

Financial Results – Quarter 4 FY25, Standalone & Consolidated Results

Finance

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Mumbai, April 22, 2025: The Board of Directors of Mahindra & Mahindra Financial Services Limited (Mahindra Finance), a leading provider of financial services in Emerging India, at its meeting held today, announced the audited financial results for the quarter and year ended March 31, 2025. The Board has proposed a final dividend of Rs. 6.50 per fully paid equity share of face value of Rs 2/- each i.e. 325% Vs Rs 6.30 per share in the last fiscal year.

Standalone:

Key Highlights:

MMFSL reported a 33% year-on-year growth in Profit After Tax (PAT) for FY25. The company's loan book grew by 17% and annual disbursements grew at 3% with underlying wheels business seeing a moderate FY25.

MMFSL's Asset quality remained within a comfortable range, with GS3 at 3.7% and GS2+GS3 at 9.1%. The credit cost for FY25 was at 1.3% underscoring prudent risk management.

Q4FY25 and FY25 Standalone Results:

Results (₹. Crores)	Q4 FY25	Q4 FY24	YoY %	FY25	FY24	YoY %
Disbursements	15,530	15,292	2%	57,900	56,208	3%
Gross Loan Book (Closing)	1,19,673	1,02,597	17%	1,19,673	1,02,597	17%
Total Income (TI)	4,245	3,706	15%	16,075	13,562	19%
Net Interest Income (NII)	2,156	1,971	9%	8,176	7,135	15%
NII Margin (as % of Avg. Total Assets)	6.5%	7.1%		6.5%	6.8%	
Pre-Provisioning Operating Profit (PPOP)	1,213	1,173	3%	4,765	4,178	14%
Credit Costs	457	341	34%	1,618	1,823	(11)%
Credit Costs (as % of Avg. Total Assets)	1.4%	1.2%		1.3%	1.7%	

Profit After Tax	563	619	(9%)	2,345	1,760	33
ROA (as % of Avg. Total Assets)	1.7%	2.2%		1.9%	1.7%	

- Asset quality: GS2+GS3 @ 9.1%. Stage-3 @ 3.7%.
- Capital Adequacy healthy at 18.3%, Tier-1 Capital @15.2%. Provision coverage on Stage 3 loans prudent at 51.2 %. Total liquidity buffer comfortable at ~ ₹10,400 crores.

Operations:

Mahindra Finance recorded disbursements of ₹15,530 crore, reflecting a 2% YoY growth. For the full financial year, disbursements stood at approximately ₹57,900 crore, a 3% increase over the previous year. While the overall disbursement growth was relatively subdued, SME disbursements grew 48% compared to FY24. The company's gross assets under management (AUM) grew by 17% YoY, reaching ₹1,19,673 crore.

Collection efficiency remained stable at 97% in Q4 FY25 compared to 98% in Q4 FY24. The company continued to maintain underwriting discipline and a proactive approach to early-stage delinquencies. As of March 31, 2025, Stage 3 assets stood at 3.7%, down from 3.9% in December 2024, while Stage 2 assets decreased to 5.4% from 6.3% in the previous quarter. As

targeted, the Company has been able to maintain the GS3+GS2 below 10%. Liquidity remained strong, with a liquidity chest of over ₹10,400 crore ensuring financial flexibility.

CORE

Wheels Business:

Mahindra Finance continues to be the market leader in tractor financing and remains among the top five NBFCs for financing three-wheelers, passenger vehicles (PVs), commercial vehicles (CVs), light commercial vehicles (LCVs), and small commercial vehicles (SCVs).

Mahindra Finance has undertaken multiple strategic initiatives during FY25 to enhance portfolio quality and operational efficiency. The company realigned its collection structure to a product-based model, with a continuesfocus on high-risk portfolios. This restructuring has enabled quicker response mechanisms and better customer connect.

Further, Mahindra Finance has accelerated its digital transformation agenda, deploying AI-based early warning systems, digitized field collections, and self-service platforms for customers. These initiatives have resulted in improved resolution rates & better controls over delinquent customers.

During the year the company stabilized the operating model changes through 100% implementation of Centralized processing center (CPC), FCU & revamping the retail branch structure. These changes drove improvements

on efficiency, standardization, controls, customer service, and cross-sell.

NEW ENGINES

The company continues to expand into new categories beyond vehicle financing through a focus on SME lending, leasing (Quiklyz), insurance and mortgages. The company is driving these new engines by broadening its product offering, improving its technology stack, strategic partnerships, data analytics, and equipping its workforce to meet customer requirements. The non-vehicle finance portfolio grew by 30% over the past year further diversifying its asset base.

