

# Research Report on Mahindra and Mahindra Ltd.



**Mahindra**  
Mahindra & Mahindra Ltd

**Market Capitalization : ₹ 3,54,263 Cr.**

**Current Market Price: 2849 Rs.**

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**Pee Aar Securities Limited**

## About the Company:

- Mahindra & Mahindra Ltd is one of the most diversified automobile company 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.
- It was incorporated in 1945 by Ghulam Mohammad and two Mahindra Brothers (KC & JC Mahindra) and was later renamed as Mahindra & Mahindra in 1948.
- The group has a presence across 22 industries, 100+ countries and operates 150+ entities on a consolidated basis.
- Mahindra & Mahindra Ltd. is the flagship Company of the Mahindra Group. Our core business is mobility products and farm solutions. Since assembling our first vehicle in 1947, we have grown rapidly. Today, we offer a wide range of products and solutions ranging from SUVs, pickups, commercial vehicles and tractors, to electric vehicles, two-wheelers, gensets and construction equipment

India's No.1 SUV Company by market share



Leading global IT services provider

World's Largest Tractor Company by Volume



India's No.1 financial services provider in rural and semi-urban markets

Pioneer in electric cars since 2008



Real Estate ranging from large townships to net-zero residential communities

We Are  
Mahindra

India's No.1 electric 3-wheeler company



India's Largest Integrated Logistics Solutions Providers

India's No.1 Multi-Brand Certified  
Pre-Owned Car Company



Amongst India's Largest Solar IPP

India's Largest Light Commercial  
Vehicles Company



No.1 Vacation Ownership outside of the USA

# M&M is the best performing stock in the NIFTY 50 since 2002

## 1<sup>ST</sup> IN LAST 20 YEARS

Company	TSR%	Ranking
<b>Mahindra</b>	<b>27%</b>	<b>1</b>
Britannia	27%	2
Dabur India	26%	3
Bajaj Holdings	26%	4
HCL Tech	25%	5
Sun Pharma	25%	6
NIIT Lim.	25%	7
HDFC Bank	24%	8
L&T	24%	9
Tata Chem.	24%	10

## 2<sup>ND</sup> IN LAST 1 YEAR

Company	TSR%	Ranking
ITC	68%	1
<b>Mahindra</b>	<b>57%</b>	<b>2</b>
Coal India	41%	3
NTPC	34%	4
Britannia	32%	5
Eicher Motors	21%	6
IndusInd Bank	18%	7
L&T	17%	8
ICICI Bank	16%	9
HUL	15%	10

## History of the Company:

1945: JC and KC Mahindra, alongside Ghulam Mohammed, founded 'Mahindra & Mohammed,' beginning their venture in the steel trading sector.

1947: Arrival of 75 Jeeps from the USA, marking the company's start in the automotive sector.

1949: M&M and Mitsubishi solidify an Iron and Steel deal, sourcing 5,000 tons of steel for wagon construction.

1950: M&M announced its public status, listing shares on the Bombay Stock Exchange by 1956.

1961: A partnership with International Harvester, USA, marks M&M's entry into tractor production.

1962: M&M and Ugine Kuhlmann, France unite to form Mahindra Ugine Steel Company (MUSCO), specialising in alloy manufacturing.

1963: Formation of the International Tractor Company of India, solidifying M&M's standing in the tractor manufacturing industry.

1964: The Pope arrives in a Mahindra Jeep, highlighting M&M's growing automotive reputation.

1991: The inception of Mahindra Finance.

1994: The Mahindra Group diversifies into various sectors including Automotive, IT, and Infrastructure Development Services.

1996: Entrance into the hospitality sector with Mahindra Holidays and Resorts, India Ltd.

1997: Anand Mahindra takes on the role of Managing Director.

2002: The inauguration of Mahindra World City in Chennai.

2010 to 2011: Sponsorship of the FIFA World Cup, acquisition of Reva Electric Vehicles, and the launch of Mahindra Rise.

2012 to 2014: The inauguration of Mahindra Research Valley in Chennai and entrance into the FIA Formula E Championships.

2016 to 2018: The acquisition of Sampo Rosenlew and the return of the iconic Jawa to India.

