

Mahindra & Mahindra Financial Services Limited

CIN : L65921MH1991PLC059642

Registered Office: Gateway Building, Apollo Bunder, Mumbai 400 001. Tel. No. +91 22 68975500
Corporate Office: Mahindra Towers, 4th Floor, Dr. G.M. Bhosale Marg, Worli, Mumbai 400 018. Tel. No. +91 22 66526000
Website : www.mahindrafinance.com ; Email : investorhelpline_mmfsi@mahindra.com

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2024

Rs. in Crore

	Particulars	Quarter ended			Half year ended		Year ended
		30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from operations						
i)	Interest income	3,744.84	3,612.18	3,153.50	7,357.02	6,188.39	13,108.76
ii)	Dividend income	-	-	-	-	-	-
iii)	Rental income	36.65	34.23	25.59	70.88	50.38	115.46
iv)	Fees, charges and commission income	115.29	75.30	31.51	190.59	54.85	174.67
v)	Net gain / (loss) on fair value changes	0.70	0.50	1.34	1.20	2.88	5.25
I	Total Revenue from operations	3,897.48	3,722.21	3,211.94	7,619.69	6,296.50	13,404.14
II	Other income	27.58	37.94	28.55	65.52	69.40	158.28
III	Total income (I+II)	3,925.06	3,760.15	3,240.49	7,685.21	6,365.90	13,562.42
	Expenses						
i)	Finance costs	1,934.25	1,828.58	1,566.47	3,762.83	3,016.92	6,426.94
ii)	Fees and commission expense	24.55	23.22	27.98	47.77	48.05	109.90
iii)	Impairment on financial instruments (refer notes 6, 7, 8, and 9)	703.46	448.16	626.55	1,151.62	1,152.96	1,822.79
iv)	Employee benefits expenses	446.04	470.34	436.77	916.38	854.13	1,712.63
v)	Depreciation, amortization and impairment	66.73	63.75	56.00	130.48	110.31	228.71
vi)	Other expenses	257.38	239.72	210.44	497.10	393.71	905.98
IV	Total expenses	3,432.41	3,073.77	2,924.21	6,506.18	5,576.08	11,206.95
V	Profit / (Loss) before exceptional items and tax (III-IV)	492.65	686.38	316.28	1,179.03	789.82	2,355.47
VI	Exceptional item	-	-	-	-	-	-
VII	Profit / (Loss) before tax (V+VI)	492.65	686.38	316.28	1,179.03	789.82	2,355.47
VIII	Tax expense :						
i)	Current tax	176.75	166.69	152.84	343.44	319.17	664.93
ii)	Deferred tax	(53.57)	6.73	(71.74)	(46.84)	(117.19)	(69.08)
		123.18	173.42	81.10	296.60	201.98	595.85
IX	Profit / (Loss) for the period / year (VII-VIII)	369.47	512.96	235.18	882.43	587.84	1,759.62
X	Other Comprehensive Income (OCI)						
A)	(i) Items that will not be reclassified to profit or loss						
	- Remeasurement gain / (loss) on defined benefit plans	(8.66)	6.30	1.04	(2.36)	(9.44)	(6.64)
	(ii) Income tax relating to the above items	2.18	(1.59)	(0.25)	0.59	2.38	1.67
	Subtotal (A)	(6.48)	4.72	0.79	(1.77)	(7.06)	(4.97)
B)	(i) Items that will be reclassified to profit or loss						
	- Net gain / (loss) on debt instruments through OCI	44.54	13.55	(5.89)	58.09	22.80	70.58
	- Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge	(28.22)	(1.55)	7.18	(29.77)	12.01	(3.39)
	(ii) Income tax relating to the above items	(4.11)	(3.02)	(0.33)	(7.13)	(8.76)	(16.91)
	Subtotal (B)	12.21	8.98	0.96	21.19	26.05	50.28
	Other Comprehensive Income (A + B)	5.73	13.70	1.75	19.42	18.99	45.31
XI	Total Comprehensive Income for the period / year (IX+X)	375.20	526.66	236.93	901.85	606.83	1,804.93
XII	Earnings per equity share (face value of Rs.2/- each) #						
	Basic (Rupees)	2.99	4.16	1.91	7.15	4.76	14.26
	Diluted (Rupees)	2.98	4.15	1.90	7.14	4.75	14.25

Earnings per share for the interim period is not annualized.



