

Mahindra and Mahindra Financial Svcs Ltd



Mahindra and Mahindra Financial Services Ltd (MMFSL) is a prominent non-banking financial company (NBFC) in India, focusing on rural and semi-urban areas. As a subsidiary of the Mahindra Group, it offers a wide range of financial services, including loans for vehicles, tractors, and SMEs, as well as insurance broking and investment services. MMFSL plays a crucial role in promoting financial inclusion by catering to underserved markets, leveraging its extensive reach and customer-centric approach.

(INR/Cr)

Key Financial Metrics (Yearly)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenue	₹11,995.3	₹12,381.9	₹11,419.2	₹12,827.9	₹15,962.7
Revenue Growth %	-	3.22%	-7.78%	12.34%	24.44%
Expenses	₹4,902.9	₹6,046.4	₹5,347.3	₹4,695.6	₹6,204.2
Expenses Growth %	-	23.32%	-11.56%	-12.19%	32.13%
Profit Before Tax	₹1,602.0	₹934.1	₹1,549.4	₹2,803.8	₹2,588.2
PBT Margin %	13.36%	7.54%	13.57%	21.86%	16.21%
PBT Growth %	-	-41.69%	65.87%	80.96%	-7.69%
Profit After Tax	₹1,075.2	₹773.2	₹1,136.9	₹2,072.4	₹1,932.7
PAT Margin %	8.96%	6.24%	9.96%	16.16%	12.11%
PAT Growth %	-	-28.08%	47.03%	82.29%	-6.74%
Loan Book (AUM)	₹72,863.7	₹67,075.7	₹67,659.7	₹86,456.1	₹106,344.0
AUM Growth %	-	-7.94%	0.87%	27.78%	23.00%

Key Financial Ratio (Yearly)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Stock Price	₹89.8	₹199.0	₹159.2	₹231.7	₹278.8
Cash Flow from Ops	-₹3,115.2	₹5,825.9	₹18.1	-₹17,395.3	-₹18,448.6
EPS	₹17.4	₹6.3	₹9.2	₹16.8	₹15.6
PE Ratio	5.2	31.8	17.3	13.8	17.8
BV Per Share	193.8	127.7	136.8	150.2	161.3
P/BV	0.5	1.6	1.2	1.5	1.7
Mcap/Sales	0.5	2.0	1.7	2.2	2.2
Cash Flow/ PBT %	15.32%	2.78%	-2.79%	-6.37%	12.25%
ROE	8.98%	4.90%	6.73%	11.17%	9.70%
ROCE	15.53%	12.21%	11.58%	14.00%	15.29%
EV/EBITDA	10.3	14.1	13.4	13.7	13.7
Earnings Yield %	19.39%	3.15%	5.78%	7.24%	5.61%
Gross NPA %	8.44%	9.00%	7.7	4.50%	3.40%
Net NPA %	5.98%	4.00%	3.40%	1.90%	1.30%
NIMs %	7.70%	7.70%	7.60%	7.60%	6.80%
Opex to Assets %	3.19%	2.45%	3.17%	2.33%	2.95%

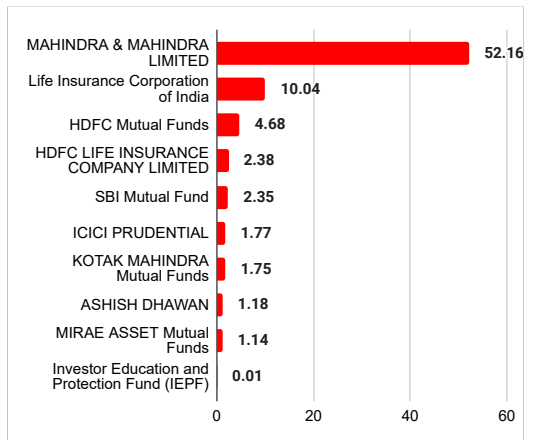
Key Financial Metrics (Quarterly)	Q4 FY 2023	Q1 FY 2024	Q2 FY 2024E	Q3 FY 2024E	Q4 FY 2024E
Revenue	₹4,280.3	₹4,315.5	₹4,560.9	₹4,741.5	₹4,922.1
Revenue Growth %	NA	0.82%	5.69%	3.96%	3.81%
Expenses	₹1,519.6	₹1,676.4	₹1,722.9	₹1,790.5	₹1,858.1
Expenses Growth %	NA	10.32%	2.77%	3.93%	3.78%
Profit Before Tax	₹895.7	₹661.5	₹726.1	₹732.3	₹738.5
PBT Margin %	20.93%	15.33%	15.92%	15.44%	15.00%
PBT Growth %	NA	-26.15%	9.78%	0.85%	0.84%
Profit After Tax	₹670.4	₹497.7	₹548.6	₹555.2	₹561.7
PAT Margin %	15.66%	11.53%	12.03%	11.71%	11.41%
PAT Growth %	NA	-25.76%	10.25%	1.19%	1.18%

Key Financial Ratio (Quarterly)	Q4 FY 2023	Q1 FY 2024	Q2 FY 2024E	Q3 FY 2024E	Q4 FY 2024E
Stock Price	₹259.9	₹289.9	₹328.5	₹343.8	₹359.0
EPS	₹5.4	₹4.0	₹4.4	₹4.5	₹4.5
PE Ratio	47.9	72.0	74.0	76.5	79.0
BV Per Share	161.7	165.8	167.3	170.4	173.5
P/BV	1.6	1.7	2.0	2.0	2.1
Mcap/Sales	7.5	8.3	8.9	9.0	9.0
ROE	3.36%	2.43%	2.65%	2.64%	2.62%

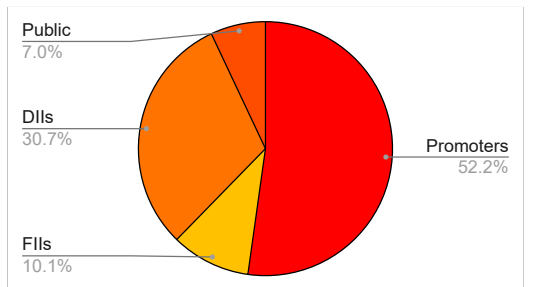
Key Data

Rating	Buy
12 month TP (INR)	330.58
Stock P/E	17.8
Industry P/E	23.9
P/B	1.7
EPS	15.6
EPS Growth	19.05%
Face Value	2
ROE	9.70%
ROCE	8.74%
Debt to Equity	4.93
EV/EBITDA	13.80

Top 10 Shareholders



Shareholding Pattern



Enterprise Value

Share price as on 17/10/2024	285
Number of shares	123.55
Market Capitalization	35211.75
Add: Total Debt	103,782.54
Less: Cash & Equivalent	3,445.00
Enterprise Value	135549.29

Recent Updates

- Mahindra Financial Services KYC lapse under RBI scrutiny
- The company's first quarter fiscal 2025 disbursement stood at Rs 12,730 crore, registering a 5% year-on-year growth.
- M&M Finance share price falls over 7% as company delays Q4 results after ₹150 crore fraud at a North East branch
- Mahindra Finance's disbursements grow 13% to reach ₹56,200 crore in FY24
- Mahindra & Mahindra Finance secures IRDAI license to offer tailored insurance plans