SME:

The company recognizes the growth potential within the MSME sector in India, with specific focus on the micro and small enterprises segment. Disbursements in this category grew by 30% YoY in Q4 (FY25 YoY growth: 48%), which drove asset book expansion by 28% on a YoY basis and was at ₹6,148 crore as of March 31, 2025. The growth is driven by secured offerings such as Loan Against Property (LAP), which now accounts for 43% of total SME assets. Asset quality in this segment remains strong, with Stage 3 assets at 1.1% as of the quarter-end.

Leasing:

The leasing business also continued its growth momentum, with 18% YoY growth in Q4FY25 and 31% YoY growth in FY25 disbursements. The

company has shown strong growth in the B2B business, calibrated B2C subscription business and is continuously working on strengthening processes and system to enable business at scale. The company is working to increase customer engagement through dedicated Account Managers, customized portal & cross-sell.

Insurance:

The company has increased its number of partners to ten leading insurance providers across life, non-life, and health categories with the objective of offering comprehensive insurance offering solutions to customers. The company has launched phase 1 of digital portal for generating insurance quotation, proposal form and payment. As part of its commitment to be a responsible financial services provider, the company is training its employees as per regulatory guidelines on insurance cover selling.

Mortgage:

The company is in investment mode, and is currently focused on recruitment, infrastructure build out, and technology setup towards building up its mortgage capabilities.

Recognitions

Mahindra Finance received multiple recognitions during the year. The company was named among the best workplaces in the categories of 'Top Rated Large Company' and 'Top Rated Financial Services Company' at the

AmbitionBox Employee Choice Awards 2024. It also won the 'Best Learning & Development Program of the Year - NBFC/HFC/MFI' for its Transformational Leadership Development Program at the ETBFSI Exceller Awards 2024. Additionally, it was awarded 'Best NBFC in Talent & Workforce' at the Business Today Banking and Economy Summit 2025.

On the digital front, Mahindra Finance launched its new mobile app with an improved user experience, enabling customers to manage their finances seamlessly.

During the quarter, the company strengthened its leadership team, onboarding experienced professionals from banking, technology, and financial services to drive strategic growth and operational efficiencies. Internally, it successfully concluded the Emerging Leadership Development Program (ELDP) 2024-25, designed to develop future leaders.

Looking ahead, Mahindra Finance remains focused on strengthening its core vehicle finance business while accelerating growth in non-vehicle finance segments. The company aims to expand MSME and LAP financing, enhance digital transformation efforts, and improve overall customer experience. With a continued emphasis on cost optimization, risk management, and governance, the company is well-positioned for sustainable growth in the coming year.

Consolidated:

Q4FY25 Consolidated Results

Q4FY25 Results (₹ Crores)	Q4 FY25	Q4 FY24	YoY %	Q3 FY25	YoY %		FY
Total Income (TI)	4,897	4,333	13%	4,799	2%		18,5
Profit After Tax	456	671	(32%)	918	(50%)		2,2
Disbursements	16,328	16,174	1%	17,168	(5%)		60,7

Subsidiaries:

Key Points:

Mahindra Rural Housing Finance Limited (MRHFL)

MMFSL holding 98.43%

Q4 FY25 Results (in crores)	Q4 FY25	Q4 FY24	YoY %		FY25	FY24	YoY%
Total Income	295.6	310.3	(5%)		1,196.7	1,294.4	(8%)
Profit Before Tax	(203.7)	0.6	-		(304.6)	4.8	-
Profit After Tax	(152.1)	1.1	-		(227.9)	3.6	-

Loans & Advances (net)	6,894	6,933	(1%)	6,893	6,933	(1%)
Gross Stage 3 %	8.6%	9.0%		8.6%	9.0%	
Net stage 3 %	1.4%	6.3%		1.4%	6.3%	

Mahindra Insurance Brokers Limited (MIBL)

MMFSL holding 100%

Q4 FY25 Results (in crores)	Q4 FY25	Q4 FY24	YoY %		FY25	FY24	YoY%
Total Income	343.1	311.4	10%		1,239.6	1,095.0	13%
Profit Before Tax	37.2	46.3	(20%)		123.9	167.5	(26%)
Profit After Tax	26.8	34.2	(22%)		88.8	123.5	(28%)

Gross Stage	1,381	1,387	0%	4,739	4,556	4%
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Mahindra Manulife Investment Management Private Limited (MMIMPL)