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Notes:

- 1) The above unaudited standalone financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and accordingly, these unaudited financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ("the Act"), directions/ guidelines issued by the Reserve Bank of India ('RBI') and other recognized accounting practices generally accepted in India. The above unaudited standalone financial results are in compliance with Regulation 33 and Regulation 52, Regulation 54 read with Regulation 63 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"). The material accounting policies that are applied in preparation of these unaudited standalone financial results are consistent with those followed in the Standalone financial statements for the year ended 31 March 2024.

The above unaudited Standalone financial results would be made available on the websites of the Stock Exchanges, <http://www.nseindia.com/corporates> and <http://www.bseindia.com/corporates> and on the website of the Company at the URL <https://www.mahindrafinance.com/investor-relations/financial-information#financial-results>.
- 2) The above unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 22 October 2024. The Results for the quarter and half year ended 30 September 2024, have been reviewed by the joint statutory auditors, viz. M M Nissim & Co LLP, Chartered Accountants and M. P. Chitale & Co., Chartered Accountants.
- 3) The figures for the quarter ended 30 June 2024 and for the quarter and half year ended 30 September 2023 and year ended 31 March 2024 were reviewed/audited, as the case may be, by the predecessor joint statutory auditors of the Company, Deloitte Haskins & Sells, Chartered Accountants and Mukund M. Chitale & Co., Chartered Accountants.
- 4) In compliance with Regulation 33 and Regulation 52 read with Regulation 63 (2) of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of standalone financial results for the quarter and half year ended 30 September 2024 has been carried out by Joint Statutory Auditors, viz. M M Nissim & Co LLP, Chartered Accountants and M. P. Chitale & Co., Chartered Accountants.
- 5) The Company is engaged primarily in the business of financing in India. During the half year ended 30 September 2024, the Company has started the activities as Corporate Agent (Composite) for providing insurance solutions. In the above standalone financial results, the line item 'Fees, charges and commission income' include fees / commission income from insurance agency business amounting to Rs. 46.15 crore and Rs.57.07 crore respectively for the quarter and half year ended 30 September 2024 as there is no separate reportable segment as per Ind AS 108 'Operating Segments' at present.
- 6) The Company has been updating the Expected Credit Loss model (ECL) with the latest set of data inputs at reasonable periodic intervals to capture the expected significant changes in macro-economic growth prospects and shifts in market drivers and changes in risk profile of customer credit exposures. During the previous year (effective from quarter ended 31 December 2023), the Company had updated its ECL model by including multi-factor macro-economic variables and product classification of loan portfolio for its retail vehicle loans and used industry level benchmark allowance rate for its relatively new portfolio under leasing business, which was recommended by the Audit Committee and approved by Board of Directors. The Company had estimated the ECL provision for the quarter and half year ended 30 September 2024 in accordance with the updated ECL model. The Company holds provision towards expected credit loss as at 30 September 2024 aggregating to Rs.3,935.32 crore (as at 31 March 2024: Rs.3,401.59 crore).
- 7) In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning), as at 30 September 2024 and accordingly, no amount is required to be transferred to impairment reserve.
- 8) In the matter of fraud at its branch in Aizawl (Mizoram) reported during Q4 FY 24, the investigation by law enforcement authorities is in progress during the quarter and half year ended 30 September 2024. The Company continues to cooperate and provide necessary assistance to the police authorities as required. The Company is carrying necessary provision for the exposure relating to the above fraud.
- 9) During the year ended 31 March 2022, to relieve COVID-19 pandemic related stress, the Company had invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI.

i) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No BP.BC/3/21.04/048/2020-21 dated 6 August 2020 and RBI/2 021- 22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021

As per Format - B: For the half year ended 30 September 2024

Rs. in crore

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year as at 31 March 2024* (A)	Of (A), aggregate debt that slipped into NPA during the half-year (B)	Of (A) amount written off during the half-year (C)	Of (A) amount paid by the borrowers during the half-year (D)	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year as at 30 September 2024 (E)
Personal Loans	200.24	14.18	0.72	72.64	112.70
Corporate persons	15.52	-	-	10.82	4.70
Of which, MSMEs	-	-	-	-	-
Others:					
- Vehicle loans for commercial purpose	269.60	13.97	1.62	108.52	145.49
Total	485.36	28.15	2.34	191.98	262.89

* In respect of One Time Restructuring 2.0, above includes restructuring implemented till 30 September 2021



ii) Disclosure on Resolution Framework 2.0 implemented in terms of RBI circular no. RBI/2021-22/32 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 (Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs))

As per Format - B: For the half year ended 30 September 2024

No. of accounts restructured	Amount (Rs in Crore)*
694	31.69

* represents the net closing balance of loan accounts as at 30 September 2021 out of the loans restructured in earlier years.

- 10) During the quarter and half year ended 30 September 2024, Mahindra & Mahindra Financial Services Limited Employee Stock Option Trust had transferred 1,99,448 and 2,33,188 equity shares respectively of face value of Rs. 2 each, fully paid up, on exercise of stock options by eligible employees on various dates, in accordance with the Company's Employee Stock Option Scheme(s). As a result of exercise of above stock options, the equity share capital and securities premium of the Company has increased by Rs.0.04 crore and 0.42 crore respectively for the quarter ended 30 September 2024 and Rs. 0.05 crore and 0.58 crore respectively for the half year ended 30 September 2024.
- 11) All the secured non-convertible debentures of the Company are fully secured by pari-passu charge on Aurangabad office (wherever applicable) and / or exclusive charge on present and/or future receivables under Loan contracts/Hire Purchase/Lease, owned Assets and book debts. Further, the Company, in respect of secured listed non-convertible debt securities maintains required security cover as per the terms of Term Sheet/ Offer document/Information Memorandum and/or Debenture Trust Deed, sufficient to discharge the principal amount and the interest thereon.
- 12) The asset cover available as on 30 September 2024 in respect of listed secured debt securities is 1.08.
- 13) The compliance related to disclosure of certain ratios and other financial information as required under Regulation 52 (4) read with Regulation 63 (2) of the Listing Regulations is made in Appendix 1.
- 14) Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period / year classification.

Raul Rebello
For and on behalf of the Board of Directors
Mahindra & Mahindra Financial Services Limited

Raul Rebello
- Raul Rebello
Managing Director & CEO
[DIN:10052487]

Date : 22 October 2024
Place : Mumbai



Appendix - 1

Mahindra & Mahindra Financial Services Limited

Compliance related to disclosure of certain ratios and other financial information as required under Regulation 52 (4) read with Regulation 63 (2) of the Listing Regulations

Analytical Ratios and other disclosures based on Standalone financial results:

