

28th January, 2021

The General Manager-Department of
Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

Scrip Code : 532720

The Manager-Listing Department,
National Stock Exchange of India Limited,
"Exchange Plaza", 5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.

Scrip Code : M&MFIN

Dear Sirs,

Sub: Investors / Analysts' Presentation

Ref : Letter dated 21st January, 2021 informing about Investors/Analysts' Call(s)

Further to our letter dated 21st January, 2021, and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"], we are enclosing herewith the presentation to be made to the Investors/Analysts on the Unaudited Financial Results of the Company for the third quarter and nine months ended 31st December, 2020. The conference call is scheduled to be held on Friday, 29th January, 2021 at 11:30 a.m. (IST).

The presentation is also being uploaded on the website of the Company at the URL <https://mahindrafinance.com/investor-zone> in accordance with Regulation 46 of the Listing Regulations.

Kindly take the same on record.

Thanking you,

Yours Faithfully,
Mahindra & Mahindra Financial Services Limited

Arnavaz

Arnavaz M. Pardiwalla
Company Secretary & Compliance Officer

Encl: a/a



Mahindra & Mahindra Financial Services Limited

Quarter Result Update
December - 2020

Corporate Office:

Mahindra Towers, 4th Floor,
Dr. G. M. Bhosale Marg, Worli,
Mumbai-400 018, India

Tel: +91 22 66526000

Fax: +91 22 24953608

Email: investorhelpline_mmfsl@mahindra.com

Regd. Office:

Gateway Building, Apollo Bunder,
Mumbai-400 001, India

Tel: +91 22 2289 5500

Fax: +91 22 2287 5485

www.mahindrafinance.com

CIN - L65921MH1991PLC059642



Company Overview

Industry Overview

Business Strategy

Financial Information

Key Subsidiaries

Awards & Accolades

Risk Management Policies

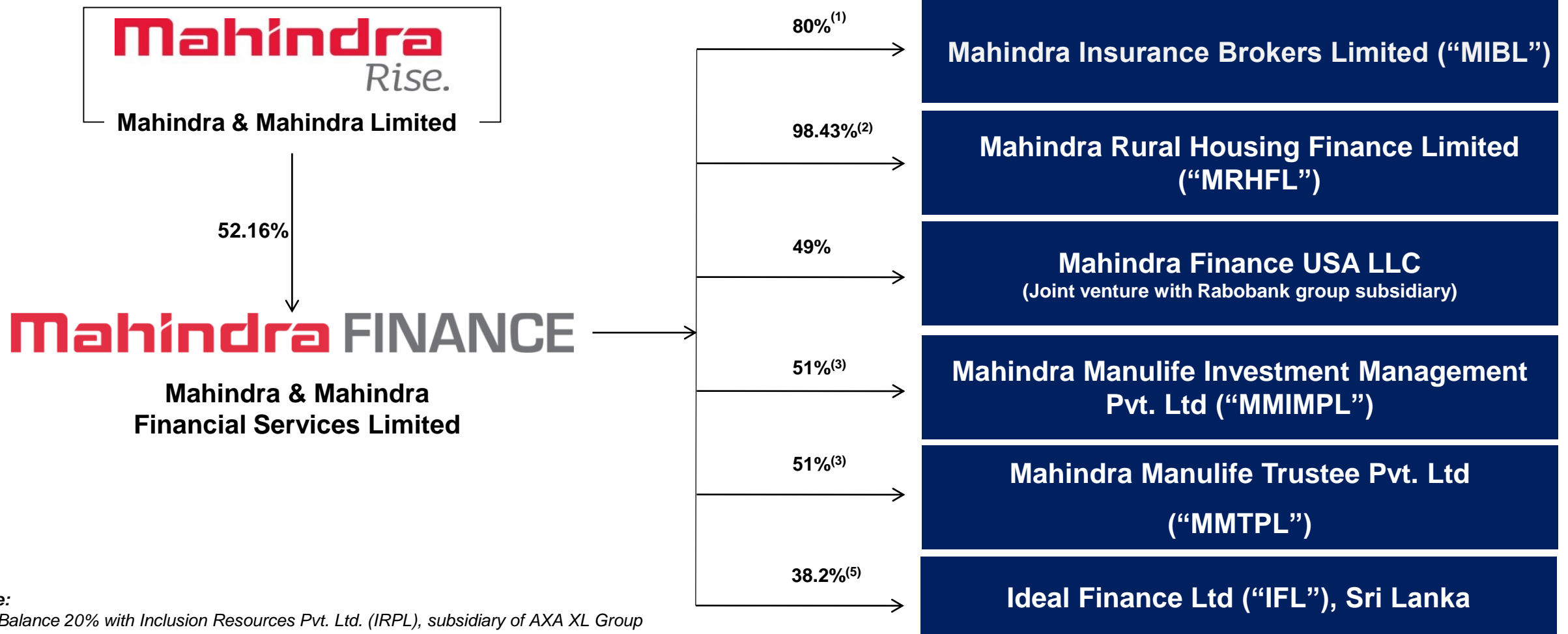
Transforming rural lives across the country

Company Background

Parentage:	Mahindra & Mahindra Financial Services Limited (“MMFSL”) is a subsidiary of Mahindra and Mahindra Limited (<i>Mcap: Rs 957 billion</i>)*
About MMFSL:	MMFSL (<i>Mcap: Rs 212 billion</i>)*, one of India’s leading non-banking finance companies focused in the rural and semi-urban sector
Key Business Area:	Primarily in the business of financing purchase of new and pre-owned auto and utility vehicles, tractors, cars, commercial vehicles, construction equipment and SME Financing
Vision:	MMFSL’s vision is to be a leading provider of financial services in the rural and semi-urban areas of India
Reach:	Has 1,246 offices covering 27 states and 7 union territories in India, with over 7.14 million vehicle finance customer contracts since inception
Credit Ratings:	India Ratings has assigned AAA/Stable, CARE Ratings has assigned AAA/Stable, Brickwork has assigned AAA/Stable and CRISIL has assigned AA+/Stable rating to the Company’s long term and subordinated debt

**Source: Market capitalisation as of January 27, 2021 from BSE website*

MMFSL Group structure



Note:

1. Balance 20% with Inclusion Resources Pvt. Ltd. (IRPL), subsidiary of AXA XL Group
2. Balance 1.57% held by MRHFL Employee Welfare Trust and employees
3. Manulife Investment Management (Singapore) Pte. Ltd. holds 49% of the shareholding of MMIMPL and MMTPL.
4. Mahindra Finance CSR Foundation is a wholly owned subsidiary to undertake all CSR initiatives under one umbrella
5. The Company has entered into a subscription agreement to acquire 58.26% of IFL and has remitted an amount of Rs.440 million towards acquiring 38.2% of its equity share capital

Our Journey

Commenced housing finance business through MRHFL

Raised Rs. 4.14 Bn through Private Equity

Completed IPO, Subscribed ~ 27 times

Equity participation of 12.5% by NHB in MRHFL

Recommended Fixed Deposit Program

Crossed 1 million cumulative customer contracts

Maiden QIP Issue of Rs. 4.26 Bn

JV with Rabobank subsidiary for tractor financing in USA

Long term debt rating upgraded to AAA by India Ratings and Brickwork.

CARE Ratings assigned AAA rating to long term debt

Stake sale in MIBL to Inclusion Resources Pvt. Ltd.

QIP Issue of Rs. 8.67 Bn

Certificate of Registration received from SEBI by Mahindra Mutual Fund

Maiden Retail NCD Issue of Rs. 1000 crores. Oversubscribed over 7 times over base issue size of Rs. 250 crores

Sale of 5% of MIBL at a valuation of Rs. 1300 crores

QIP Issuance : Rs. 10.56 bn and Preferential Issue to M&M : Rs. 10.55 bn

Maiden issue of ECB undertaken. Raised over \$200 mn.

Crossed 6 million cumulative customer contracts

Partnered with Manulife for Mutual Fund business

Invested in Ideal Finance for providing financial services in Sri Lanka

Completed Rights Issue of Rs. 3089 crores

FY 06

FY 08

FY 09

FY 10

FY 11

FY 13

FY 15

FY 16

FY 17

FY 18

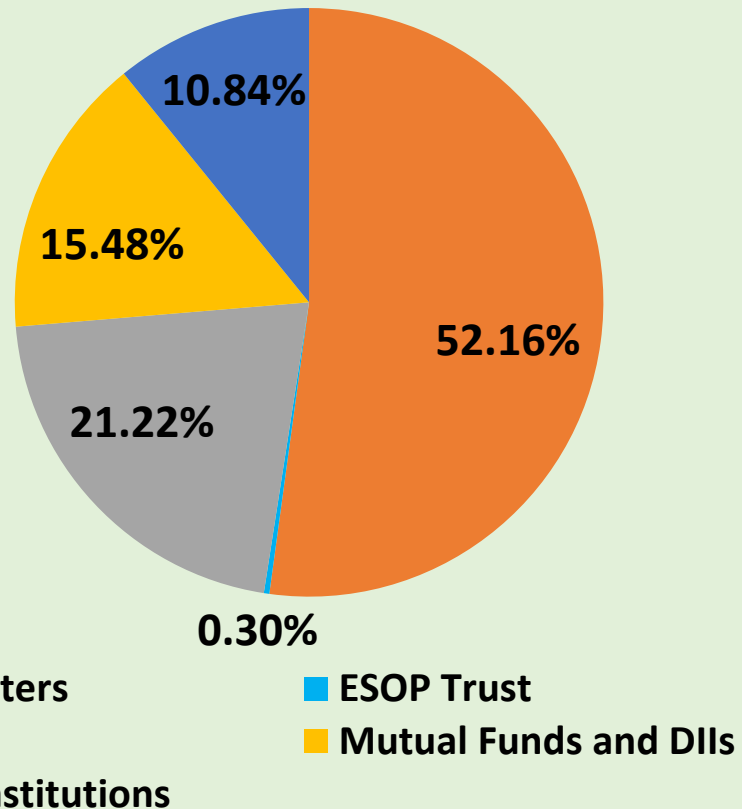
FY 19

FY 20

FY 21

Shareholding Pattern (as on December 31, 2020)