2019 to 2022: The unveiling of the Pininfarina, the relaunch of Thar, and the launch of the XUV 700 Series, marking M&M's sustained dedication to automotive excellence and innovation.

# THE BOARD OF DIRECTORS



**MR. ANAND G.  
MAHINDRA**  
Chairman



**DR. ANISH  
SHAH**  
Managing Director and CEO



**MR. RAJESH  
JEJURIKAR**  
Executive Director  
and CEO (Auto & Farm Sector)



**MR. VIKRAM  
SINGH MEHTA**  
Lead Independent Director



**MR. T. N.  
MANOHARAN**  
Independent Director



**MS. SHIKHA  
SHARMA**  
Independent Director

Exciting New Launches  
Strengthen Our SUV

# LEADERSHIP



The **Thar Earth Edition** is inspired by the landscapes of the Thar Desert and comes in satin matte Desert Fury colour with custom made dune-inspired decals and leatherette seats.



The **2024 XUV700** elevates sophistication and innovation with front ventilated seats in all-new Napoli Black colour, optional 2<sup>nd</sup> row captain seats, first-in-segment Memory ORVMs and more.



Mahindra expands its **XUV300** line-up with two new variants offering an exceptional blend of value and performance for those looking for an authentic and sporty SUV.



The all-electric **XUV400 Pro Range** introduced in three new variants is equipped with modern tech, digital infotainment system and more.



The **Scorpio-N Z8 Select** variant further expands the Z8 premium range comes in exclusive Midnight Black colour option that accentuates its bold design and luxurious cabin environment.

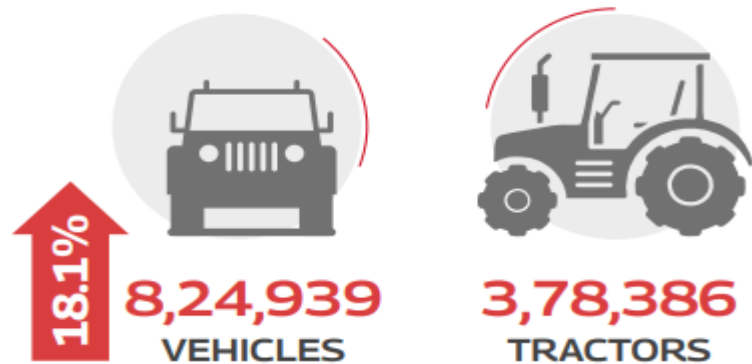


# Industrial Analysis:

## AUTOMOTIVE INDUSTRY

- In Calendar Year (CY) 2023, worldwide sales of Passenger Cars and Commercial Vehicles increased to 92.7 million, a growth of 11.9% over the CY2022 sales of 82.9 million. Global Passenger Car sales and Commercial Vehicles sales reported a growth of 11.3% and 13.3% respectively.
- India has achieved 3 rank in passenger vehicle segment by volume after China and United States of America. The fastest growing segment worldwide was that of Electric Vehicles (EVs) which grew at 51% CAGR over the last five years. Annual global EV sales stand at 1 billion which is 15.5% of total PV sales for CY 2023.

### DOMESTIC SALES & EXPORTS



### GLOBAL SALES\*

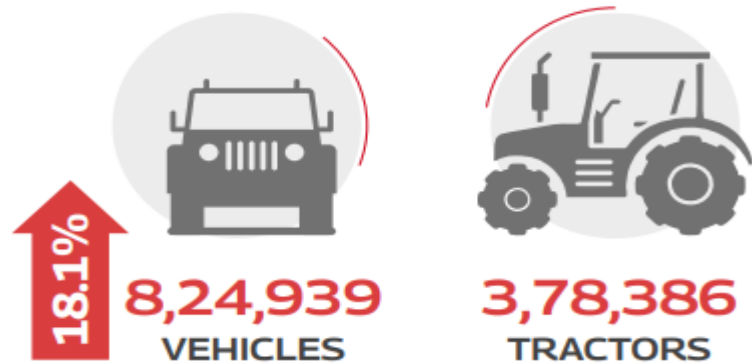


# Industrial Analysis:

## TRACTOR INDUSTRY

- The long-term growth outlook for the Indian tractor industry remains positive. Over the period FY 2008-09 to FY 2023-24, the domestic tractor industry grew at a CAGR of 7.3%. The key growth drivers were increasing affordability, growing demand for farm mechanization, emergence of newer technologies in the farming sector and continued Government's focus on improving the state of agriculture in India.

