

24th July, 2019

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

We refer to our letter dated 23rd July, 2019 on the above subject. In this connection we are enclosing herewith the revised Investors/Analysts' presentation on the Unaudited Financial Results of the Company for the first quarter ended 30th June, 2019.

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

Kindly take the same on record.

Thanking you,

Yours Faithfully,
Mahindra & Mahindra Financial Services Limited

For


Arnavaz M. Pardiwalla
Company Secretary & Compliance Officer



Encl: a/a

Mahindra & Mahindra Financial Services Limited

Quarter Result Update
June - 2019

Corporate Office:

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Dr. G. M. Bhosale Marg, Worli,
Mumbai-400 018, India

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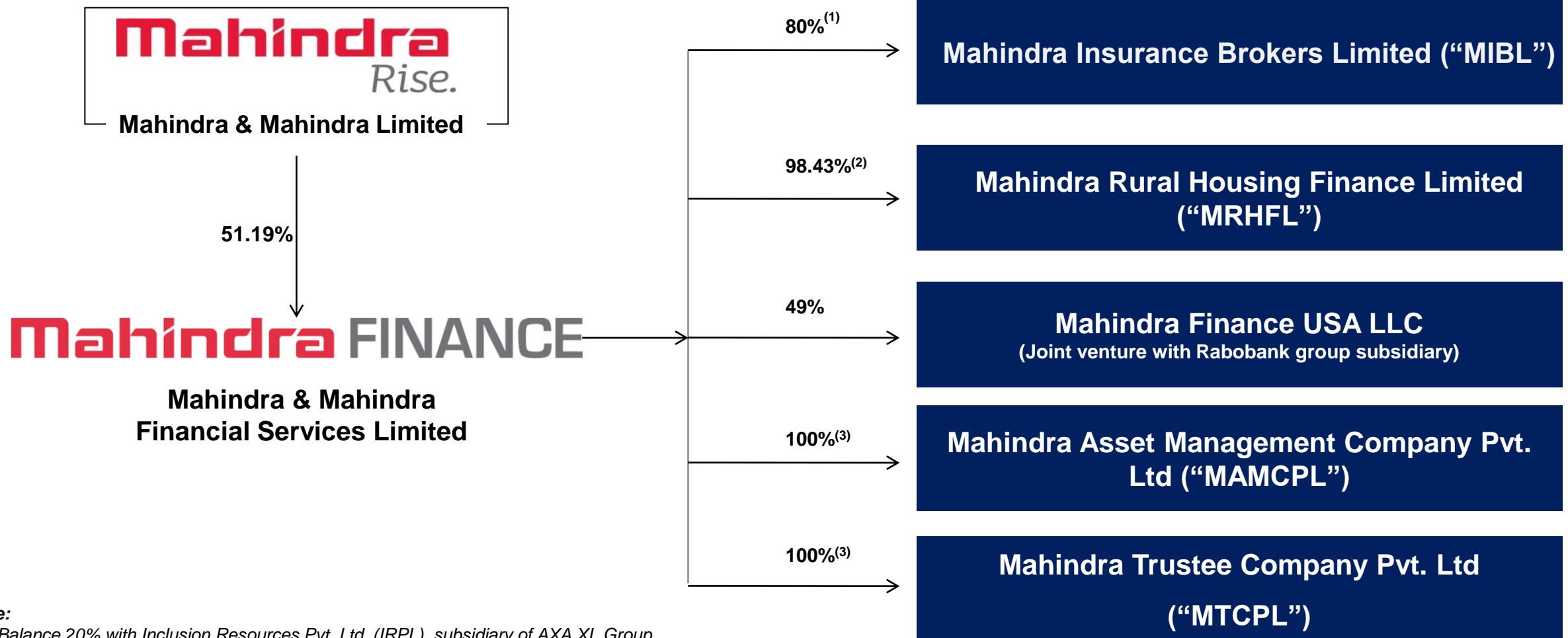
CIN - L65921MH1991PLC059642