Shareholding Pattern



Mahindra & Mahindra Limited holds a stake of 52.16% in the Company

Top 10 Public Shareholders

- Life Insurance Corporation Of India
- HDFC Life Insurance Company Limited
- Wishbone Fund, Ltd.
- Government Pension Fund Global
- Valiant Mauritius Partners Offshore Limited
- Buena Vista Asian Opportunities Master Fund Ltd
- Kotak Funds - India Midcap Fund
- Bank Muscat India Fund
- SBI Blue Chip Fund
- Valiant Mauritius Partners Limited



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Transforming rural lives across the country

Auto Industry Volume

Domestic Sales (Volume in '000)	Q3FY21 (Nos.)	Q3FY20 (Nos.)	Y-o-Y Growth (%)	9MFY21 (Nos.)	9MFY20 (Nos.)	Y-o-Y Growth (%)
Passenger Vehicles (PVs)						
Passenger Cars / Vans	522	476	10%	1,028	1,291	(20%)
UV's	376	309	22%	749	827	(9%)
Commercial Vehicles (CVs)						
M&HCVs	51	54	(5%)	80	176	(55%)
LCVs	142	142	0%	278	395	(30%)
Three Wheelers *	50	123	(59%)	108	453	(76%)
Tractors	259	204	27%	660	563	17%

* Updated till November. Relevant period (Apr-Nov considered for comparison for FY 20 and FY21)

Automobile Finance Market: 5 years Projected Growth

Segment-wise growth in disbursement

	FY 14 E (Rs. Bn.)	CAGR FY 14 – FY 20	FY 20 E (Rs. Bn.)	FY 21 (P) (Rs. Bn.)	FY 22 (P) (Rs. Bn.)	FY 23 (P) (Rs. Bn.)	CAGR FY 20 – FY 23 (P)
Passenger vehicle	696	8%	1,128	973	1,170	1,340	6%
Commercial vehicle	319	9% - 10%	541	315	513	643	5% - 6%
Two wheelers	140	14%	310	272	304	365	6%
Three wheelers	64	9%	107	60	86	98	(3%)

Car & UV Loan Portfolio

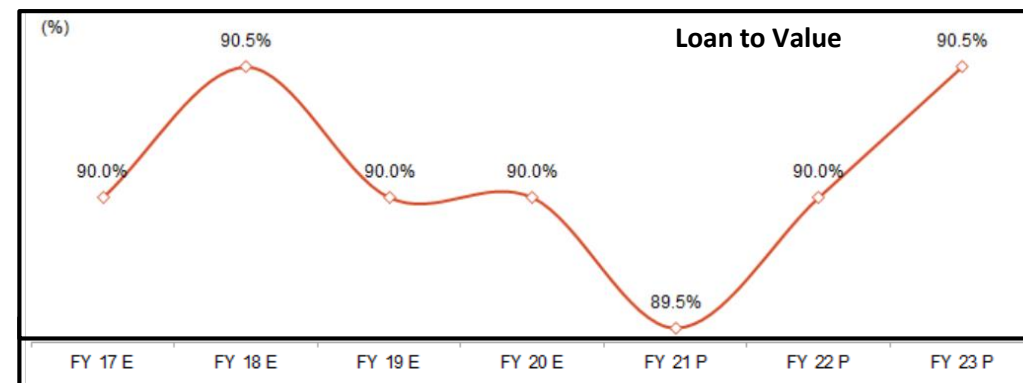
Top 20 Cities

Other Cities

Finance Penetration Ratio

80.0%

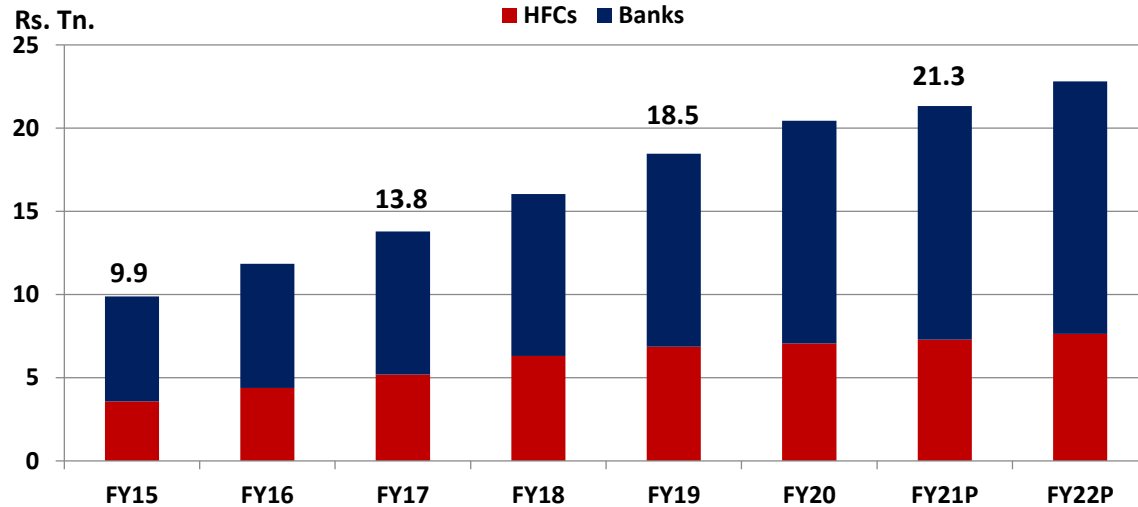
65.0%



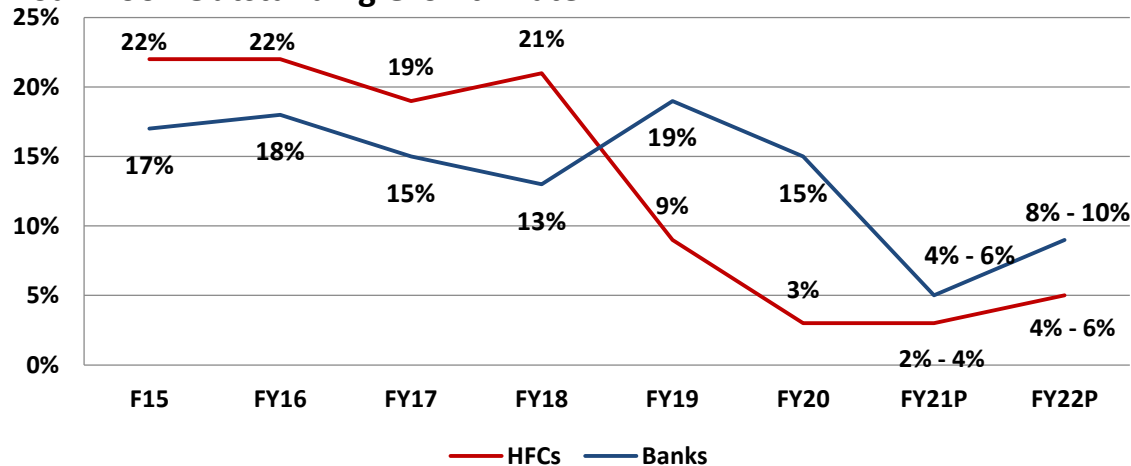
- Improved outlook of finance disbursement from -22% to -14% for FY21
- Small car segment expected to have higher growth over large vehicles.
- Loan-to-value (LTVs) expected to reduce in near term by 0.5% - 1.0%, and thereafter increase post FY 21.
- Passenger vehicle penetration still a long way to go compared to developed economies
- NBFC with strong connect with dealerships and captive customer base to maintain market share

Housing Finance Growth

Housing Portfolio Size and Market Share



Loan Book Outstanding Growth Rate



- Housing credit growth expected to slow down post Covid-19. Housing Credit outstanding to grow by 3%-5% in FY21 and 7%-9% in FY22.
- Growth Rate of Banks to be double of HFC in FY 21 due to lower interest rates
- Average home loan rates have reduced by 100 bps in last 1 year
- Delinquencies have risen in the current year with growth slowing and seasoning of portfolio resulting in reduced profitability in FY21.
- Positive actions take by government:
 - Liquidity and funding support
 - Regulatory forbearance on asset quality
- Rise in finance penetration in Tier II/ smaller towns to fuel loan growth. Mortgage penetration in India is 9 – 11 years behind other regional emerging markets like China and Thailand.
- Long term growth drivers remain increased disposable income,, urbanization and increased mortgage and finance penetration