Particulars		Rs. in Crore, unless indicated otherwise					
		Quarter ended			Half year ended		Year ended
		30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
a)	Debt equity ratio (no. of times) (refer note ii)	5.65	5.10	5.01	5.65	5.01	5.08
b)	Debt service coverage ratio	N/A	N/A	N/A	N/A	N/A	N/A
c)	Interest service coverage ratio	N/A	N/A	N/A	N/A	N/A	N/A
d)	Outstanding redeemable preference shares (quantity and value)	-	-	-	-	-	-
e)	Capital redemption reserve	50.00	50.00	50.00	50.00	50.00	50.00
f)	Debenture redemption reserve	N/A	N/A	N/A	N/A	N/A	N/A
g)	Net worth (refer note iii)	18,282.78	18,685.30	16,956.15	18,282.78	16,956.15	18,157.49
h)	Net profit (loss) after tax	369.47	512.96	235.18	882.43	587.84	1,759.62
i)	Earnings per share (face value of Rs.2/- each) (not annualized for the interim period)						
	- Basic (Rupees)	2.99	4.16	1.91	7.15	4.76	14.26
	- Diluted (Rupees)	2.98	4.15	1.90	7.14	4.75	14.25
j)	Current ratio	N/A	N/A	N/A	N/A	N/A	N/A
k)	Long term debt to working capital	N/A	N/A	N/A	N/A	N/A	N/A
l)	Bad debts to Account receivable ratio	N/A	N/A	N/A	N/A	N/A	N/A
m)	Current liability ratio	N/A	N/A	N/A	N/A	N/A	N/A
n)	Total debts to total assets % (refer note iv)	82.25%	80.59%	80.48%	82.25%	80.48%	80.08%
o)	Debtors turnover	N/A	N/A	N/A	N/A	N/A	N/A
p)	Inventory turnover	N/A	N/A	N/A	N/A	N/A	N/A
q)	Operating margin (%)	N/A	N/A	N/A	N/A	N/A	N/A
r)	Net profit margin (%) (refer note v)	9.41%	13.64%	7.26%	11.48%	9.23%	12.97%
s)	Sector specific equivalent ratios, as applicable.						
	1) Capital Adequacy Ratio (%) (refer note vi)	16.73%	18.50%	18.73%	16.73%	18.73%	18.86%
	2) Gross Stage - 3 Assets % (refer note vii)	3.83%	3.56%	4.29%	3.83%	4.29%	3.40%
	3) Net Stage - 3 Assets % (refer note viii)	1.59%	1.46%	1.71%	1.59%	1.71%	1.28%
	4) Provision Coverage Ratio for Stage - 3 assets (PCR %) (refer note ix)	59.48%	59.80%	61.18%	59.48%	61.18%	63.16%
	5) Liquidity Coverage Ratio (as per RBI guidelines) (refer note x)	272%	296%	356%	272%	356%	313%

Notes :

- i) Certain ratios/line items marked with remark "N/A" are not applicable since the Company is a Non banking financial company registered with the RBI
- ii) Debt equity ratio = [Debt Securities + Borrowings (Other than Debt Securities) + Deposits + Subordinated Liabilities] / [Equity Share capital + Other equity]
- iii) Net worth = [Equity share capital + Other equity]
- iv) Total debts to total assets = [Debt Securities + Borrowings (Other than Debt Securities) + Deposits + Subordinated Liabilities] / Total assets
- v) Net profit margin (%) = Profit after tax / Total income
- vi) Capital Adequacy Ratio has been computed on a standalone basis as per relevant RBI guidelines.
- vii) Gross Stage - 3 Assets % = Gross Stage - 3 Assets / Gross loan assets
- viii) Net Stage - 3 Assets % = (Gross Stage - 3 Assets /less Impairment loss allowance for Stage - 3 Assets) / (Gross loan assets /less Impairment loss allowance for Stage - 3 Assets)
- ix) Provision Coverage Ratio (PCR %) = Carrying amount of Impairment loss allowance for Stage - 3 Assets / Gross Stage - 3 Assets
- x) Liquidity Coverage Ratio (LCR) is calculated as per circular no. RBI/2019-20/88 DDR.NBFC.(PD) CC. No. 102/03.10.001/2019-20 dated 4 November 2019 issued by the RBI.



