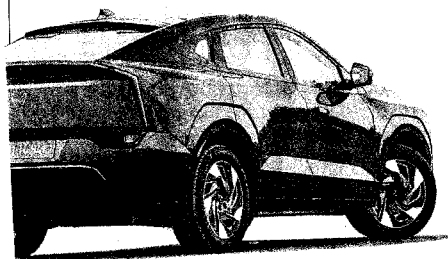


M&M sets ambitious growth targets

SUV AND LCV SEGMENTS POISED FOR EIGHT-FOLD EXPANSION OVER FY20-30

MAHINDRA & MAHINDRA, THE automobile manufacturing company, held its analyst meet in Mumbai recently, where it outlined a clear long-term growth roadmap across its key businesses. For sports utility vehicles (SUVs) and light commercial vehicles (LCVs), the company is targeting 8x growth over FY20-30, while the Farm segment aims for 3x revenue expansion over the same period. Several of its "growth gems" are progressing strongly, including: Last Mile Mobility, which targets 6x revenue growth over FY20-30; Trucks and Buses, which aspires to be among the top three players in Intermediate and Light Commercial Vehicle (ILCV) truck and bus segment while pursuing a focused strat-



FINANCIALS & VALUATIONS

(₹ cr)	FY26E	FY27E	FY28E
Sales	1,40,500	1,64,700	1,91,900
Ebitda	20,300	24,130	28,380
Adj. PAT	14,470	17,650	21,010
Adj. EPS (₹)	120.5	147.0	175.0
EPS growth %	22.1	21.9	19.0
BV/Sh. (₹)	608	725	866
Ratios			
RoE (%)	21.5	22.1	22.0
RoCE (%)	20.7	21.4	21.4
Payout (%)	21.5	20.3	19.3
Valuations			
P/E (x)	30.8	25.3	21.2
P/BV (x)	6.1	5.1	4.3
Div. Yield (%)	0.7	0.8	0.9
FCF Yield (%)	1.8	3.5	4.4

Source: Company, MOFSL

egy in heavy commercial vehicles (HCVs); Aerostructures, which aims to break into the global top 10; Mahindra Holidays, targeting a 3x increase in keys, 3x revenue and 4x profit

after tax (PAT) growth over FY20-30; and Mahindra Lifespace, which aims for over 14x sales growth this decade.

Depending on the performance of these high-potential businesses, M&M plans to explore value unlocking opportunities in the coming years. The company also indicated plans to enter a new segment next year, provided it aligns with its guiding principle of delivering a sustainable RoE of 18%.

M&M plans to drive this momentum through a robust product pipeline, starting with the launch of the XEV 9S electric SUV on November 26. From 2027 onward, it will roll out vehicles built on the versatile NU-IQ platform, with four models already showcased in August. In the LCV segment, growth will be supported by a wider product range and deeper market penetration, particularly in the sub-3.5T category, where M&M is targeting 1.6x volume growth by leveraging its market leadership and strong customer acceptance.

M&M's long-term growth ambitions across its business segments underscore the company's confidence in their potential over the coming years.

—MOTILAL OSWAL