar: Yes, Bolero and even 300 to some extent when it comes in. Because that has also I think almost 35%, 40% semi-urban, rural, but not dramatic.

Hitesh Goel: Hitesh from CLSA. Sir, there are two questions. First on this Red Sea issue. So, we started hearing from people that there's 55, 60 days of delay in machinery coming to India because the container not coming in time and all that. So, are you seeing any issues in your supply chain or something on container or parts shortage? Second question, I'll talk on tractors later.

Rajesh Jejurikar: Red Sea issue has basically three implications. One is cost, second is exports and third is imports of material or equipment. On cost, we have covered with contracts to a large extent, but anyway the impact is not significant on materials. That's not a big deal. On exports, we've had some impact to get the new OJA for launch to North America. But the delay is predictable now; it's four to five weeks. So, we factor that in. So, there's no real business impact once you know that it's a delayed cycle of four to five weeks. On the incoming raw material now, we have kind of covered with having proper inventory in place, some contracts which prioritize shipments since. So, at this point of time, we're not seeing any supply chain disruption risk coming on. That doesn't mean that it won't ever happen, but right now we are not seeing that. I haven't heard of any capital equipment. I don't know if you heard of that, it's getting delayed because of Red Sea.

Hitesh Goel: My second question is on tractor. So, Vahan is showing pretty good growth in tractor retails. Other companies are also talking about that this number is not right. So, if you can give us some sense on tractor retails, what is happening and where is our inventory levels. And my second part of the question is also when do we see profitability on the farm equipment side and at what revenue we break even?

Rajesh Jejurikar: So, on the first part, I'm not answering the question of Vahan context, but more a retail momentum context and stock levels. Typically, billing is worse than retail in a downcycle, we know that. The retail negative is not as bad, and in the festival season, we actually saw positive retail growth, in the festival days what we count start of Navratra to Diwali. So, right now many people, including us adjusting stocks, which brings the industry level downward and I think that's the right thing to do, preparing, keeping in mind the current sentiment, that's prevailing. We typically like to be at about 30-days stock for tractors with dealers. We are a little higher than that and not too much higher, little higher which we will correct in the next three months or so. We have been correcting in the last couple of months and we will correct it over the next two to three months. So, we typically like to be at 30 days, we are a little above that right now. We do need some correction. The farm machinery, I don't know if we want to share a number of break even, but it's very much on our mind and there's a direction maybe we are like a year and a half or two away from being able to break even with the current growth plans that we have.

Anish Shah : It will have meaningful contribution after that, because that's one of the things we are driving to say that with the investments we are making in that, it should have a meaningful contribution.

Rajesh Jejurikar: The players who are there, current competitors do have a decent margin profile. So, it's not like the industry doesn't have a profit pool. So, once we get our momentum going and our product strategy and material costs optimized over the next two years, there's no reason why we won't make money in this industry. There is a profit pool in the industry amongst current competitors.

Anish Shah: Right now the cost is also higher because of the investments to grow share across multiple products. So, that's one factor that's driving it and we're not shy of making those investments right now because we feel that there's a huge market here that we can really benefit from.

Amarjyoti Barua: We'll just take one question from online and then we'll come back to you. So, Pramod Kumar from UBS. Actually it's a two-part question, one for Manoj and the second one for Anish, The question is, are there any non-operating income expenses like mark-to-markets divestments, etc., in the segmental performance this quarter that you wanted to highlight?

Manoj Bhat: So, I think if you look at what is impacting the standalone segmental, there is dividend income, which is classified as operating under the new standards and that is the only big item. There is some Rs.36-odd crores of one investment of ours, which got listed in the US, which was Zoomcar. There's some reversible of impairment of Rs.36 crores. So, broadly speaking, there's not much of an adjustment this quarter except for the dividend income which comes in into the IBCS segment.

Manoj Bhat: The other item is of course we have KG Mobility and RBL which we mark-to-market every quarter. So, there is a gain coming from that which is shown as other income, it's not shown as operating income, so it's not in the operating income from a segment perspective.