MMFSL holding 51%

Q4 FY25 Results (in crores)	Q4 FY25	Q4 FY24	YoY %		FY25	FY24	YoY%
Total Income	22.3	18.7	19%		87.7	63.5	38%
Profit After Tax	(0.8)	(6.7)	(88%)		(10.1)	(27.3)	(63%)
Average Overall AUM	27,256	19,092	43%		26,766	14,313	87%
Average Equity AUM	24,663	16,936	46%		24,273	12,594	93%

Mahindra Manulife Trustee Private Limited (MMTPL)

MMFSL holding 51%

Q4 FY25 Results (in crores)	Q4 FY25	Q4 FY24	YoY %		FY25	FY24	YoY%
Total Income	0.2	0.4	(50%)		1.1	1.2	(8%)
Profit After Tax	0.1	0.2	(50%)		0.5	0.5	0%

Mahindra Ideal Finance Ltd (MIFL)

MMFSL holding 58.2%

Q4 FY25 Results (in LKR Mn)	Q4 FY25	Q4 FY24	YoY %		FY25	FY24	YoY%
Total Income	775	591	31%		2,741	2,309	19%
Profit Before Tax	177	88	102%		434	334	30%
Profit After Tax	69	24	189%		146	103	42%

Loans & Advances (net)	14,803	8,543	73%	14,803	8,543	73%
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(LKR Exchange Rate 1 LKR = 0.2840 INR)

Joint Venture / Associate:

Mahindra Finance USA, LLC (MFUSA)

MMFSL holding 49%

Q4 FY25 Results (in USD Mn)	Q4 FY25	Q4 FY24	YoY %		FY25	FY24	YoY%
Total Income	20.5	20.8	(1.4%)		85.6	81.3	5.3%
Profit Before Tax	4.4	6.2	(29.0%)		22.7	22.9	(0.9%)
Profit After Tax	3.2	4.6	(30.4%)		16.9	17.2	(1.7%)

(USD Exchange Rate 1 USD = INR 84.5132)

About Mahindra & Mahindra Financial Services Limited

Mahindra & Mahindra Financial Services Limited (Mahindra Finance), part of the Mahindra Group, is one of India's leading non-banking finance companies. Focused on the rural and semi-urban sector, the Company has over 11 million customers and has an AUM of over USD 14.1 Billion. The Company is a leading vehicle and tractor financier, provides loans to SMEs and also offers fixed deposits. The Company has 1,365 offices and reaches out to customers spread over 5,16,000 villages and 8,000 towns across the country, transforming more than 1.1 crore lives.

Mahindra Finance has been ranked 59th among India's Best Companies to Work 2023 by Great Place to Work Institute.

Mahindra Finance CSR Foundation is a wholly owned subsidiary company, under the provisions of section 8 of the Companies Act, 2013 for undertaking the CSR activities of the Company and its subsidiaries.

Mahindra Rural Housing Finance Limited (MRHFL) a subsidiary of Mahindra Finance provides loans for purchase, renovation, construction of houses to individuals in the rural and semi-urban areas of the country.

Mahindra Insurance Brokers Limited (MIBL) a wholly owned subsidiary, is the Company's Insurance Broking subsidiary is a licensed Composite Broker providing Direct and Reinsurance broking services.

Mahindra Manulife Investment Management Private Limited acts as the Investment Manager of Mahindra Manulife Mutual Fund.

Mahindra Manulife Trustee Private Limited (MMTPL), acts as a Trustee to Mahindra Manulife Mutual Fund.

Mahindra Ideal Finance Limited (MIFL) is a subsidiary of the Company in Sri Lanka, in which the Company owns 58.2% stake. MIFL focuses on providing a diversified suite of financial services to the Sri Lankan market.

The Company has a Joint Venture in the US, Mahindra Finance USA LLC, in partnership with De Lage Landen, a subsidiary of Rabo Bank, for financing Mahindra vehicles in the US.

Learn more about Mahindra Finance on www.mahindrafinance.com / Twitter and Facebook: @MahindraFin

About Mahindra

Founded in 1945, the Mahindra Group is one of the largest and most admired multinational federation of companies with 260,000 employees in over 100 countries. It enjoys a leadership position in farm equipment, utility vehicles, information technology and financial services in India and is the world's largest tractor company by volume. It has a strong presence in renewable energy, agriculture, logistics, hospitality and real estate.

The Mahindra Group has a clear focus on leading ESG globally, enabling rural prosperity and enhancing urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.

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