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STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2024

Rs. in Crore

	Particulars	Quarter ended			Half year ended		Year ended
		30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from operations						
i)	Interest income	4,054.16	3,923.06	3,485.02	7,977.22	6,853.85	14,412.33
ii)	Dividend income	-	-	-	-	-	-
iii)	Rental income	36.65	34.23	25.59	70.88	50.38	115.46
iv)	Fees and commission Income	118.86	78.24	35.21	197.10	59.32	184.32
v)	Net gain / (loss) on fair value changes	5.31	3.88	8.29	9.19	18.09	27.08
vi)	Sale of services	250.17	276.11	279.14	526.28	434.81	1,057.66
I	Total Revenue from operations	4,465.15	4,315.52	3,833.25	8,780.67	7,416.45	15,796.85
II	Other income	14.09	39.41	30.22	53.50	83.93	173.47
III	Total income (I+II)	4,479.24	4,354.93	3,863.47	8,834.17	7,500.38	15,970.32
	Expenses						
i)	Finance costs	2,062.42	1,960.33	1,703.37	4,022.75	3,300.56	6,959.20
ii)	Fees and commission expense	222.71	241.04	236.91	463.75	352.83	867.84
iii)	Impairment on financial instruments (refer notes 7, 8, 9 and 10)	738.13	554.55	646.44	1,292.68	1,239.26	1,955.75
iv)	Employee benefits expenses	558.19	591.62	576.07	1,149.81	1,134.53	2,261.44
v)	Depreciation, amortization and impairment	78.67	75.82	67.08	154.49	133.44	274.85
vi)	Other expenses	310.55	289.17	264.48	599.72	501.61	1,119.17
IV	Total expenses	3,970.67	3,712.53	3,494.35	7,683.20	6,662.23	13,438.25
V	Profit / (Loss) before exceptional items, Share of profit / (loss) of associate & joint ventures and tax (III-IV)	508.57	642.40	369.12	1,150.97	838.15	2,532.07
VI	Exceptional item	-	-	-	-	-	-
VII	Share of profit / (loss) of associate & joint ventures	14.39	19.07	14.15	33.46	27.92	56.11
VIII	Profit / (Loss) before tax (V+VI+VII)	522.96	661.47	383.27	1,184.43	866.07	2,588.18
IX	Tax expense :						
i)	Current tax	183.46	175.80	165.72	359.26	339.39	716.10
ii)	Deferred tax	(50.53)	(11.34)	(69.69)	(61.87)	(122.78)	(70.97)
		132.93	164.46	96.03	297.39	216.61	645.13
X	Profit / (Loss) for the period / year (VIII-IX)	390.03	497.01	287.24	887.04	649.46	1,943.05
XI	Other Comprehensive Income (OCI)						
A)	(i) Items that will not be reclassified to profit or loss						
	- Remeasurement gain / (loss) on defined benefit plans	(6.90)	6.65	0.56	(0.25)	(10.45)	(8.81)
	- Share of other comprehensive income / (loss) of equity accounted investees	(0.09)	(0.09)	(0.06)	(0.18)	(0.17)	(0.15)
	(ii) Income tax relating to the above items	1.91	(1.75)	(0.03)	0.17	2.55	2.23
	Subtotal (A)	(5.08)	4.81	0.47	(0.26)	(8.07)	(6.73)
B)	(i) Items that will be reclassified to profit or loss						
	- Exchange differences in translating the financial statements of foreign operations	2.51	(1.32)	(2.88)	1.19	1.97	8.13
	- Net gain/(loss) on debt instruments through OCI	45.28	13.14	(6.46)	58.42	23.18	71.98
	- Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge	(28.22)	(1.55)	7.18	(29.77)	12.01	(3.38)
	- Share of other comprehensive income / (loss) of equity accounted investees	3.57	0.69	9.77	4.26	8.42	10.93
	(ii) Income tax relating to the above items	(4.30)	(2.92)	(0.18)	(7.21)	(8.86)	(17.26)
	Subtotal (B)	18.84	8.03	7.43	26.89	36.72	70.40
	Other Comprehensive Income (A + B)	13.77	12.85	7.90	26.63	28.66	63.67
XII	Total Comprehensive Income for the period / year (X+XI)	403.80	509.86	295.14	913.67	678.12	2,006.72
	Profit / (Loss) for the period attributable to:						
	Owners of the Company	389.42	497.66	281.09	887.08	639.78	1,932.69
	Non-controlling interests	0.61	(0.65)	6.15	(0.04)	9.68	10.36
		390.03	497.01	287.24	887.04	649.46	1,943.05
	Other Comprehensive Income for the period / year attributable to:						
	Owners of the Company	12.72	13.40	9.05	26.12	27.94	60.26
	Non-controlling interests	1.05	(0.55)	(1.15)	0.51	0.72	3.41
		13.77	12.85	7.90	26.63	28.66	63.67
	Total Comprehensive Income for the period / year attributable to:						
	Owners of the Company	402.14	511.06	290.14	913.20	667.72	1,992.95
	Non-controlling interests	1.66	(1.20)	5.00	0.47	10.40	13.77
		403.80	509.86	295.14	913.67	678.12	2,006.72
XIII	Earnings per equity share (face value of Rs.2/- each) #						
	Basic (Rupees)	3.15	4.03	2.28	7.19	5.19	15.66
	Diluted (Rupees)	3.14	4.02	2.27	7.18	5.18	15.65