Amarjyoti Barua: Anish, a question from you is Classic Legends, given its performance, would fall more in the diverse bucket the way you thought about capital allocation or laid out capital allocation in the past. So, what makes you believe we should put money in that?

Anish Shah: Pramod, our capital allocation was always based on can we make money in this business in future, not as much on is it making losses right now. And while we did exit a number of businesses, we also turned around a number of businesses, and therefore this is one we actually feel very good about, we think the products are outstanding, these are very good brands. There have been some hiccups in the past couple of years that we've gone through and today we feel that it's well poised to grow which is also the reason why is our commitment to put additional capital over the next three years and not just us, but we had external investors coming in as well, which is part of what we've been doing with many of our Growth Gems and that is external validation for us to say that it's not just us believing that something can grow, they're putting the money behind it also and believe that it's going to grow significantly. So, it's one business where hopefully we can come back and show great value creation and I'm confident we will, and that's the reason why we put it as what we will call Category-A which is invest and keep.

Gunjan Prithyani: Before I get to the questions, Manoj, just a clarification on this Rs.36 crores, the number that you called out. I assume this is all in the investment, none of it is in the auto and the farm segment, right?

Manoj Bhat: No, it's an investment.

Gunjan Prithyani: Just going back to the order backlog, which we have now, we clearly have capacity mismatch in Thar and Scorpio and Thar we will go ahead and launch the five-door model as well. So, if you can just talk about how are we still thinking about capacity ramp up for these two models because that's where the biggest backlog lies?

Rajesh Jejurikar: Thar is one model. Which is the second?

Gunjan Prithyani: Scorpio. Because the booking run rate if I see is still much higher than the monthly capacity that you would laid out.

Rajesh Jejurikar: On Thar basically we have roughly out of the current sales that we do, which is about 6,000-odd a month, roughly half is four-wheel drive and the balance is two-wheel drive. A lot of the bookings are on the two-wheel drive. We are not able to right now ramp up two-wheel drive production because of the engine-related capacity is there, not the assembly line or the manufacturing-related capacities right now beyond 3,000. That will move up with time because that's a very specific engine-related capacity which is 1.5 liter, which goes on the rear wheel drive to two-wheel drive. So, that's the specific constraint that we have in being able to increase the volume of the Thar two-wheel drive. But overall, as a portfolio, we think it's a very good balance for 50% of our volume is coming from two-wheel but 50% continues to be on four-wheel drive which is a very good sign because that means people do see value of paying the extra money, half of the people to go into a four-wheel drive. The Thar five door capacity is a separate capacity, as we've shared earlier and that will kick in when we're ready to launch that sometime in the middle of next year or this year rather, middle of this calendar year. So, that's specifically on Thar. On Scorpio Classic, that's one area where we have a constraint because we're getting very good momentum, and we were not anticipating that we will get an uptick. In fact, most people thought Scorpio Classic will disappear when Scorpio comes, it actually got stronger. So, we are doing some capacity tweaking to increase the capacity, but not significantly. I think that is a product which will continue to be kind of in the region of what it is, which is right now between 4,000 to 4,500 kind of volume. For the Scorpio-N, most of the capacity debottlenecking has happened. We're having a variant mix issue, which is where the orders are versus what we are. So, lot of the orders that have come in are on the mid to lower end versions which is good for the long term, but we had not ramped up those versions as much. So, that's the product on which we have a variant mismatch issue which we'll fix as we go along.

Gunjan Prithyani: The other question, Anish, was on the electric portfolio. Now, we'll start the product rollout from December onwards as we've called out, there have been multiple speculations around we are not going ahead with Volkswagen, we are looking at battery setup. So, if there's anything to refresh on the progress towards the strategy, are we still on track with respect to the launches and any alliances that are worth calling out?

Anish Shah: So, everything is on track as we had planned it. No deviation from that.

Rajesh Jejurikar: On the VW piece, there was some news handle which had reported that and VW clarified the next day with the statement that there's no change in whatever we are doing with M&M. So, that continues.

Gunjan Prithyani: On battery, is there a thought process to evaluate that?