Business Strategy

Grow in rural and semi urban markets for vehicle and automobile financing

Expand Branch Network

Leverage existing customers base through Direct Marketing Initiatives

Diversify Product Portfolio

Broad base Liability Mix

Continuing to attract, train and retain talented employees

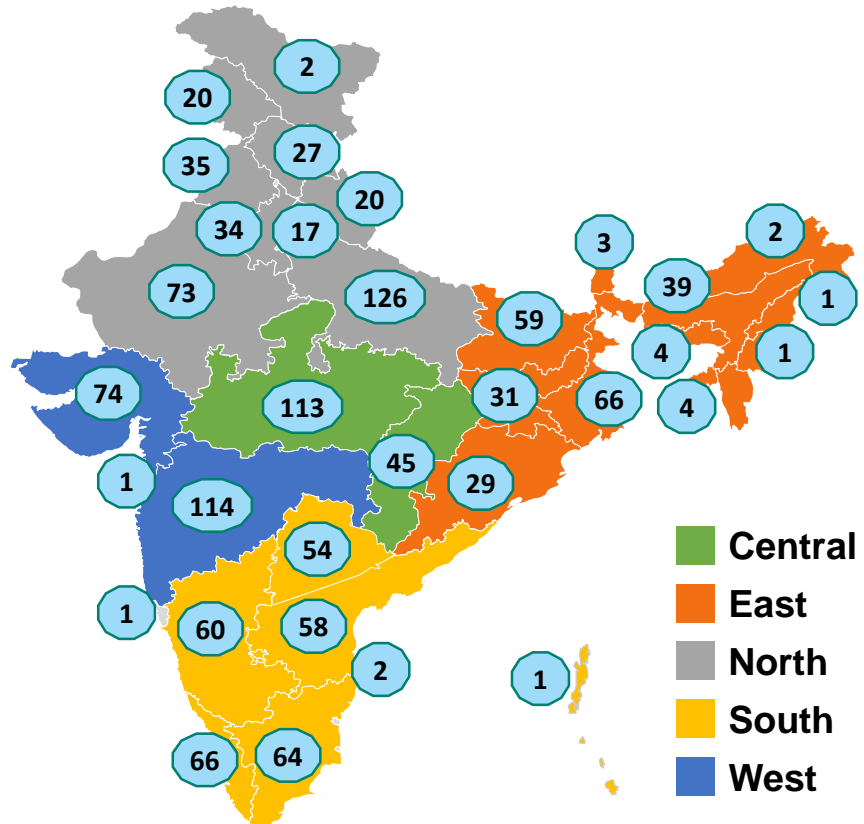
Effective use of technology to improve productivity

Leverage the “Mahindra” Ecosystem

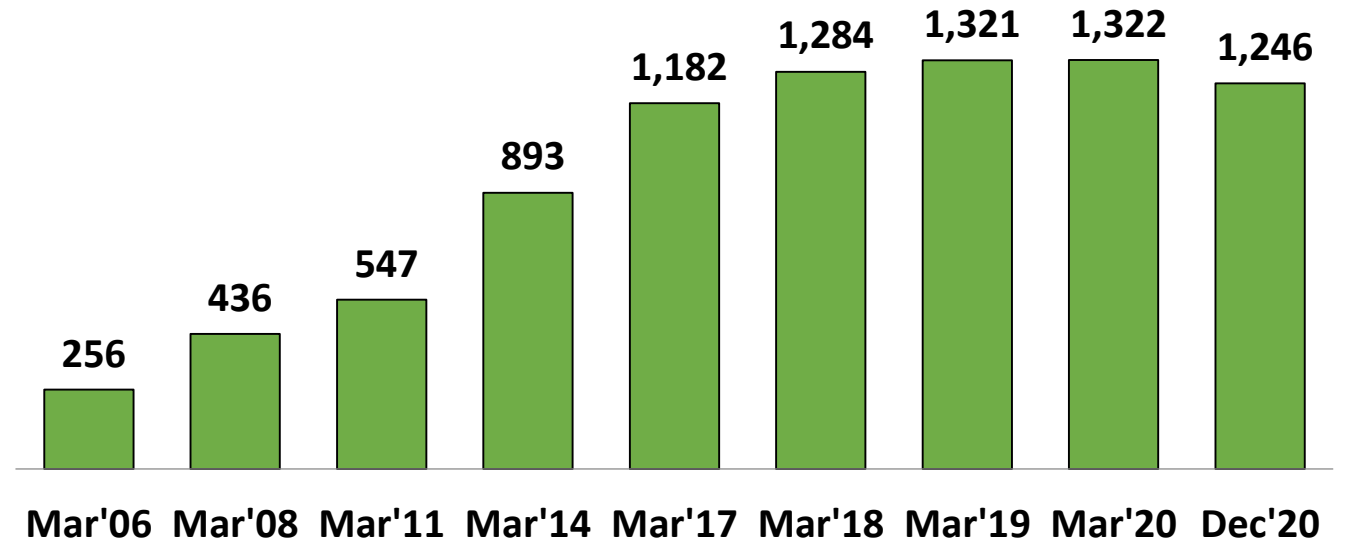
Extensive Branch Network

- Extensive branch network with presence in 27 states and 7 union territories in India through 1,246 offices
- Branches have authority to approve loans within prescribed guidelines

Coverage



Branch Network as of



Diversified Product Portfolio

Vehicle Financing

- Loans for auto and utility vehicles, tractors, cars, commercial vehicles and construction equipments



Pre-Owned Vehicles

- Loans for pre-owned cars, multi-utility vehicles, tractors and commercial vehicles



SME Financing

- Loans for varied purposes like project finance, equipment finance and working capital finance



Personal Loans

- Offers personal loans typically for weddings, children's education, medical treatment and working capital



Mutual Fund Distribution

- Advises clients on investing money through AMFI certified professionals under the brand "MAHINDRA FINANCE FINSMART"



Insurance Broking

- Insurance solutions to retail customers as well as corporations through our subsidiary MIBL



Housing Finance

- Loans for buying, renovating, extending and improving homes in rural and semi-urban India through our subsidiary MRHFL



Mutual Fund & AMC

- Asset Management Company/ Investment Manager to 'Mahindra Mutual Fund', which received certificate of registration from SEBI



Employee Management and Technology Initiatives

Employee engagement & training

- Training programs for employees on regular basis
- 5 days induction program on product knowledge, business processes and aptitude training
- Mahindra Finance Academy training programs for prospective and existing employees at 5 locations
- Assessment & Development Centre for promising employees
- Employee recognition programs such as– Dhruv Tara, Annual Convention Award and Achievement Box
- Participation in Mahindra Group's Talent Management and Retention program

Technology initiatives

- All our offices are connected to the centralised data centre in Mumbai through Lease line/tablets
- Through tablets and mobile applications connected by GPRS to the central server, we transfer data which provides
 - Prompt intimation by SMS to customers
 - Complete information to handle customer queries with transaction security
 - On-line collection of MIS on management's dashboard
 - Recording customer commitments
 - Enables better internal checks & controls
- Continues to enhance digital capabilities and use of technology to improve efficiency and function normally in current scenario
 - Providing computers and tablets to employees to operate from home
 - On-line training and learning sessions to improve capabilities
 - Promoting digital/ non-cash collections

Break down of Disbursements

on standalone basis

Asset Class	Nine months ended Dec – 20	Nine months ended Dec – 19	Year ended March – 20
Auto/ Utility vehicles	35%	28%	29%
Tractors	20%	16%	15%
Cars	21%	20%	19%
Commercial vehicles and Construction equipments	5%	17%	17%
Pre-owned vehicles	10%	15%	16%
SME and Others	9%	4%	4%

Historical Disbursements (INR bn.)	Q1	Q2	Q3	Q4
FY 2021	27.33	40.28	62.70	-
FY 2020	80.74	74.87	97.78	70.41

Break down of Business Assets

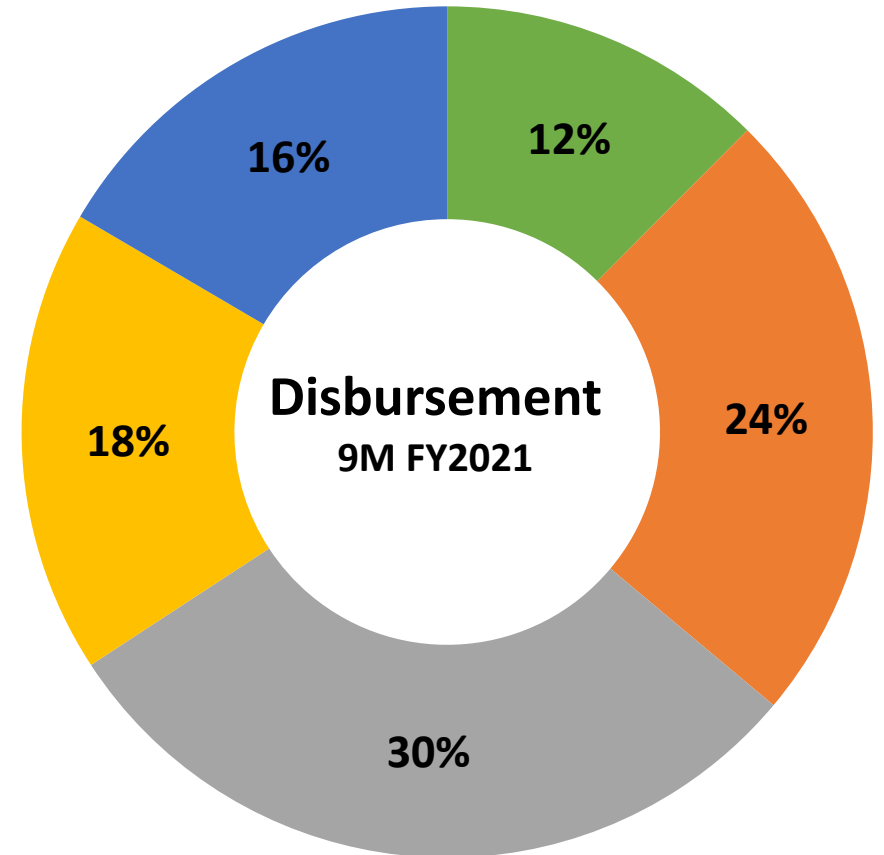
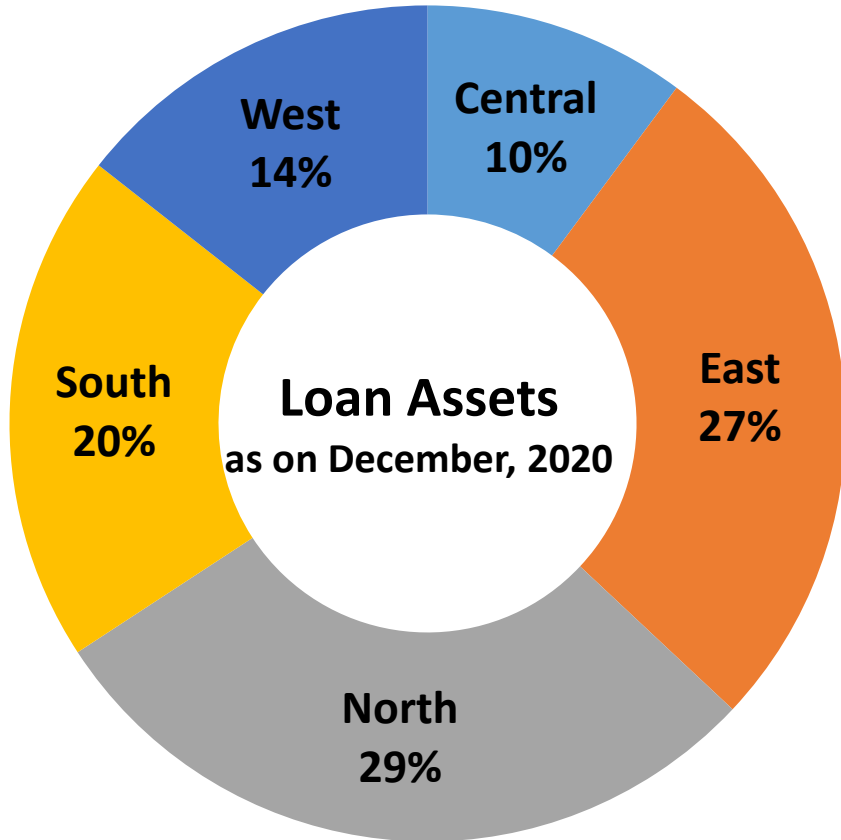
on standalone basis