### DOMESTIC SALES & EXPORTS



### GLOBAL SALES\*



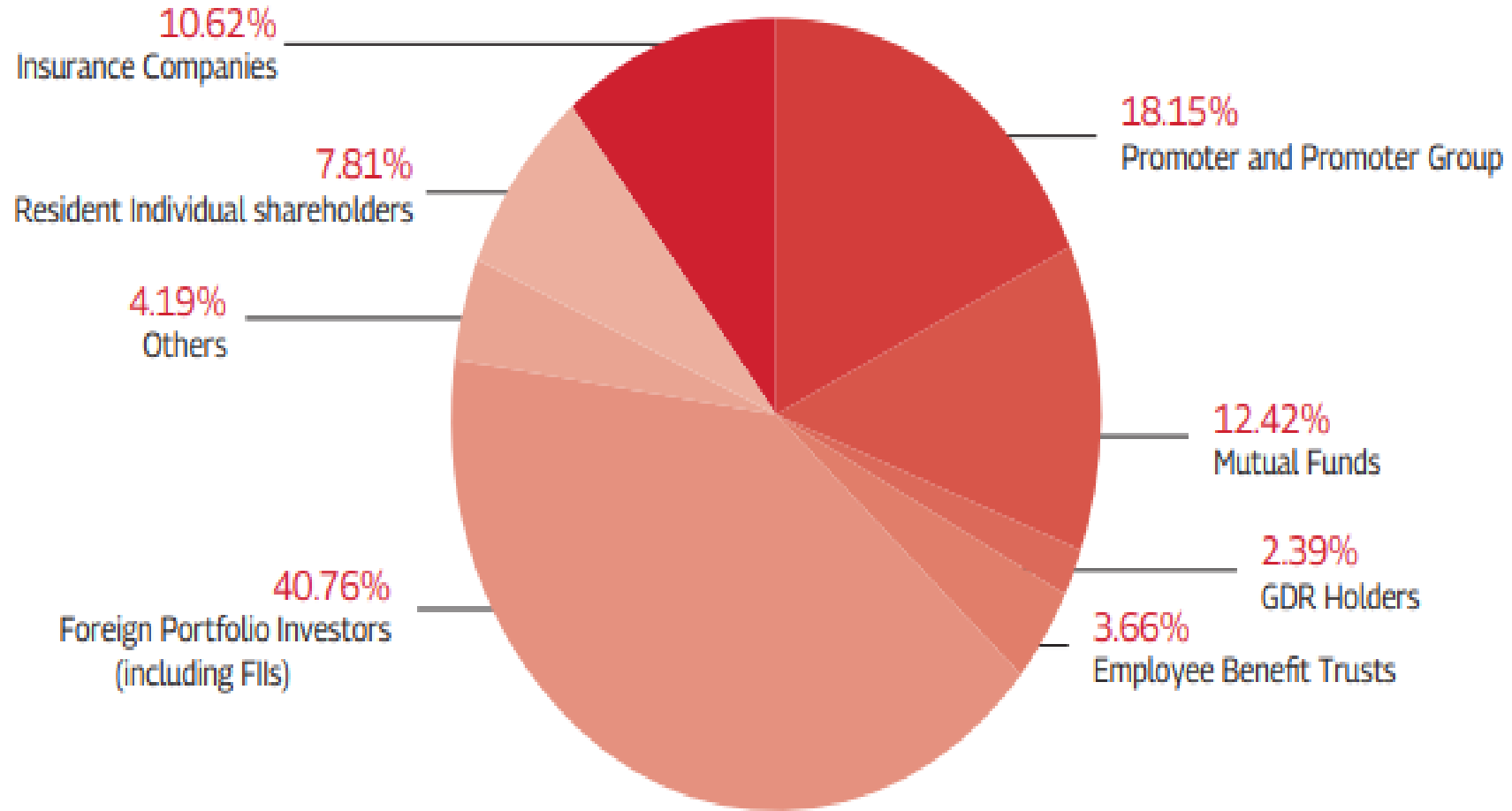
## SEGMENT RESULTS AFTER SHARE OF PROFIT/(LOSS) OF ASSOCIATES AND JOINT VENTURES