Rajesh Jejurikar: We've said in the past that we would at some stage have a conversation with VW on localizing cells in India. That hasn't made a lot of progress yet. Doesn't mean that's not happening, but that's the next stage of work that we need to get to. VW right now has multiple of these giga plants coming up around the world. So, they have a bit of a bandwidth issue. They need to get that going before they can start focusing on the India piece of that, but that's something that we will evaluate whether we would do that with the partner going forward.

Anish Shah: Yes, right now for the foreseeable future, we are set in terms of commitments that we have on that, and we want to look at the next phase after that to say, should we have our own battery plant or not. So, the inclination is that we should, I just sort of put that out there, but we need to verify that inclination through a lot of data and analysis and say, what are the benefits of doing it, what is the best of doing it, and then on that basis, make that final call that we should do it and then the questions are with home, what are the technology, all of those things that come in with that? And then I would just also add, the EV products have come out very well and we'll make sure that you have a chance to test drive them, I have test driven three of them and just very happy with where we are right now on this.

Amarjyoti Barua: Just combine a few questions online while that is circulating, because they're in the same theme, Rajesh, this is for you. In general, questions are coming from SBI Pension Funds from Avendus, Viraj. They're all asking what the outlook for tractors for Q4 and next year.

Rajesh Jejurikar: Q4 is -10 and F'24 is -5 around. F'25, too early to call.

Amarjyoti Barua: So, then a question for you, Anish, as well online and I'll come back to the room after that. This is from Viraj and his question is. 15,000 crores of net cash and likely to grow. What are your plans for that cash?

Anish Shah: Look, the one good thing is that we have not been going off and spending that as some of you would say and we've been very disciplined in ensuring that what we do is on track with what we've committed. We are looking at a phase of what I would call exponential growth possibly. That's something we've talked about with our Growth Gems, we've talked about a 5x growth plan that we would have for that. We haven't had to put a lot of capital in it so far because we've had capital coming from the outside for that. So, in last mile mobility, we were ready to put that capital in, but people really pushing us to say, we want to come in and we want to give you capital for it. So, we don't need to put capital into last mile mobility. Similarly, for Susten, with the renewables InvIT that we've got in place, we've got a great growth plan for that business, but we don't need to put additional capital right now. As we think about Holidays, Life Spaces, Logistics, all three are businesses which can easily grow 5, 7 times from where we are right now. Now, we may get someone else to put in capital as that happens or we may put in some capital ourselves, but those are businesses we want to invest in. Classic Legends is one we want to invest. Again, we didn't have to put in all the capital that we needed to because others came in along with it. So, we will look at growth to really take us to the next level as a company. What we are very conscious of in my mind, capital allocation is not we will not invest, capital allocation is we will get the returns of where we invest. And that's something I tried to clarify earlier also when we had some discussions around it because if everything we'd invested in the past actually gave results, everyone would have been very happy with it. The fact was, it didn't. And we got lessons from there as to why we should be careful in certain areas and what we need to do before we invest in certain areas. So, our approach is as follows: One, be very careful about where we invest. Ensure that we have all the capabilities required to win in that space and then we can deliver returns in that space. And then whatever plans we layout in terms of saying, we're investing to get these returns, we actually deliver on them. That's our approach to it. Now, where will we invest? To start with, our current businesses. Because we've got huge potential across our current businesses. EV is an investment, farm machinery is an investment, Mahindra Finance needs just core operating rigor right now, which is what it's focusing on, so it doesn't need investments in that sense, TechM needs core operating rigor, doesn't need investments, our Growth Gems need investment because they've got huge potential of growth. So, that is where we're going to look at putting cash behind it. Would we do something beyond that? At this point, we are not focused on it, but if something really meaningful comes up where we say that the Mahindra Group can actually make a big difference in this space and we feel we can deliver on it, we may look at it at that point in time. But that's where we are right now. And I would also add that we feel that where India is poised today, there is room for tremendous growth and having a war chest to be able to drive that growth is something that to be very positive for us, at the same time, I do want to say that that does not mean that we're going to go up and invest in ten different areas. We're going to be very, very careful as I just mentioned earlier about where we invest.