Asset Class	As on December – 20	As on December – 19	As on March – 20
Auto/ Utility vehicles	30%	27%	27%
Tractors	17%	17%	17%
Cars	22%	21%	21%
Commercial vehicles and Construction equipments	17%	18%	19%
Pre-owned vehicles	9%	10%	10%
SME and Others	5%*	7%	6%
Contribution of M&M assets in AUM	45%	43%	43%

* Share of SME: 3%

Break down by Geography

on standalone basis



NORTH: Chandigarh, Delhi, Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand;

EAST: Arunachal Pradesh, Assam, Bihar, Jharkhand, Meghalaya, Mizoram, Orissa, Sikkim, Tripura, West Bengal;

WEST: Dadra and Nagar Haveli, Gujarat, Maharashtra, Goa;

SOUTH: Andaman and Nicobar Island, Andhra Pradesh, Karnataka, Kerala, Pondicherry, Tamil Nadu, Telangana;

CENTRAL: Chhattisgarh, Madhya Pradesh;

Credit Rating

MMFSL believes that its credit rating and strong brand equity enables it to borrow funds at competitive rates

Credit Rating	India Ratings	Outlook
Long term and Subordinated debt (incl. MLD); Bank Facilities	IND AAA IND PP-MLD AAA emr	Stable
Short term debt	IND A1+	--
	CARE Ratings	Outlook
Long term and Subordinated debt	CARE AAA	Stable
	Brickwork	Outlook
Long term and Subordinated debt	BWR AAA	Stable
	CRISIL	Outlook
Fixed Deposit Programme	FAAA	Stable
Short term debt	CRISIL A1+	--
Long term and Subordinated debt; Bank Facilities	CRISIL AA+	Stable

Broad Based Liability Mix

on standalone basis

All figures in INR million

Working Capital Consortium Facility enhanced to Rs. 20,000 mn. comprising several banks

Funding Mix by type of Instrument (Dec'20)

Investor Type	Amount (INR mn.)	% Share
Banks/ Dev. Institutions	290,557	49.1%
Mutual Fund	49,266	8.3%
Insurance & Pension Funds	99,105	16.7%
FIs & Corporates	50,769	8.6%
Others	102,525	17.3%
Total	592,222	100.0%

Funding Mix by type of Instrument (Dec'20)

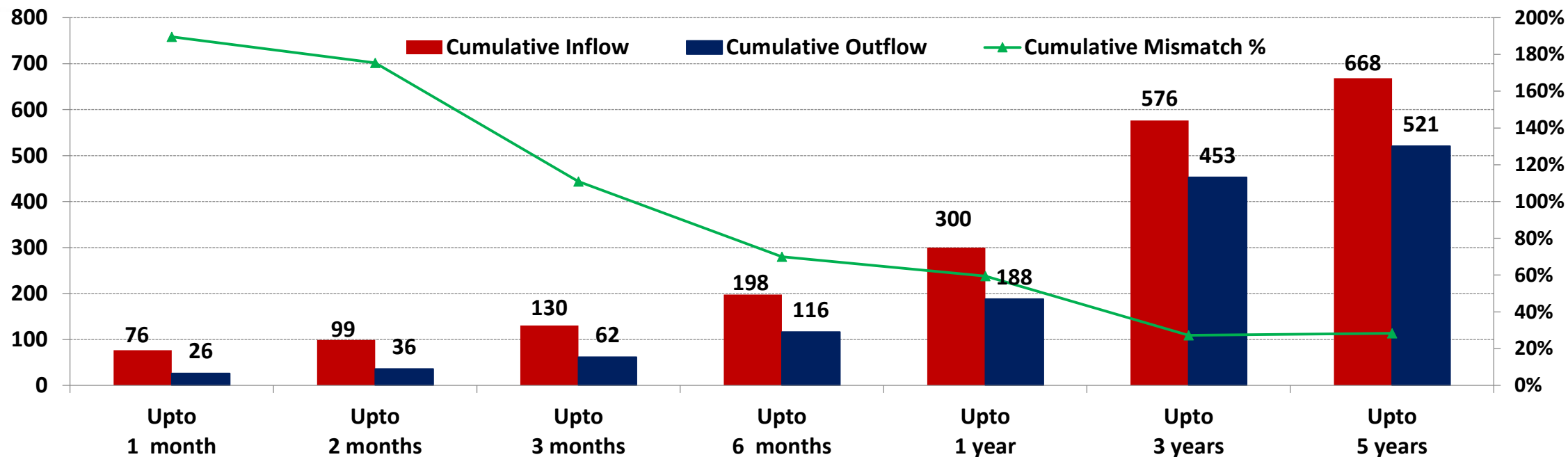
Instrument Type	Amount (INR mn.)	% Share
NCDs	164,334	27.7%
Retail NCDs	42,975	7.3%
Bank Loans	153,612	25.9%
Offshore Borrowings	40,217	6.8%
Fixed Deposits	94,690	16.0%
CP/ ICD	14,900	2.5%
Securitisation/ Assignment	81,494	13.8%
Total	592,222	100.0%

Computed based on FV/ Principal value

^ Based on holding as on Dec 31, 2020

ALM Position and Liability Maturity

All figures in INR billion



Liability Maturity [^]	Jan-21	Feb-21	Mar-21	Q4-FY21	Apr-21	May-21	Jun-21	Q1-FY22	Jan 21 - Jun 21
Bank Loans	8.8	3.6	17.5	29.9	2.7	11.8	12.8	27.3	57.2
Market Instruments (NCD/ CP)	2.0	3.0	5.2	10.2	-	-	5.0	5.0	15.2
Others (FD/ ICD)	1.4	1.7	1.3	4.4	1.9	2.0	9.4	13.3	17.7
Total	12.2	8.4	24.0	44.6	4.6	13.9	27.2	45.6	90.2

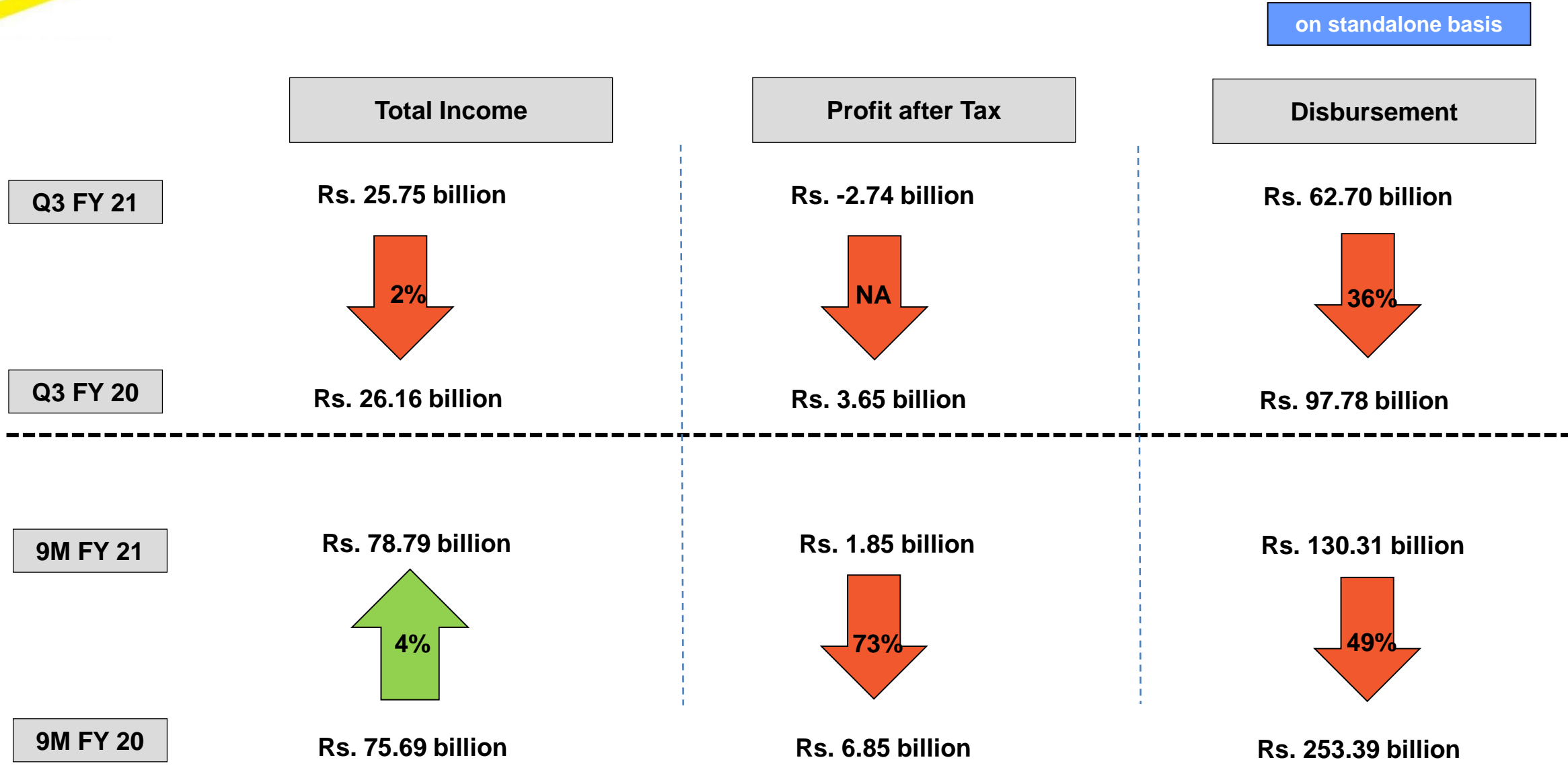
Held Cash/ Liquid investments of over INR 90 billion, in addition to undrawn sanctioned lines