The results achieved by major business segments of the Group are given below:

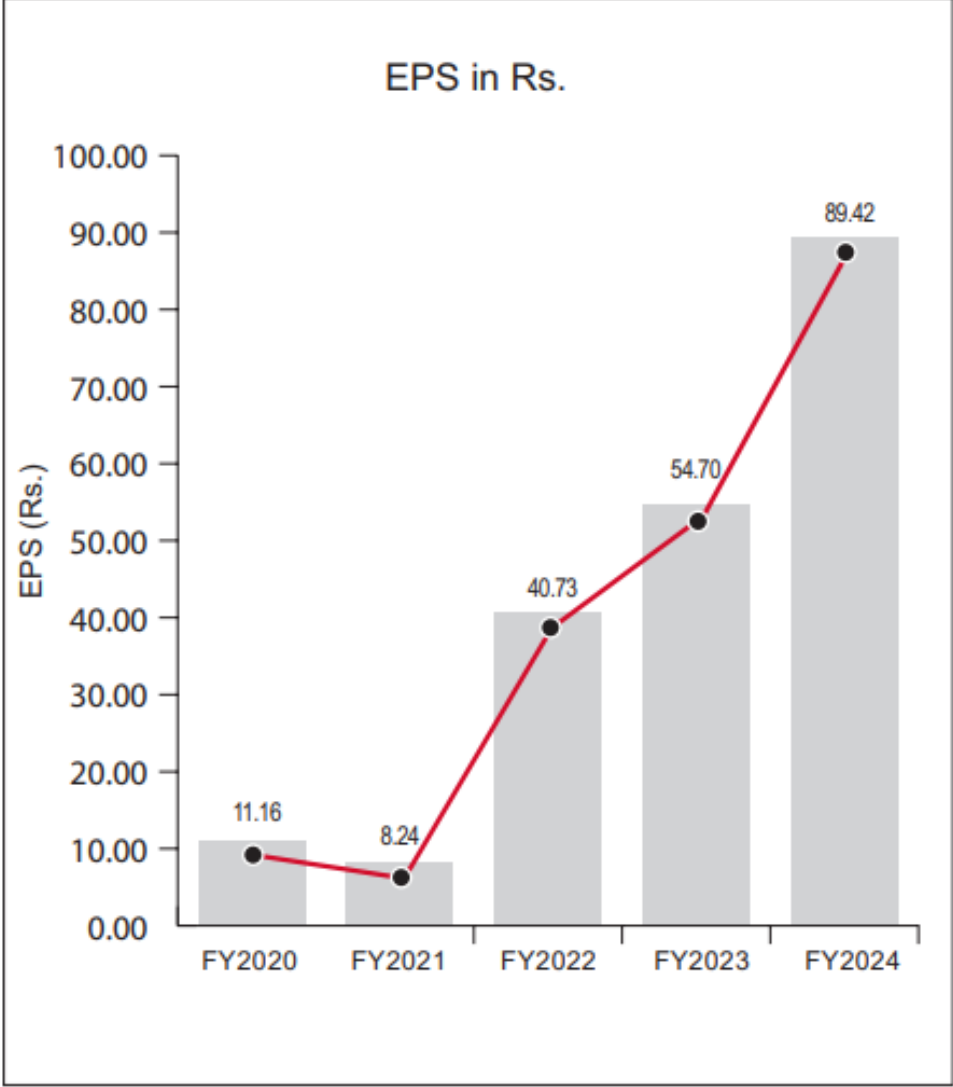
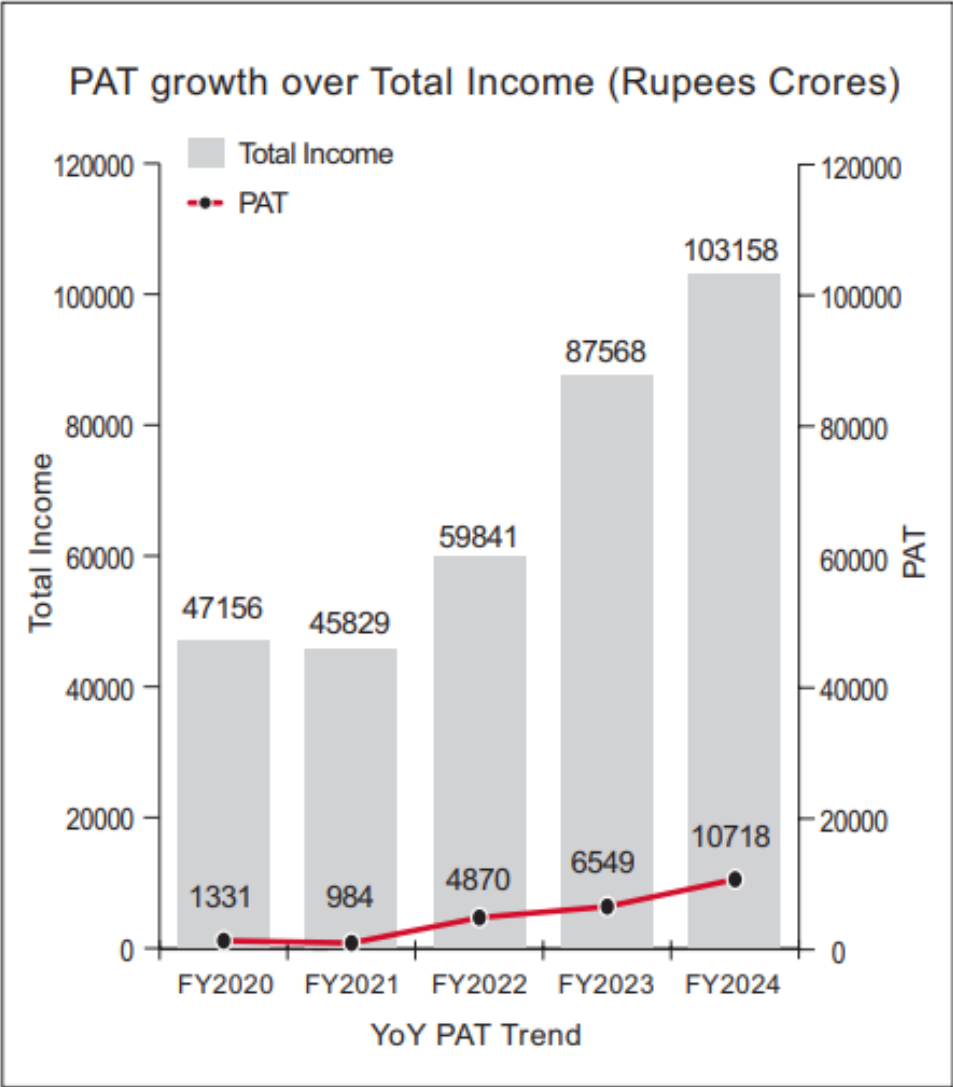
(Rs. in crores)