Nitij Mangal: Hi, this is Nitij Mangal from Jefferies. Two questions. Firstly, on the tractor side, I know you don't want to talk about FY'25 outlook yet, but are you thinking about what are the outer bounds in terms of what can be the extent or the length of this down cycle and what would you look at to assess that demand is coming back?

Rajesh Jejurikar: So, let's think of what are going to be the positive enablers. One clear positive enabler is going to be a better monsoon than what we saw this year. Both the reports that have come out right now… the first reports… and I'm still saying it's too early to call because we know these reports keep getting upgraded and updated as you come closer to the time. Both Skymet and IMD talking about a positive, I mean a normal monsoon this year which is Going to be good news from multiple points of view especially reservoir levels have dropped after very long time below their LP average, which is now this time at -5%. There is going to be an effect of positive monsoon that will have on the sentiment and overall buying in the rural economy. So, I think that's one factor. I said the farmer terms of trade are positive which is a positive enabler. Some of the base effect has got corrected because tractor saw 27% growth and then we've seen two years of a down cycle. So, in some way we've seen a stabilization of the base a little bit. Next year is going to have Navratri's back, this didn't have April and we didn't have March, so you kind of lost out on two fronts, which is one of the reasons why there's going to be a negative growth in this quarter because last year March there was Navratra, this year is going to spill over into April and then get a second one, I think two days at the end of March spilling over into April. So, that's going to be a positive festival-based enabler for F'25 as well. So, I'm just putting out all of these things. Obviously, we look at all of these. That being said, there are years and some of you know I have spent seven years doing tractors only. There are years when I thought the industry would be (-5), it became (+20). There are years. I thought it would be (+20), it became (-5). After seven years, I've learned to say it's early.

Nitij Mangal: Secondly, on the SUV side. Can you remind us what are the ICE launches you have from here? And also, do you think there is a need to address some mid-sized kind of SUV price point like where XUV500 used to be? So, is that your lower variant XUV700 or do you think you need one more kind of nameplate, maybe not all the way down but somewhere in the mid category?

Rajesh Jejurikar: So, first, just to reassure all of you, we will share more detail in May. We are very mindful that we need a strong ICE portfolio. Even if EV penetration reaches 20% to 30% three to four years from now, still 80% of a very large chunk of business is going to be ICE. So, we are very invested in ICE. Like I've shared earlier, we can't talk as much about it because it will have immediate cannibalization effect on our current products, right, which we don't have that problem in EV, so it's okay to talk about, okay, this is what we're going to do on EV. So, we are always a little more guarded about sharing our ICE plans. That being said, we have two big launches coming up this year, which you are already aware of. One is the Thar 5 Door, and the other is a mid-cycle refresh or 300. So, that's already on the anvil. We think both of these are going to do very well. They've really come out well. And as you see them come through, we say with conviction that they're going to do extremely well. To your specific question on, should you do an XUV500 kind of price point, that is one way to look at it, the other is should you do as what many people say, 4.3 meter, 4.4 meter SUV, that's another question that comes up. To me, price point is a better way to think about it. How can we create exciting products at a given price point? And that's the endeavor that we have, right? So, when we think about why Thar rear wheel drive, it was not an easy decision to say, should we take Thar into two-wheel drive. The perception is okay, will it dilute the brand when people think about Thar as a pure off-road a four-wheel drive, is it a good idea to do Thar two-wheel drive. I mean it was something we grappled with. It wasn't an easy decision. But then we said, if you really want this category to grow, there are going to be many, many people who want to own a car, who don't necessarily want to take it out into the mountains every weekend. But we were able to create a price point with that; we were able to create Rs.11 lakh, Rs.12 lakh price point, which is what has enabled exponential growth in that category. So, we're very, very mindful of price points. If you look at all our products, they have price points which enable us to compete and get volume. Unfortunately, if I may use that word but still remains an opportunity on XUV700, we couldn't leverage our lower price point product because the whole demand just swung so much to the higher end that there was no chance to produce the lower end and everyone forgot, including our teams, that we actually had lower end products, because for 1.5 years we could not sell, we were into answering questions on when we do get your current delivery. Now that we are getting out of that phase and as we are ramping up production, we have to start selling our lower price point products of 700, Scorpio and so on and so forth. And they are all in the 500-price point, 500 price point was I think 14 lakhs to 17 lakhs or 12.5 lakhs to 17 lakhs. So, we have enough products on that price point and that's going back four years corrected to inflation, we have a very good portfolio with significantly better technology and product now in the 500-price point.