[^] excl. Securitisation and as on December 31, 2020

* ALM based on provisional data as on December 31, 2020

Key Financials

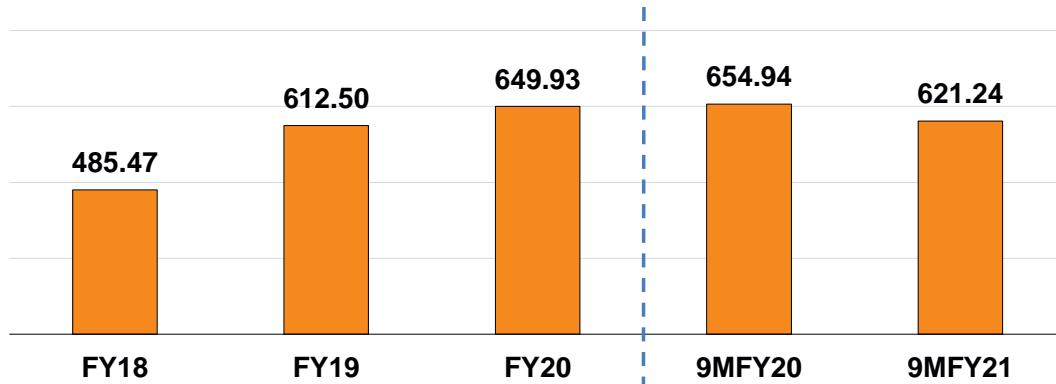
on standalone basis



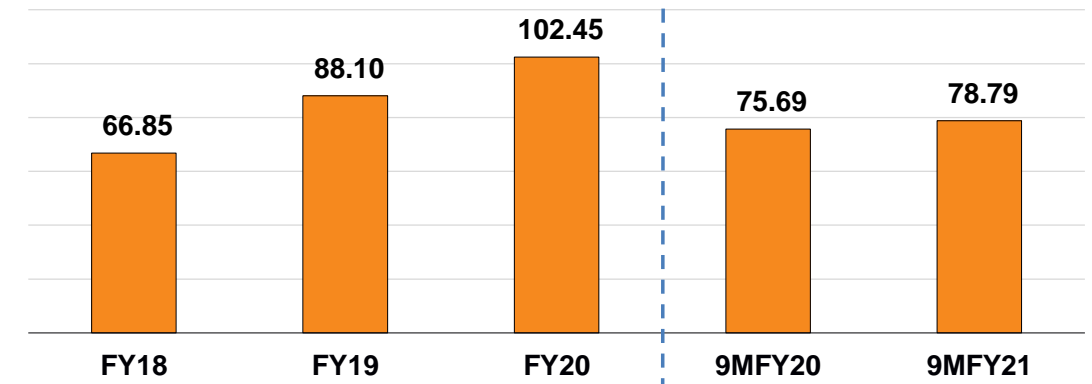
Growth Trajectory

on standalone basis

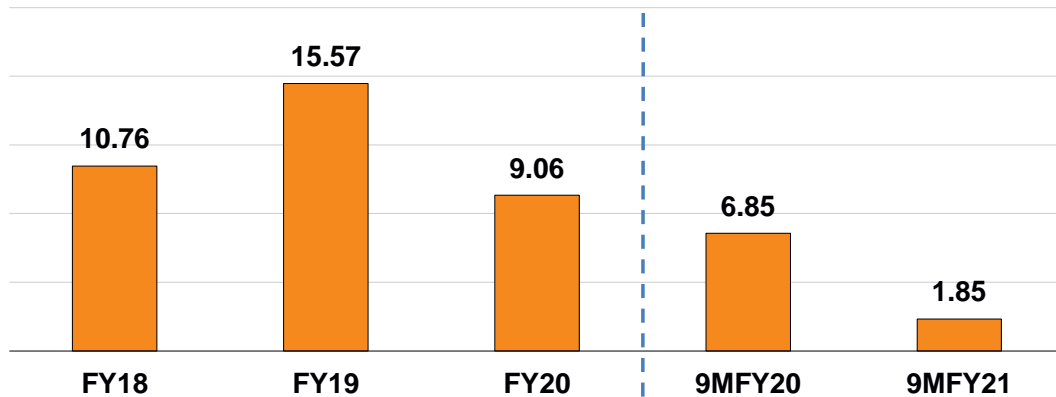
Loan Book ⁽¹⁾ (Rs. Bn)



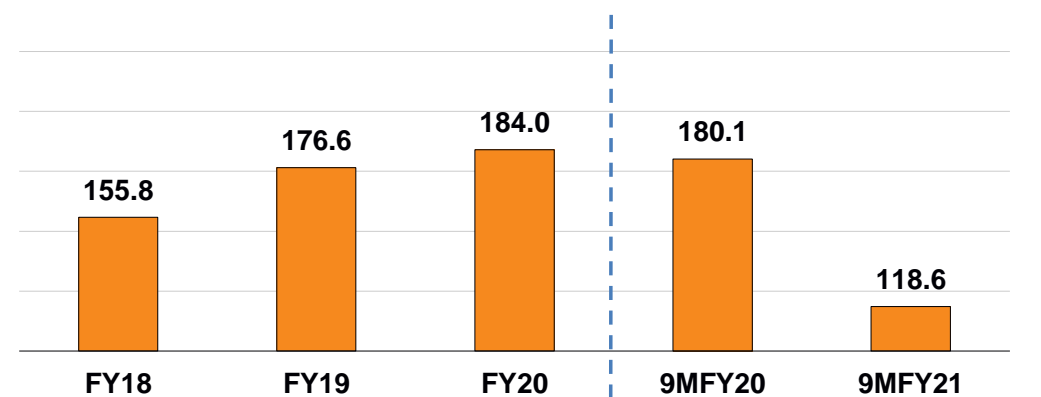
Revenues (Rs. Bn)



Profit after Tax ⁽²⁾ (Rs. Bn)



Book Value Per Share ⁽³⁾ (Rs.)



Note : ⁽¹⁾ Loan Book net of provisions.

⁽²⁾ PAT post exceptional items.

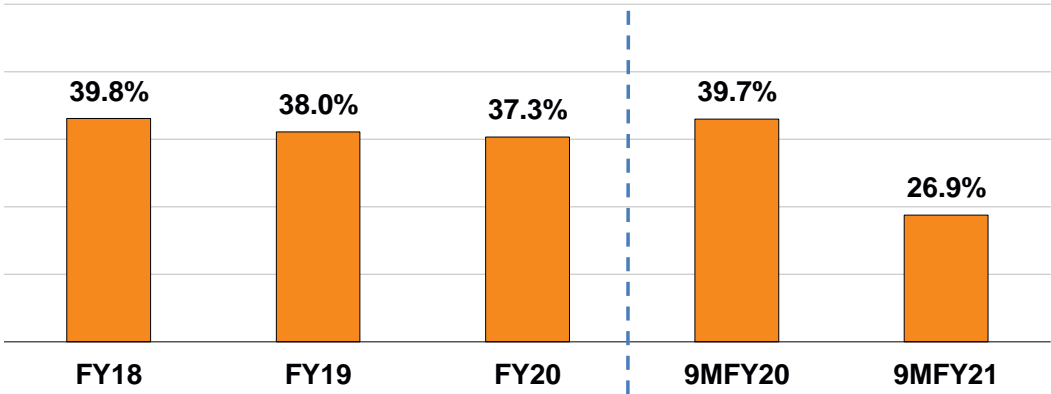
⁽³⁾ Calculated as Shareholders funds/ Number of shares.