Earnings per share for the interim period is not annualized.



Notes:

- 1) The above unaudited consolidated financial results of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ("the Act"), directions/ guidelines issued by the Reserve Bank of India ('RBI') and other recognized accounting practices generally accepted in India. The above unaudited consolidated financial results are in compliance with Regulation 33 and Regulation 52, Regulation 54 read with Regulation 63 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"). The material accounting policies applied in preparation of these unaudited consolidated financial results are consistent with those followed in the consolidated financial statements for the year ended 31 March 2024.

The above unaudited consolidated financial results would be made available on the websites of the Stock Exchanges, <http://www.nseindia.com/corporates> and <http://www.bseindia.com/corporates> and on the website of the Company at the URL <https://www.mahindrafinance.com/investor-relations/financial-information#financial-results>.

- 2) The above unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 22 October 2024. The Results for the quarter and half year ended 30 September 2024, have been reviewed by joint the statutory auditors, viz. M M Nissim & Co LLP, Chartered Accountants and M. P. Chitale & Co., Chartered Accountants.
- 3) The unaudited consolidated financial results for the quarter and year ended 30 September 2024 comprise the following entities of the group -

i) The unaudited financial results of Mahindra & Mahindra Financial Services Limited (the "Parent"), its subsidiaries, Mahindra Insurance Brokers Limited (100%) and Mahindra Rural Housing Finance Limited (98.43%), and joint ventures, Mahindra Manulife Investment Management Private Limited (MMIMPL: 51%) (Formerly known as "Mahindra Asset Management Company Private Limited") and Mahindra Manulife Trustee Private Limited (MMTPL: 51%) (Formerly known as "Mahindra Trustee Company Private Limited"). The unaudited financial results of the Parent, subsidiaries and joint ventures have been subjected to limited review by the Statutory Auditors of respective entities. The joint ventures, MMIMPL and MMTPL have been consolidated under equity method of accounting;

ii) The Management certified financial results of subsidiaries, Mahindra & Mahindra Financial Services Limited Employees' Stock Option Trust (MMFSL ESOP Trust), Mahindra Rural Housing Finance Limited Employee Welfare Trust (MRHFL EWT), Mahindra Finance CSR Foundation and foreign subsidiary, Mahindra Ideal Finance Limited (58.20%), in Sri Lanka. The standalone financial results of these entities do not constitute a material component of the consolidated financial results; and

iii) The Management certified financial results of associate, Mahindra Finance USA LLC (49%), in the United States. The standalone financial results of Mahindra Finance USA LLC do not constitute a material component of the consolidated financial results and these have been consolidated as associate, under equity method of accounting.