Amarjyoti Barua: Couple of questions from online. Anish, this one's for you. On Paytm Financial services, anything there that interests you?

Anish Shah: One word answer, no.

Amarjyoti Barua: Next question is for you, Rajesh. And there are multiple questions. I'm just trying to simplify this. Is there a mixed impact of Swaraj versus Mahindra that's playing into the tractor margins?

Rajesh Jejurikar: I will try and answer that a little differently. It is not a mixed impact of Mahindra versus Swaraj. It's a mixed impact of the South versus others. So, typically if you look at the Southern markets for tractors, we sell higher horsepower tractors in the South, which typically have a better margin profile for both Swaraj and Mahindra. Maharashtra I think has been -30%, Telangana, AP have been -25 to whatever percent, Karnataka has been -20. These are all strong markets. These all tend to be higher horsepower segment markets with better margin profile. So, there is definitely a mix effect coming out of the South versus the rest of the country. The answer is more that rather than Swaraj versus Mahindra.

Amarjyoti Barua: You answered this in the media queries as well. Just plans for the trucks and buses business and where do you see it going?

Rajesh Jejurikar: I'll start and maybe Anish, if you want to add. So, the trucks and buses business is something we are focused on reviving and it's starting to show very good signs. Market share has moved up from 2.2% to 3.2%-odd which is on a small base but it's a very good sign. In the 40-odd top dealers that we have actually, eight or ten of them have more than 10% market share. So, what that means is when we have a channel member who's committed to the business, we can easily move our market shares up. So, for us, that's in a way kind of green shoot. So, we are able to see momentum picking up. We are at the moment in a very focused strategy. So, we're saying, okay, here are 40 dealers, let's increase the market share in 40 dealers first. Then we add another 40 dealers and so on. So, it's a very, very focused strategy to say, let's strengthen the channel as we build our market share. It's not like we're trying to do this everywhere at the same time because then we're not going to get channel viability. So, the first thing is to say, take a critical mass of dealers, get their market share to a critical level so they get channel viability. They get interested in our business, we're able to use that to demonstrate success to other dealers and then we will add 40 and 40 and so on. So, right now we are taking a very calibrated approach on how to build volumes. Show success and then start replicating that. We have a very good product portfolio and head-to-head we do very well and we are confident that we will move shares of this up significantly in the next 12 to 15 months. It's already a 3,000-plus crore business by way of revenue at 3% market share. So, just if we're able to get to 7%, 8%, which is not difficult, we were 5% before COVID. So, if we can get to 7%, 8%, it's a 10,000 crores business. So, it becomes very substantial. There is enough profit pool in the industry. So, once you cross 7- 8%, there's going to be money to be made. Anish will add to this, and we went through a full review of whether this is the business we want to stay in or not. Clearly, we want to. Because 10,000 crores is not easy to build, it is possible for us to make this a 10,000 crores business and there is profit pool once you cross a certain threshold. So, I think we are very committed to make this work and we believe that this can be a big potential top line and bottom-line driver.

Anish Shah: We're the leader in LCV and we feel that we have capabilities to be able to lead or gain a much better position in MHCV as well, and that's the reason for staying with this business. So, we did look at it closely and we did consider whether it makes sense to exit or to stay. And based on the potential we saw, we said, we should stay. The business is on track right now in terms of the turnaround we'd identified for it and is moving well, and that should be able to give us significant benefits going forward.