* Book Value per share is after factoring in the Rights Issue undertaken by the Company in Q2FY21 at a price of Rs. 50 per share, in the ratio of 1 Equity share for every 1 Equity share held

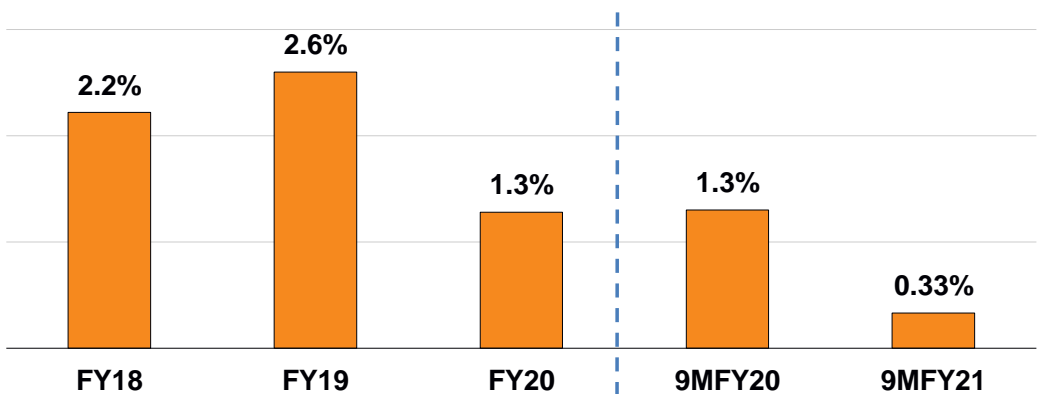
Financial Performance

on standalone basis

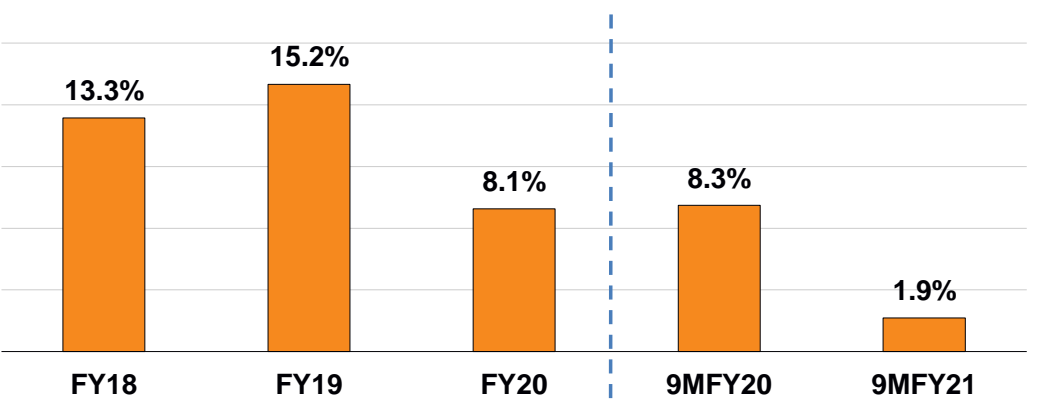
Cost to income ratio ⁽¹⁾ (%)



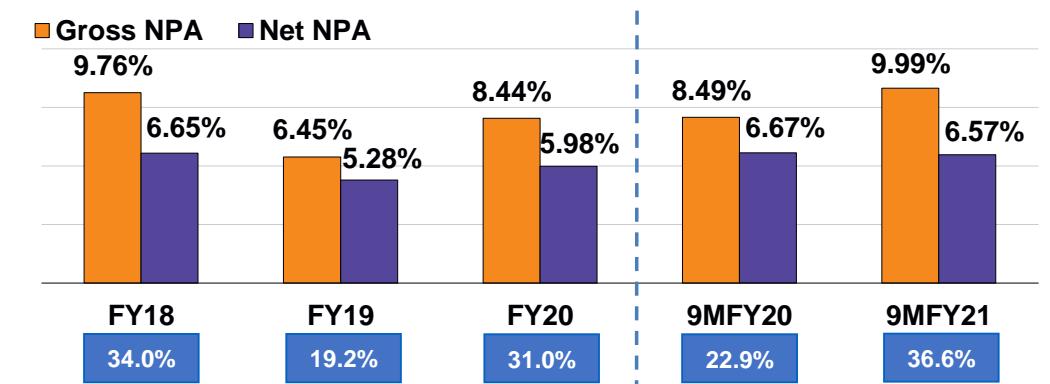
Return on Assets (ROA) ⁽²⁾ (%)



Return on Net Worth (RONW) ⁽²⁾ (%)



Asset Quality (%)



Provision Coverage Ratio: Stage -3 Provisions/ Stage -3 Assets

* NPA information provided as a percentage of Total Business Assets

Note : ⁽¹⁾ Cost to Income calculated as Operating Expenses (including depreciation)/(Net Interest Income + Other Income). ⁽²⁾ Annualised - Calculated based on average total assets/ average network

Standalone Profit & Loss Account

Particulars (Rs. in Million)	Q3FY21	Q2FY21	Q-o-Q	Q3FY20	Y-o-Y	FY 20
Revenue from operations (A)	25,418	26,129	-2.7%	25,806	-1.5%	100,979
Less: Finance cost (B)	11,583	12,216	-5.2%	12,088	-4.2%	48,288
NII (C= A+B)	13,835	13,913	-0.6%	13,718	0.9%	52,691
Other Income (D)	330	366	-9.7%	354	-6.7%	1,473
Total Income (E=C+D)	14,165	14,279	-0.8%	14,072	0.7%	54,164
Employee benefits expense (F)	2,473	2,614	-5.4%	2,889	-14.4%	11,484
Other expenses (G)	1,206	1,021	18.2%	1,938	-37.7%	7,514
Depreciation and amortization (H)	306	333	-8.2%	362	-15.6%	1,183
Total Expenses (I=F+G+H)	3,985	3,968	0.4%	5,189	-23.2%	20,181
Pre-Provisioning Operating Profit (J=E-I)	10,180	10,311	-1.3%	8,883	14.6%	33,983
Provisions and write-offs (K)	13,867	6,194	123.9%	4,001	246.6%	20,545
Profit before Tax (L=J-K)	-3,687	4,117	-	4,882	-	13,438
Tax expense (M)	-946	1,082	-	1,229	-	4,374
Net Profit after Taxes (N=L-M)	-2,741	3,035	-	3,653	-	9,064

* Figures re-grouped and rounded where found relevant

Standalone Profit & Loss Account

Particulars (Rs. in Million)	Nine months ended Dec – 20	Nine months ended Dec – 19	Y-o-Y	FY20
Revenue from operations (A)	77,952	74,610	4.5%	100,979
Less: Finance cost (B)	36,445	35,393	3.0%	48,288
NII (C= A+B)	41,507	39,217	5.8%	52,691
Other Income (D)	841	1,084	-22.4%	1,473
Total Income (E=C+D)	42,348	40,301	5.1%	54,164
Employee benefits expense (F)	7,333	9,350	-21.6%	11,484
Other expenses (G)	3,123	5,570	-43.9%	7,514
Depreciation and amortization (H)	954	1,065	-10.4%	1,183
Total Expenses (I=F+G+H)	11,410	15,985	-28.6%	20,181
Pre-Provisioning Operating Profit (J=E-I)	30,938	24,316	27.2%	33,983
Provisions and write-offs (K) ^	28,488	13,803	106.4%	20,545
Profit before Exceptional items (L=J-K)	2,450	10,513	-76.7%	13,438
Exceptional Items (M) #	61	-	-	-
Profit before Tax (N=L+M)	2,511	10,513	-76.1%	13,438
Tax expense (O)	659	3,658	-82.0%	4,374
Net Profit after Taxes (P=N-O)	1,852	6,855	-73.0%	9,064

^ * The Company has cumulative management overlay of Rs. 10,641.3 million as at 31 December 2020 for covering the contingencies that may arise due to COVID – 19 pandemic.

On account of sale of shares by the Company in the AMC business to Manulife

* Figures re-grouped and rounded where found relevant

Standalone Balance Sheet

Particulars (Rs. in Million)	As on Dec 31, 2020	As on Dec 31, 2019	As on Mar 31, 2020
ASSETS			
Financial Asset			
a) Cash and cash equivalents	12,516	3,685	6,768
b) Bank balance other than (a) above	23,600	7,140	7,490
c) Derivative financial instruments	166	129	929
d) Trade Receivables	77	29	86
e) Loans	621,235	654,935	649,935
e) Investments	95,910	51,425	59,110
g) Other Financial Assets	6,003	5,224	4,766
Financial Asset	759,507	722,567	729,084
Non-Financial Asset			
a) Current tax assets (Net)	5,331	5,825	2,400
b) Deferred tax assets (Net)	5,401	959	4,896
c) Property, plant and equipment	3,071	3,231	3,379
d) Other Intangible assets	178	243	256
e) Other non-financial assets	643	758	697
Non-Financial Assets	14,624	11,016	11,628
Total Assets	774,131	733,583	740,712

* Figures re-grouped and rounded where found relevant

Standalone Balance Sheet (Contd.)

Particulars (Rs. in Million)	As on Dec 31, 2020	As on Dec 31, 2019	As on Mar 31, 2020
LIABILITIES AND EQUITY			
Financial Liabilities			
a) Derivative financial instruments	1,001	425	402
b) Payables			
i) Trade payables	8,238	8,288	6,063
ii) Other payables	205	278	294
c) Debt Securities	184,476	210,405	177,449
d) Borrowings (Other than Debt Securities)	279,380	259,699	294,873
e) Deposits	94,352	83,183	88,121
f) Subordinated Liabilities	33,475	34,158	34,179
g) Other financial liabilities	23,930	22,660	23,140
Financial Liabilities	625,057	619,096	624,521
Non-Financial liabilities			
a) Current tax liabilities (Net)	139	139	139
b) Provisions	1,814	2,169	1,432
c) Other non-financial liabilities	582	933	981
Non-Financial Liabilities	2,535	3,241	2,552
Equity			
a) Equity Share capital	2,464	1,231	1,231
b) Other Equity	144,075	110,015	112,408
Equity	146,539	111,246	113,639
Total Equities and Liabilities	774,131	733,583	740,712

* Figures re-grouped and rounded where found relevant

Summary & Key Ratios

on standalone basis

Particulars	Nine months ended Dec – 20	Nine months ended Dec – 19	Year ended March – 20
RONW (Avg. Net Worth) ^	1.9%	8.3%	8.1%
Debt / Equity	4.04:1	5.28:1	5.23:1
Capital Adequacy	26.4%	19.6%	19.6%
Tier I	21.9%	15.4%	15.4%
Tier II	4.5%	4.2%	4.2%
EPS (Basic) (Rs.)*	1.74	7.63	10.09
Book Value (Rs.)	118.6	180.1	184.0
New Contracts During the period (Nos.)	289,588	588,250	757,463
No. of employees	20,544	21,850	21,862