- 4) The figures for the quarter ended 30 June 2024 and for the quarter and half year ended 30 September 2023 and year ended 31 March 2024 were reviewed/audited, as the case may be, by the predecessor joint statutory auditors of the Company, Deloitte Haskins & Sells, Chartered Accountants and Mukund M. Chitale & Co., Chartered Accountants.
- 5) In compliance with Regulation 33 and Regulation 52 read with Regulation 63 (2) of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of consolidated financial results for the quarter and half year ended 30 September 2024 has been carried out by Joint Statutory Auditors, viz. M M Nissim & Co LLP, Chartered Accountants and M. P. Chitale & Co., Chartered Accountants.
- 6) The Segment Reporting in respect of the Consolidated Financial Results is given in Appendix 1.
- 7) The Parent and its subsidiary in the housing finance business have been updating the Expected Credit Loss model (ECL) model with the latest set of data inputs at reasonable periodic intervals to capture the expected significant changes in macro-economic growth prospects and shifts in market drivers and changes in risk profile of customer credit exposures. During the previous year (effective from December 2023), the Parent has updated its ECL model by including multi-factor macro-economic variables and product classification of loan portfolio for its retail vehicle loans and used industry level benchmark allowance rate for its relatively new portfolio under leasing business, which has been recommended by the Audit Committee and approved by the Board of Directors. The Parent has estimated the ECL provision for the quarter and half year ended 30 September 2024 in accordance with the updated ECL model. The Parent and its subsidiary in the housing finance business holds provision towards expected credit loss as at 30 September 2024 aggregating to Rs.4,252.26 crore (as at 31 March 2024: Rs.3,677.37 crore).
- 8) In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Parent and its subsidiary in the housing finance business exceeds the total provision required under IRACP (including standard asset provisioning), as at 30 September 2024 and accordingly, no amount is required to be transferred to Impairment reserve.
- 9) In the matter of fraud at Parent's branch in Aizawl (Mizoram) reported during Q4 FY 24, the investigation by law enforcement authorities is in progress during the half year ended 30 September 2024. The Parent continues to cooperate and provide necessary assistance to the police authorities as required. The Parent is carrying necessary provision for the exposure relating to the above fraud.



10) During the year ended 31 March 2022, to relieve COVID-19 pandemic related stress, the Parent and its subsidiary in the housing finance business have invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of respective entities and in accordance with the guidelines issued by the RBI.

i) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021

As per Format - B: For the half year ended 30 September 2024

Rs. in crore

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year as at 30 September 2023 * (A)	Of (A), aggregate debt that slipped into NPA during the half-year (B)	Of (A) amount written off during the half-year (C)	Of (A) amount paid by the borrowers during the half-year (D)	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year as at 31 March 2024 (E)
Personal Loans	200.24	14.18	0.72	72.64	112.70
Corporate persons	15.52	-	-	10.82	4.70
Of which, MSMEs	-	-	-	-	-
Others :					
- Vehicle loans for commercial purpose	269.60	13.97	1.62	108.52	145.49
- Housing loans	638.77	33.89	21.12	127.63	456.13
Total	1,124.13	62.04	23.46	319.61	719.02

* In respect of One Time Restructuring 2.0, above includes restructuring implemented till 30 September 2021

ii) Disclosure on Resolution Framework 2.0 implemented in terms of RBI circular no. RBI/2021-22/32 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 (Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs))

No. of accounts restructured	Amount (Rs in Crore)*
694	31.69

* represents the net closing balance of loan accounts as at 30 September 2024 out of the loans restructured in earlier years.