Kumar Rakesh: One question is on the tractor business. In the past when the downcycle have played, we have usually seen a very sharp drawdown on the volume, but this time we haven't seen so far flattish volume, then slight decline in this financial year. So, a), do you see a risk of a sharp drawdown on volume still possibly next year? Do you have Some understanding of the underlying demand drivers, which may possibly have changed now and hence that kind of high cyclicality may not be there in demand?

Rajesh Jejurikar: That's an interesting question. Let me try and think of how to answer it. Based on my experience, I think the sharp drop happens when retails drop very sharply and then the manufacturers have to do a disproportionate correction in inventory. I think this time retails have not dropped disproportionately. So, the retails are probably in the (-3), (-2) kind of region which is not bad. So, the level of extent of stock correction needed by the industry is not that high. I think with evolution of the overall multiple set of industry players, some with now international partners, there is much greater discipline on the kind of stock each OEM is building compared to what may have happened in the past. So, the stock buildup with the dealers is not as high as that has happened earlier. People are taking corrections along the way, and which is why you're seeing a little bit smoother curve than what we used to see in the past. It's in the past basically people will wait for a desperate time when you can't get money from the dealers to say, now I have to cut stock. I think people are now cutting proactively and not waiting for the complete collapse of the payment turnaround cycle and then say, only way I'll get money if I stop billing. I think nobody is reaching that stage yet and I think that's the reason why you're seeing a flatter curve. But I may be wrong, but this is my current read that much greater discipline among OEMs, proactive correction along the way, and retail hasn't dropped. Suppose, next year, we go into like a 15% retail drop, you're going to see a very sharp correction. Hopefully, that's not going to happen because I think the enablers for next year are stronger than the disenablers unless you have a very bad monsoon.

Anish Shah: The other point I'll add here also, and this is based on some level of data, more of a hypothesis and may be worthwhile for you to look at that hypothesis and see if it makes sense. The government budgets over the last few years have been what I call very much economics-driven, not politics-driven. And therefore, there hasn't been a large amount of SOPs that have been given out, that sometimes creates a high degree of variability from time-to-time as well. If you look at the first year after COVID from March '20 to April '21, government spending in rural went up significantly and rural was very buoyant at that time, the tractor industry grew 27% in that year. But the government has been very methodical about not giving out too many political SOPs and ensuring that it's setting up the economy for the long-term. And in doing that, my sense is the variability will be a lot lower because you're not going to see that high upsides and downsides after that.

Rajesh Jejurikar: I think also tractor subsidies have come down a lot, which is I think very good for the industry. You are seeing spikes because of that, but basically preponement or sale at lower margins. So, I'm actually very happy that the state subsidies on tractor buying have come down a lot.

Kumar Rakesh: Is there any change in the use cases as well which predominantly used to be agriculture-driven, that is something which you also -?

Rajesh Jejurikar: You mean agriculture versus mining versus haulage? Not so much in the last 2-3 years. I think a lot of that change happened in the 3-4 years earlier. I think it's kind of more stable right now. In the last three years. I don't think the mix has changed a lot.

Kapil Singh: Could you just comment on the LMM business -- is it showing up in financials in standalone or how would you report that? And also, just on the business environment there, we heard some competition is coming in and you've also talked about taking away market share. So, how is the market share scenario for that business?

Manoj Bhat I will pick up the LMM question first. So, it's a subsidiary, so it doesn't come in standalone. Having said that, I think most of the moving pieces have now moved to the subsidiary. So, now the baseline is proper in between, if you go to Q1, Q2, maybe the baseline wouldn't have been the proper baseline. But now, largely everything has moved where has to move into LMM. So, it will be part of the consolidated and not part of the standalone. What we however do and whenever we show that maybe we'll have to decide how do we do it. Because when we think of cash, etc., we're still thinking that there is cash in LMM and MEAL and standalone because it's really all fungible cash in that sense. So, we're working through that thing, but otherwise from a P&L perspective, it's gone to consolidated.