* Pursuant to Ind AS - 33, Earnings Per Share for the previous periods have been restated for the bonus element in respect of the Rights issue

^ Average Net-Worth computed based on the period for which the Rights Issue proceeds capital has utilised

* Figures re-grouped and rounded where found relevant

Spread Analysis

on standalone basis

Particulars	Nine months ended Dec – 20	Nine months ended Dec – 19	Year ended March – 20
Total Loan Income / Average Business Assets	14.7%	14.7%	14.9%
Total Income / Average Assets	13.9%	14.4%	14.5%
Interest / Average Assets	6.4%	6.7%	6.8%
Gross Spread	7.5%	7.7%	7.7%
Overheads / Average Assets	2.0%	3.0%	2.9%
Write offs & NPA provisions / Average Assets	5.0%	2.6%	2.9%
Net Spread	0.4%	2.0%	1.9%
Net Spread after Tax	0.3%	1.3%	1.3%

Cost of excess Liquidity maintained in the Balance Sheet has led to reduction in Gross Spread, partially offset through reduction in Interest costs

Average Assets is computed based on Net Total Assets i.e Total Assets less Provisions

NPA Analysis

on standalone basis

Particulars (Rs. in Million) except figures in %	As on Dec 31, 2020	As on Dec 31, 2019	As on Mar 31, 2020
Business Assets (including Provisions)	665,254	680,179	680,890
Gross NPA (Stage 3)	66,426	57,733	57,467
Less: ECL Provisions (Stage 3)	24,313	13,214	17,802
Net NPA (Stage 3)	42,113	44,519	39,665
Gross NPA as % of Business Assets (Stage 3)	9.99%	8.49%	8.44%
Net NPA as % of Business Assets (Stage 3)	6.57%	6.67%	5.98%
Coverage Ratio (%) – based on Stage 3 ECL	36.6%	22.9%	31.0%
Stage 1 & 2 provision to Business Assets (%)	3.0%	1.8%	1.9%
Coverage Ratio (%) – including Stage 1 & 2 provision	66.2%	43.8%	53.8%

Particulars (in units) except figures in %	As on Dec 31, 2020	As on Dec 31, 2019	As on Mar 31, 2020
Contracts under NPA (90 dpd)	155,437	138,635	131,597
% of Live Cases under NPA	6.0%	5.4%	5.0%
Repossessed Assets (out of above NPA)	10,836	13,821	14,382

* Figures re-grouped and rounded where found relevant

Collection Efficiency, Moratorium and Restructuring

on standalone basis

Collection Efficiency [^]	October	November	December	Quarter 3
FY 2021	82%	84%	96%	88%
FY 2020	88%	95%	95%	93%

[^] Computed as (Current month demand collected + Overdues collected)/(Current month demand due for the month)

Moratorium Aailed Contracts	Total Number of Contracts (A)	Nil collection in Q3 FY 2021 - % of (A)
- with amount due in Q3 FY2021	14,97,184	6%
- which had not made any payment till end Sep' 20	274,061	16%

Restructuring/ ECLGS	Number of Contracts	Amount (INR million)
Restructuring	95	68
ECLGS	13,787	2,386

* Figures re-grouped and rounded where found relevant

Stage Wise Provisioning and Covid-19 Management overlay

on standalone basis

Stage-Wise Assets and Provisioning								
Particulars (Rs. in Million)	As on 31 st Dec 2020				As on 30 th Sep 2020			
	Business Assets	%	Provisions	% of BA	Business Assets	%	Provisions	% of BA
Stage - 1 Assets	505,004	75.91%	7,550	1.5%	578,119	85.30%	7,205	1.2%
Stage - 2 Assets	93,824	14.10%	12,102	12.9%	51,945	7.67%	9,846	19.0%
Stage - 3 Assets	66,426	9.99%	24,313	36.6%	47,668	7.03%	16,730	35.1%
Total	665,254		43,966	6.6%	67,7732		33,781	5.0%

Cumulative Covid-19 Management Overlay				
	Mar 31, 2020	Jun 30, 2020	Sep 30, 2020	Dec 31, 2020
Stage – 1	575	704	709	-
Stage – 2	422	365	2,794	174 [^]
Stage – 3	4,743	9,439	11,339	10,467
Total	5,740	10,508	14,842	10,641

The overlay provisions on Stage 1 & 2 assets as of previous quarter end has been subsumed in the normal provisions during the current quarter

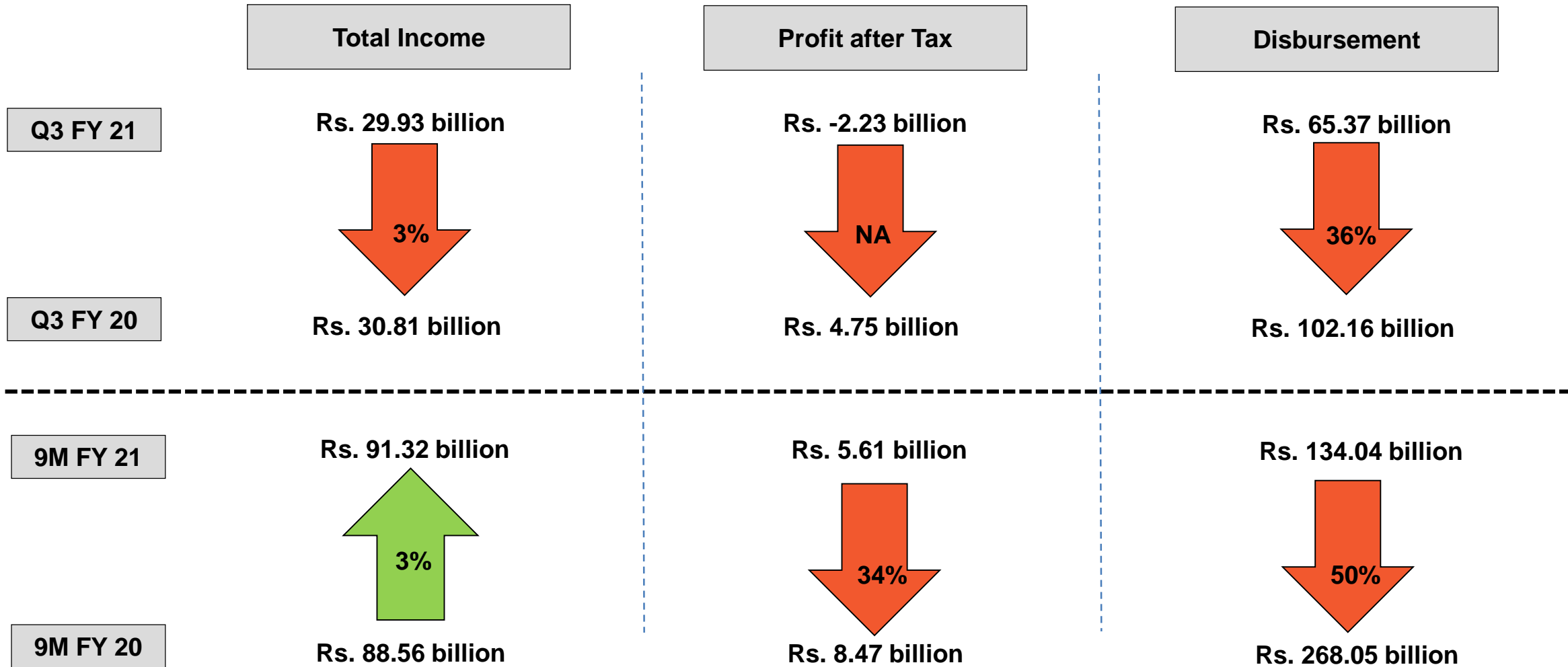
Comparison of IRACP and IND-AS Provisioning requirement			
Provisioning (as on 31 st December 2020)	IRACP (A)	IND-AS (B)	Difference (B-A)
Stage 1 and Stage 2	7,197	19,653	12,456
Stage 3	24,076	24,313	237
Total	31,273	43,966	12,693

* Figures re-grouped and rounded where found relevant

[^] Pertains to SME business

Key Financials (Consolidated)

on consolidated basis



Consolidated Profit & Loss Account

Particulars (Rs. in Million)	Q3FY21	Q2FY21	Q-o-Q	Q3FY20	Y-o-Y	FY 20
Revenue from operations (A)	29,580	30,351	-2.5%	30,461	-2.9%	118,830
Less: Finance cost (B)	13,118	13,685	-4.1%	13,514	-2.9%	53,906
NII (C= A+B)	16,462	16,666	-1.2%	16,947	-2.9%	64,924
Other Income (D)	350	354	-1.2%	352	-0.6%	1,135
Total Income (E=C+D)	16,812	17,020	-1.2%	17,299	-2.8%	66,059
Employee benefits expense (F)	3,360	3,511	-4.3%	4,020	-16.4%	16,098
Other expenses (G)	1,720	1,455	18.2%	2,486	-30.8%	9,741
Depreciation and amortization (H)	365	396	-7.7%	432	-15.5%	1,469
Total Expenses (I=F+G+H)	5,445	5,362	1.5%	6,938	-21.5%	27,308
Pre-Provisioning Operating Profit (J=E-I)	11,367	11,658	-2.5%	10,361	9.7%	38,751
Provisions and write-offs (K)	14,740	6,658	121.4%	4,202	250.8%	23,190
Profit before Share of associates(L=J-K)	-3,373	5,000	-	6,159	-	15,561
Share of Profit of Associates (M)	244	-124	-	129	-	459
Profit before taxes (N= L+M)	-3,129	4,876	-	6,288	-	16,020
Tax expense (O)	-897	1,351	-	1,539	-	5,162
Net Profit after Taxes (P=N-O)	-2,232	3,525	-	4,749	-	10,858