- 11) During the quarter and half year ended 30 September 2024, Mahindra & Mahindra Financial Services Limited Employee Stock Option Trust had transferred 1,99,448 and 2,33,188 equity shares respectively of face value of Rs. 2 each, fully paid up, on exercise of stock options by eligible employees on various dates, in accordance with the Company's Employee Stock Option Scheme(s). As a result of exercise of above stock options, the equity share capital and securities premium of the Company has increased by Rs.0.04 crore and 0.42 crore respectively for the quarter ended 30 September 2024 and Rs. 0.05 crore and 0.58 crore respectively for the half year ended 30 September 2024.
- 12) All the secured non-convertible debentures (NCDs) of the Parent Company are fully secured by pari-passu charge on Aurangabad office (wherever applicable) and / or exclusive charge on present and/or future receivables under Loan contracts/Hire Purchase/Lease, owned Assets and book debts. Further, the Parent Company, in respect of secured listed non-convertible debt securities maintains required security cover as per the terms of Term Sheet/ Offer document/Information Memorandum and/or Debenture Trust Deed, sufficient to discharge the principal amount and the interest thereon. All secured NCDs issued by its subsidiary Company in the housing finance business are secured by pari-passu charges on its Pune office and/or exclusive charge on receivables under loan contracts, owned assets and book debts to the extent of 100% of outstanding secured NCDs.
- 13) The asset cover available as on 30 September 2024 in respect of listed secured debt securities for the Parent is 1.08 and for the subsidiary company in the housing finance business is 1.04.
- 14) The compliance related to disclosure of certain ratios and other financial information as required under Regulation 52 (4) read with Regulation 63 (2) of the Listing Regulations is made in Appendix 2.
- 15) Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period / year classification.

For and on behalf of the Board of Directors
Mahindra & Mahindra Financial Services Limited

Raul Rebello
Managing Director & CEO
[DIN:10052487]

Date : 22 October 2024
Place : Mumbai



Appendix 1						
Mahindra & Mahindra Financial Services Limited						
Segment-wise Revenue, Results, Assets and Liabilities for Consolidated results as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended						
Rs. in Crore						
Particulars	Quarter ended			Half year ended		Year ended
	30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(a) Segment Revenue						
- Financing activities	4,246.28	4,079.43	3,588.33	8,325.71	7,071.02	14,919.74
- Others #	260.63	286.51	288.85	547.14	452.76	1,094.93
Total	4,506.91	4,365.94	3,877.18	8,872.85	7,523.78	16,014.67
Less : Inter-segment revenue	27.67	11.01	13.71	38.68	23.40	44.35
Net revenue	4,479.24	4,354.93	3,863.47	8,834.17	7,500.38	15,970.32
(b) Segment Results (Profit / (Loss) before tax) :						
- Financing activities	503.49	631.36	344.90	1,134.85	804.11	2,420.70
- Others #	19.47	30.11	38.37	49.58	61.96	167.48
Net Profit / (Loss) before tax	522.96	661.47	383.27	1,184.43	866.07	2,588.18
(c) Segment Assets :						
- Financing activities	1,31,185.95	1,24,012.20	1,10,944.90	1,31,185.95	1,10,944.90	1,21,353.89
- Others #	879.22	863.45	774.61	879.22	774.61	826.63
- Other unallocable assets	1,596.15	1,529.76	1,544.86	1,596.15	1,544.86	1,535.27
Total	1,33,661.32	1,26,405.41	1,13,264.37	1,33,661.32	1,13,264.37	1,23,715.79
(d) Segment Liabilities :						
- Financing activities	1,13,168.06	1,05,532.75	94,265.75	1,13,168.06	94,265.75	1,03,363.70
- Others	279.69	264.82	245.10	279.69	245.10	248.63
- Other unallocable liabilities	100.43	121.41	111.14	100.43	111.14	128.60
Total	1,13,548.18	1,05,918.98	94,621.99	1,13,548.18	94,621.99	1,03,740.93

'Others' includes Insurance Broking and Asset Management Services and Trusteeship.