	Segments	F-2024	F-2023
1.	Automotive	6,057	2,011
2.	Farm Equipment	4,327	5,028
<b>Services:</b>			
3.	Financial Services	2,557	2,836
4.	Industrial Businesses and Consumer Services	2,259	4,476
5.	Eliminations	(1)	18
	<b>Total</b>	<b>15,199</b>	<b>14,369</b>

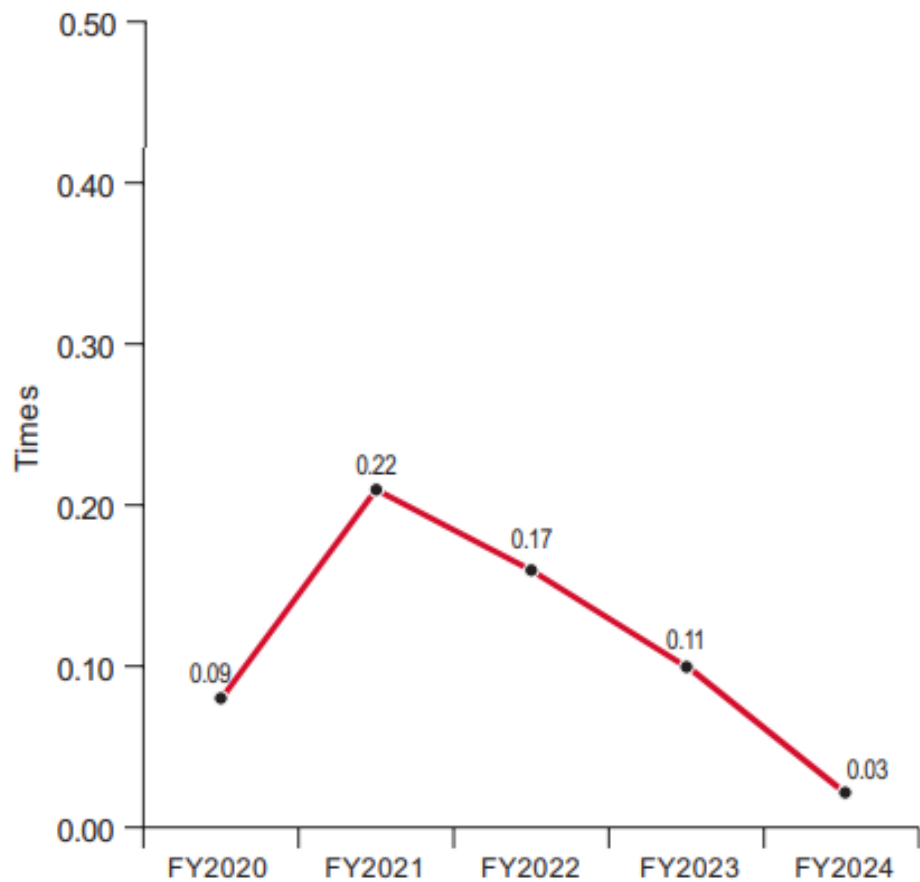
### Category-wise shareholding as of 31<sup>st</sup> March, 2024



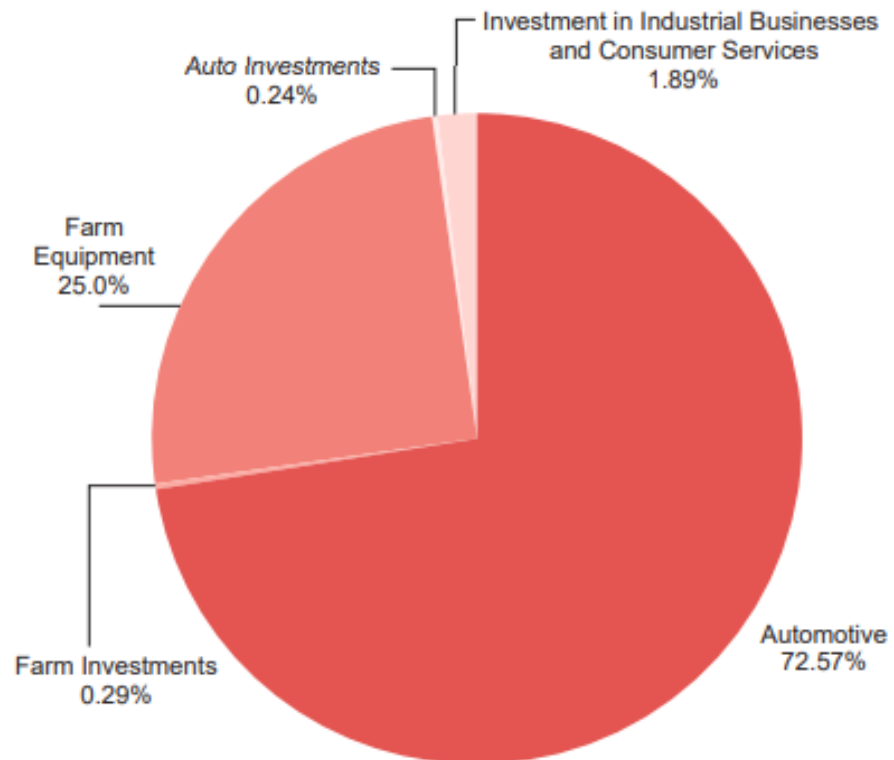
# Financial Highlights



### Debt Equity Ratio



### Segmental Revenue F-2024



The Consolidated Income from operations is Rs. 1,39,078 crores in the current year as compared to Rs. 1,21,362 crores in the previous year, registering an increase of 14.6%. The Consolidated Profit before exceptional items, share of profit of associates and joint ventures and tax for the current year is Rs. 14,856 crores as compared to Rs. 11,305 crores in the previous year, registering an increase of 31.4%. The consolidated profit after tax after non-controlling interest and exceptional items for the year is Rs.11,269 crores as compared to Rs.10,282 crores in the previous year, registering an increase of 9.6%.

