



# IPO INSIGHTS



**Manba Finance Limited**

**Issue Dates - Opens: 23-09-2024 | Closes: 25-09-2024**

<b>IPO Note</b>	<ol style="list-style-type: none"> <li>1. Manba Finance Limited is a non-banking finance company (NBFC-BL) offering financial solutions for new two-wheelers (2Ws), three-wheelers (3Ws), electric two-wheelers (EV2Ws), electric three-wheelers (EV3Ws), used cars, small business loans and personal loans.</li> <li>2. The Company has branches in urban, semi-urban and metropolitan cities and towns serving the surrounding rural areas.</li> </ol>
<b>Rating</b>	★★★(Good)

## IPO SNAPSHOT

<b>Issue Size</b>	₹ 150.84 Crores
<b>Issue Type</b>	Book Built Issue IPO
<b>Fresh Issue</b>	₹ 150.84 Crores
<b>Offer for Sale</b>	-
<b>Face Value Per Share</b>	₹ 10
<b>Price Band Per Share</b>	₹ 114 to ₹ 120
<b>Minimum Lot Size</b>	125 Shares
<b>Listing On</b>	BSE, NSE
<b>Registrar to the Issue</b>	Link Intime India Private Ltd

# IPO SNAPSHOT- Manba Finance Limited

<p><b>About the Company</b></p>	<ul style="list-style-type: none"> <li>▪ Incorporated in 1998.</li> <li>▪ Manba Finance Limited is a Non-Banking Financial Company-Base Layer (NBFC-BL) providing financial solutions for New two wheeler (2Ws,) three wheeler (3Ws), electric two wheeler (EV2Ws), electric three wheeler (EV3Ws), Used Cars, Small Business Loans and Personal Loans.</li> <li>▪ The target customers of the company are mainly (i) salaried; and (ii) self-employed. They customise their offerings as per each of these categories of customers and prepare tailor-made schemes to attract these customers to avail loans from them.</li> <li>▪ They normally fund upto 85% of the purchase price (on road price) of the vehicle proposed to be acquired by the customer and prefer the customer to contribute the balance.</li> <li>▪ They have a centralised credit team which remotely reviews loan applications and undertakes credit decisions primarily based on the credit data of the customer.</li> <li>▪ They base their credit decisions on certain key factors like their internal credit policies, LTV and the customer's existing cash-flows, CIBIL score and the collateral, which in case of vehicle finance is the vehicle itself, to assess the ability and capability of the customer to repay the loan to be disbursed by the company.</li> <li>▪ They have implemented a comprehensive and robust credit assessment, risk management and collections framework to identify, monitor and manage risks inherent in the line of business.</li> <li>▪ They also have an in-house collection team which focuses on recovery of the monthly instalments from their customers.</li> </ul>																														
<p><b>Competitive Strengths</b></p>	<ul style="list-style-type: none"> <li>▪ Established relationships with the Dealers.</li> <li>▪ Ability to expand to new underpenetrated geographies.</li> <li>▪ Access to diversified and cost-effective long-term borrowing.</li> <li>▪ Technology driven and scalable operating model with quick Turn Around Time (TAT) for loan processing.</li> <li>▪ Extensive collections infrastructure and processes leading to maintenance of our Company's asset quality.</li> <li>▪ Experienced Promoters and professional management team.</li> </ul>																														
<p><b>Financials (₹ in Crores)</b></p>	<table border="1"> <thead> <tr> <th>Particulars</th> <th>31-3-2022</th> <th>31-3-2023</th> <th>31-03-2024</th> <th>Y-o-Y</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>106.59</td> <td>133.31</td> <td>191.58</td> <td>44%</td> </tr> <tr> <td>EBITDA</td> <td>62.99</td> <td>83.84</td> <td>125.22</td> <td>49%</td> </tr> <tr> <td>EBITDA Margin</td> <td>59.1%</td> <td>62.9%</td> <td>65.4%</td> <td></td> </tr> <tr> <td>PAT</td> <td>9.74</td> <td>16.58</td> <td>31.41</td> <td>89%</td> </tr> <tr> <td>PAT Margin</td> <td>9.14%</td> <td>12.44%</td> <td>16.40%</td> <td></td> </tr> </tbody> </table>	Particulars	31-3-2022	31-3-2023	31-03-2024	Y-o-Y	Revenue	106.59	133.31	191.58	44%	EBITDA	62.99	83.84	125.22	49%	EBITDA Margin	59.1%	62.9%	65.4%		PAT	9.74	16.58	31.41	89%	PAT Margin	9.14%	12.44%	16.40%	
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<p><b>Valuation</b></p>	<ul style="list-style-type: none"> <li>▪ Attributing Annualized FY23 Earnings asking P/E = 14.39</li> </ul>																														
<p><b>Peers</b></p>	<table border="1"> <thead> <tr> <th>Company Name</th> <th>P/E ratio</th> </tr> </thead> <tbody> <tr> <td>Baid Finserv Limited</td> <td>15.01</td> </tr> <tr> <td>Arman Financial Services Limited</td> <td>9.15</td> </tr> <tr> <td>MAS Financial Services Limited</td> <td>19.33</td> </tr> </tbody> </table> <p>Note- P/E ratio is calculated as on 18<sup>th</sup> September, 2024</p>	Company Name	P/E ratio	Baid Finserv Limited	15.01	Arman Financial Services Limited	9.15	MAS Financial Services Limited	19.33																						
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<p><b>Promoters</b></p>	<ul style="list-style-type: none"> <li>▪ Manish Kiritkumar Shah</li> <li>▪ Nikita Manish Shah</li> <li>▪ Monil Manish Shah</li> </ul>																														
<p><b>Objects of the issue</b></p>	<ul style="list-style-type: none"> <li>▪ The Company proposes to utilize the Net Proceeds towards augmenting the capital base to meet the Company's future capital requirements.</li> </ul>																														

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