* Figures re-grouped and rounded where found relevant

Consolidated Profit & Loss Account

Particulars (Rs. in Million)	Nine months ended Dec – 20	Nine months ended Dec – 19	Y-o-Y	FY20
Revenue from operations (A)	90,497	87,820	3.0%	118,830
Less: Finance cost (B)	40,815	39,599	3.1%	53,906
NII (C= A+B)	49,682	48,221	3.0%	64,924
Other Income (D)	825	743	11.0%	1,135
Total Income (E=C+D)	50,507	48,964	3.2%	66,059
Employee benefits expense (F)	9,862	12,887	-23.5%	16,098
Other expenses (G)	4,374	7,247	-39.6%	9,741
Depreciation and amortization (H)	1,140	1,279	-10.8%	1,469
Total Expenses (I=F+G+H)	15,376	21,413	-28.2%	27,308
Pre-Provisioning Operating Profit (J=E-I)	35,131	27,551	27.5%	38,751
Provisions and write-offs (K) ^	30,887	14,971	106.3%	23,190
Profit before Exceptional/ share of associates(L=J-K)	4,244	12,580	-66.3%	15,561
Exceptional items (M) #	2,285	-	-	-
Share of Profit of Associates (N)	255	376	-32.4%	459
Profit before taxes (O= L+M+N)	6,784	12,956	-47.6%	16,020
Tax expense (P)	1,170	4,487	-73.9%	5,162
Net Profit after Taxes (Q=O-P)	5,614	8,469	-33.7%	10,858

^ The Company has cumulative management overlay of Rs. 11,809.1 million as at 31 December 2020 for covering the contingencies that may arise due to COVID – 19 pandemic.

On account of sale of shares by the Company in the AMC business to Manulife

* Figures re-grouped and rounded where found relevant

Consolidated Balance Sheet

Particulars (Rs. in Million)	As on Dec 31, 2020	As on Dec 31, 2019	As on Mar 31, 2019
ASSETS			
Financial Asset			
a) Cash and cash equivalents	17,171	4,014	5,372
b) Bank balance other than (a) above	31,448	7,140	4,568
c) Derivative financial instruments	166	129	100
d) Trade Receivables	436	481	536
e) Loans	693,994	734,944	689,390
f) Investments	98,550	46,348	33,274
g) Other Financial Assets	6,657	5,679	2,121
Financial Asset	848,422	798,735	735,361
Non-Financial Asset			
a) Current tax assets (Net)	5,716	6,288	3,121
b) Deferred tax Assets (Net)	6,097	1,295	4,497
c) Property, plant and equipment	3,745	4,163	1,682
d) Intangible assets under development	14	11	8
e) Other Intangible assets	193	265	333
f) Other non-financial assets	828	946	758
Non-Financial Assets	16,593	12,968	10,399
Total Assets	865,015	811,703	745,760

* Figures re-grouped and rounded where found relevant

Consolidated Balance Sheet (Contd.)

Particulars (Rs. in Million)	As on Dec 31, 2020	As on Dec 31, 2019	As on Mar 31, 2019
LIABILITIES AND EQUITY			
Financial Liabilities			
a) Derivative financial instruments	1,001	425	770
b) Payables			
i) Trade payables	9,812	9,294	11,143
ii) Other payables	205	278	342
c) Debt Securities	211,486	232,013	247,159
d) Borrowings (Other than Debt Securities)	320,012	299,154	246,327
e) Deposits	93,507	82,875	56,309
f) Subordinated Liabilities	38,075	36,792	38,221
g) Other financial liabilities	30,662	29,481	28,408
Financial Liabilities	704,760	690,312	628,679
Non-Financial liabilities			
a) Current tax liabilities (Net)	174	139	139
b) Provisions	2,377	2,898	2,550
c) Other non-financial liabilities	592	1,053	917
Non-Financial Liabilities	3,143	4,090	3,606
Equity			
a) Equity Share capital	2,464	1,231	1,230
b) Other Equity	153,700	115,217	111,460
c) Non-controlling interests	948	853	785
Equity (incl attributable to minority investors)	157,112	117,301	113,475
Total Equities and Liabilities	865,015	811,703	745,760

* Figures re-grouped and rounded where found relevant



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Key Subsidiaries

Awards & Accolades

Risk Management Policies

Transforming rural lives across the country

Mahindra Rural Housing Finance Limited

Particulars (Rs. million)	Q3FY21	Q3FY20	Nine Months ended December – 20	Nine Months ended December – 19	Year ended March – 20
Loans disbursed	2,671	4,372	3,728	14,652	18,764
No. of Customer Contracts (nos.)	11,558	21,387	14,622	74,050	95,523
Loans & Advances (net)	78,429	84,548	78,429	84,548	78,701
Total income	3,545	3,936	11,169	11,271	15,276
PBT	110	1,152	1,504	2,173	2,056
PAT*	114	906	1,165	1,481	1,486
Net-worth	13,665	12,466	13,665	12,466	12,481
Gross NPA (Stage 3)	14.87%	17.56%	14.87%	17.56%	15.13%
Net NPA % (Stage 3)	10.73%	14.23%	10.73%	14.23%	10.75%

- **Business Area:** Provide loans for home construction, extension, purchase and improvement to customers in rural and semi-urban India
- **Shareholding pattern:** MMFSL – 98.43%; MRHFL Employee Welfare Trust and Employees – 1.57%
- **Reach:** Currently spread in 14 States & 1 Union Territory

* PAT declined due to lower income on reduced loan book, contract migration from Stage 1 to Stage 2 post moratorium and negative carry on excess liquidity

^ The Company has cumulative management overlay of Rs. 1,167.8 million as at 31 December 2020 for covering the contingencies that may arise due to COVID – 19 pandemic.

Figures re-grouped and rounded where found relevant

Mahindra Insurance Brokers Limited

Particulars (Rs. million)	Q3FY21	Q3FY20	Nine Months ended December – 20	Nine Months ended December – 19	Year ended March – 20
No. of Policies for the Period (nos.)	444,286	606,261	978,443	1,698,407	2,233,711
Net Premium	5,231	5,872	12,105	14,890	20,791
Total income	811	912	1,824	2,490	3,369
PBT	199	222	276	456	739
PAT	148	160	205	330	534
No. of employees (nos.)	1,127	1,180	1,127	1,180	1,180

- **Business Area:** Licensed by IRDA for undertaking insurance broking in Life, Non-Life and reinsurance businesses
- **Shareholding pattern:** MMFSL – 80%; Inclusion Resources Pvt. Ltd. – 20%



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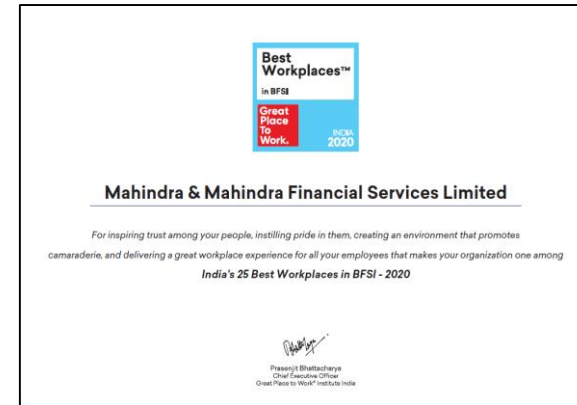
Awards & Accolades

Risk Management Policies

Transforming rural lives across the country

Awards and Accolades

- Awarded the Indian Oil Logistics Award **CV Financer** of the Year 2019;
- Awarded the 1st position for **Excellence in Cost Management** – 2018 at the 16th National Awards for “Excellence in Cost Management – 2018” in Banking, Financial Services and Insurance Category;
- Awarded the **IDF CSR Award 2019** for participation in Resource Mobilization for Humanitarian Causes;
- Recognized as the only Financial Institute from India to be in the **Dow Jones Sustainability Index** for Emerging Markets category, for 7th year in a row.;
- Ranked **6th amongst “Best Large Workplaces in Asia 2020”**, by Great Place to Work[®] Institute;
- Awarded ‘**Best Employer**’ by **Aon Best Employers** – India 2019 programme;
- Included **2nd time** in the renowned FTSE4Good Index Series for ESG (Environmental, Social & Governance) performance.
- Ranked **48th amongst Top 100** Indian companies for Sustainability & CSR under Responsible Business Rankings 2020 by Futurescape
- Attained **performance band : B** in the CDP assessment 2019-20.



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Transforming rural lives across the country

Risk Management Policies

Provisioning Norms

Stage	Description	Provision Mechanism
Stage 1	0- 30 days past due	PD * LGD * Stage 1 Asset
Stage 2	> 30 to <= 90days past due	PD * LGD * Stage 2 Asset
Stage 3	> 90 days past due	LGD * EAD of Stage 3 Asset*

The Company may also make additional management overlays based on its assessment of risk profile and to create safeguard from potential future events

PD – Probability of Default;

LGD – Loss given Default;

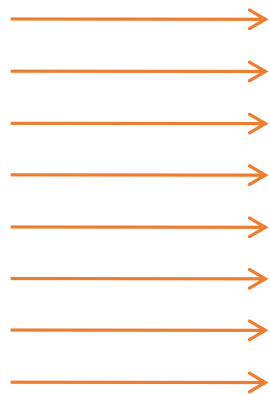
EAD – Exposure at Default

**Fair valued at reporting date*

Key Risks & Management Strategies

Key Risks

- Volatility in interest rates
- Rising competition
- Raising funds at competitive rates
- Dependence on M&M
- Occurrence of natural disasters
- Adhering to write-off standards
- Employee retention
- Physical cash management



Management Strategies

- Matching of asset and liabilities
- Increasing branch network
- Maintaining credit rating & improving asset quality
- Increasing non-M&M Portfolio
- Increasing geographical spread
- Diversify the product portfolio
- Job rotation / ESOP/ Recovery based performance initiatives
- Insurance & effective internal control

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