## LEVERAGE MARKET LEADERSHIP

**mahindra**  
AUTOMOTIVE

**mahindra**  
TRACTORS

: Cutting-edge technology product innovation

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## UNLOCK FULL POTENTIAL

**mahindra**  
FINANCE

: Diversified portfolio & stable asset quality

TECH  
**mahindra**

: Grow new age offerings while executing well

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## GROWTH GEMS 5X

**mahindra**  
DEFENCE

**mahindra**  
AEROSPACE



**mahindra**  
LAST MILE MOBILITY

**susten**  
by mahindra

**mahindra**  
LOGISTICS

**mahindra**  
LIFESPACES

≡ CLASSIC LEGENDS ≡

**mahindra**  
ACCELO

**car&bike**





# Profit & Loss

[👥 RELATED PARTY](#)[PRODUCT SEGMENTS](#)

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
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
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
<b>Operating Profit</b>	<b>9,116</b>	<b>10,170</b>	<b>8,793</b>	<b>10,082</b>	<b>10,735</b>	<b>13,226</b>	<b>15,207</b>	<b>10,158</b>	<b>11,487</b>	<b>14,683</b>	<b>20,285</b>	<b>24,892</b>
OPM %	13%	14%	12%	13%	13%	14%	15%	13%	15%	16%	17%	18%
Other Income +	841	773	800	1,399	2,077	4,366	2,676	885	1,152	3,204	3,961	3,298
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
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
<b>Profit before tax</b>	<b>5,580</b>	<b>5,820</b>	<b>4,313</b>	<b>5,672</b>	<b>6,350</b>	<b>10,326</b>	<b>8,871</b>	<b>1,655</b>	<b>3,158</b>	<b>9,362</b>	<b>14,060</b>	<b>15,978</b>
Tax %	35%	26%	40%	37%	36%	23%	32%	119%	52%	23%	19%	23%
<b>Net Profit +</b>	<b>4,129</b>	<b>5,154</b>	<b>3,381</b>	<b>3,554</b>	<b>4,051</b>	<b>7,958</b>	<b>6,017</b>	<b>-321</b>	<b>1,512</b>	<b>7,253</b>	<b>11,374</b>	<b>12,270</b>

# Balance Sheet

CORPORATE ACTIONS

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
Equity Capital	295	295	296	270	311	543	544	554	555	556	557	557
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
Preference Capital	0	0	0	0	0	0	0	0	0	0	0	2,022
Borrowings +	28,711	35,167	37,911	41,553	48,762	55,898	70,848	82,092	80,625	77,605	92,247	106,626
Other Liabilities +	27,460	29,415	30,608	31,806	35,296	43,696	51,057	43,655	42,762	47,661	55,670	61,906
<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>
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
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
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
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
<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>

Market Cap ₹ 3,54,334 Cr.

Current Price ₹ 2,851

High / Low ₹ 3,014 / 1,416

Stock P/E 31.4

Book Value ₹ 532

Dividend Yield 0.74 %

ROCE 13.6 %

ROE 18.4 %

Face Value ₹ 5.00

Dividend yield 0.74 %

Price to book value 5.36

ROCE 13.6 %

Debt to equity 1.64

Return on equity 18.4 %

Industry PE 29.7

Current ratio 1.12

Int Coverage 3.13

OPM 17.9 %

Profit after tax ₹ 11,269 Cr.

Mar Cap ₹ 3,54,334 Cr.

Qtr Profit Var 5.37 %

Quick ratio 0.87

Industry PBV 10.6

Free Cash Flow ₹ -15,303 Cr.

CF Operations ₹ -5,630 Cr.

## Conclusion:

Investors are recommended to sell :

Overtaxed

Unstable dividend payout ratio

Quick ratio is less than 1:1

PB more than 3

PEG more than 1 Decreasing promoter  
holdings and MF holdings