kotak Securities

Dated: 30 Nov 2025

Mahindra & Mahindra (MM) - BUY

Company Update

Current Market Price (CMP)	Fair Value (FV)
Rs.3757	Rs.4200

Rationale:

- In analyst meet, company guided its strategy of continuing to focus on value creation.
- Capitalizing on its market leadership in automotive and farm segments.
- Unlocking the potential in finance and technology subsidiaries.
- 5-14x growth targets in growth gems; disciplined capital allocation.
- We expect M&M to continue to outperform industry growth across tractor and CV.
- Product launches in CY26E should aid the SUV segment.
- We expect earnings per share (EPS) to grow by 25.4% in FY26E and 13.0% in FY27E.
- We retain BUY rating on the stock with a revised FV of Rs4,200 (Rs4,000 earlier) based on SoTP.

Positives:

- Company maintains its leadership in key automotive and farm equipment segments.
- Company will focus on attaining 15-40% organic growth across businesses.
- Company mentioned that it plans to tap into 70% white space in Indian PV market.
- Company has gained 1.4% market share during FY22-25, led by strong product endorsement.

Negatives:

- Dividend yield is less than 1%

(CV: Commercial Vehicle; PV: Passenger Vehicle; SUV: Sports Utility Vehicle; SoTP: Sum of the Parts)

Holding Period: 12 months