Rajesh Jejurikar: Just to add, I think till 31st August the numbers were within M&M. So, Q2 may be a little confusing because something would have moved to subsidiary. Q3 is a fully standalone subsidiary and hence consolidated only. I added 3-4 bullet points on that slide, anticipating this question from all of you. So, maybe I'll play that back again. Yes, of course, there is competition and it's a strong competitor, so that's good. Strong competition always enables categories to grow. This category needs growth. We are all going to get growth only when the category grows. Like I said, EV penetration right now is in that category is 11%. It has a potential easily to go to 30% to 50% very soon. That is going to happen when you have two or three players who are working very hard to improve penetration, improve finance package, improve perception of how good an electric is, because it's word of mouth which gets inflection point and these kind of segments which are very commercially-driven and that word of that mouth will move very quickly as you start seeing more vehicles flying on the road and I think competition is going to be really good for the category. So, we welcome them. Yes, we may lose a few share points here or there, but we are still the very strong leader. And as you saw in January, our market share is decent, and we hope to be at a very decent market share. But really the measure for this is going to be how quickly we are able to grow, not so much what is the absolute market share, because as you have competitors and as the category grows very quickly, it's going to be a very large pie for everybody to have enough of. I don't know if that specifically answers your question.

Kapil Singh: Yes, if you could also touch upon the profitability of EVs for LMM as well as how you think about for the SUV business as well, just general thoughts that would be helpful?

Rajesh Jejurikar: So, firstly we have qualified for PLI, so we met all of that as M&M, which covers us for SUV and LMM as a conceptual thing. On LMM, we've got our products approved. Now, we're at the final stage. I'm specifically spending some time on PLI because it is going to have an impact on how you think about profitability. So, in LMM, the products are fully ready, we are waiting for MHI to release the final SOPs and then we go in Q1 we can get the first disbursement done. So, that's where we are on LMM. On SUVs, which is specifically 400, we will meet the value addition norm by the second quarter of F'25, as we complete the localization and few other things. So, that's when we will apply for PLI on 400. Right now, we don't meet that, so we're not going to get PLI benefit at this stage. So, LMM has the benefit of PLI and FAME both. In the SUV business for us since we don't play in the fleet segment and we are above a certain price point, we will be primarily getting PLI. I think in LMM there is a clear set of money to be made. The key thing is how quickly and aggressively do you want to look at growth versus using the money you have to drive growth versus to kind of say, okay, there's a lot of money to be made if you grow conservatively. So, I think that's the balance we will kind of workout as we go along, to investors we will get their views as well. That's the reason we have cash. So, cash is not all for CAPEX, some of it can be used to fund aggressive growth as well. But we have to get that balance right. So, that is something we'll settle in as we move along over the next quarter or two, but there's clearly right now based on price and material cost, there's money to be made. On the SUV side, I think, we'll see how this plays out in BEVs as the BEVs come in and we'll talk more about that as we come along. Clearly, we're not going to have the same percentage margin as we've said earlier because there's no GST in the denominator… the GST is different rather than the denominator. So, we will not be able to compare percentage margins on electric versus ICE. We have to think of how we're going to be able to communicate this to all of you so you are able to understand this. So, we'll probably show you EV and ICE separately in a way that you can understand this, because if you try to weigh the margins, it's going to be very confusing because the percentages can't be comparable.

Kapil Singh: And BEVs will be qualifying for PLI with the localization right from start?

Rajesh Jejurikar: That's the plan. I don't know right from start, but yes directionally, I mean from start, yes, maybe few months to get your paperwork and estates, it's not easy paperwork, I mean we've learned that.

Amarjyoti Barua: One last question to wrap up. This is from a retail investor, very apt question. I think given everything the group is going through, the focus on growth, etc. Anish, what are your thoughts about Mahindra making an international standard F1 car?

Anish Shah: We are focused on exactly what we are doing. And as I said before that we have to deliver on what we've committed. If we find something outstanding, one new area to get into, we may look at that. But again, may is the operative word. But the key is we're going to deliver on what we said we would so.

Amarjyoti Barua: All right. Thank you, everybody, online as well as here in person for your participation, and we'll see you in May for the total year view.