Company Background

- Parentage:** Mahindra & Mahindra Financial Services Limited (“MMFSL”) is a subsidiary of Mahindra and Mahindra Limited (*Mcap: Rs 702 billion*)*, India’s largest tractor and utility vehicle manufacturer
- About MMFSL:** MMFSL (*Mcap: Rs 221 billion*)*, one of India’s leading non-banking finance companies focused in the rural and semi-urban sector is the largest Indian tractor financier
- 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 1,334 offices covering 28 states and 5 union territories in India, with over 6.28 million vehicle finance customer contracts since inception
- Credit Ratings:** India Ratings has assigned AAA(ind)/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 July 22, 2019 from BSE website*

MMFSL Group structure

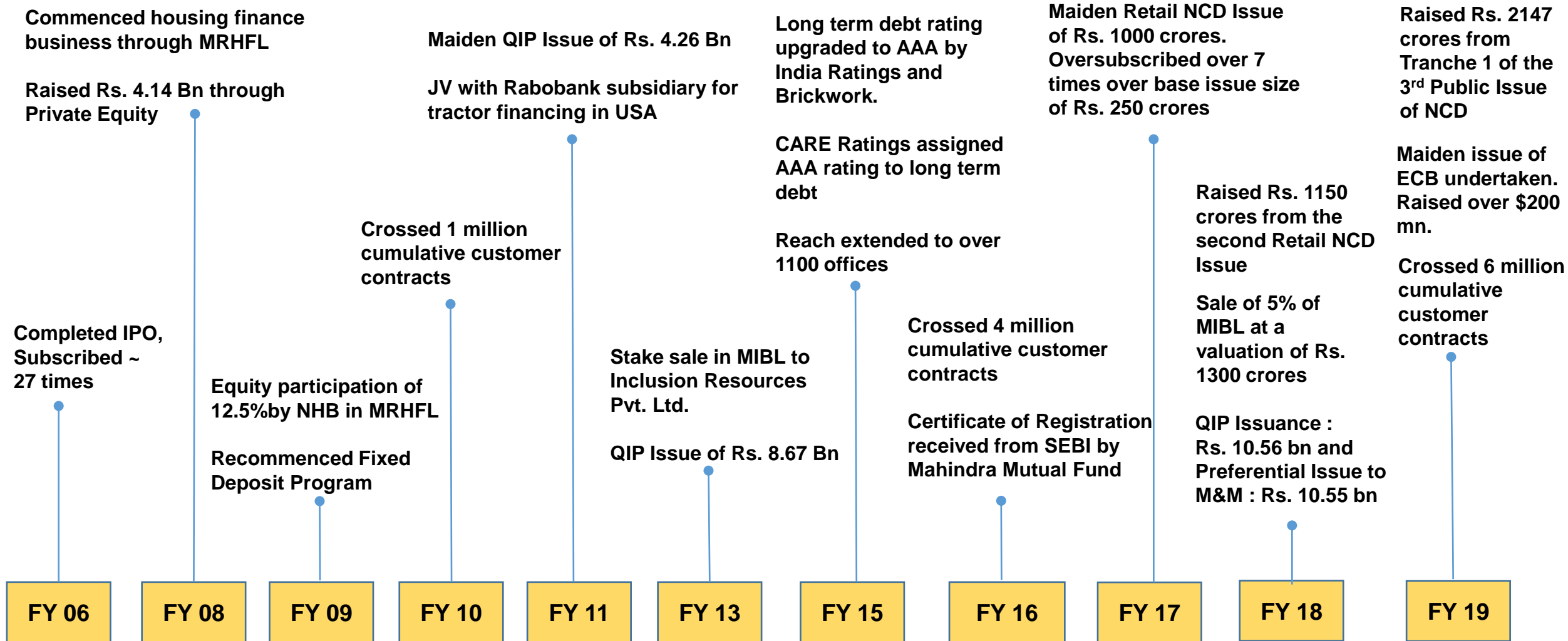


Note:

1. Balance 20% with Inclusion Resources Pvt. Ltd. (IRPL), subsidiary of AXA XL Group
2. Balance 1.57% with MRHFL Employee Welfare Trust
3. Manulife has entered into a Share Subscription Agreement with the Company for subscribing to 49% of the shareholding of MAMCPL and MTCPL, subject to regulatory approvals
4. The Company formed Mahindra Finance CSR Foundation as a wholly owned subsidiary on 2nd April 2019 for undertaking all CSR initiatives under one umbrella

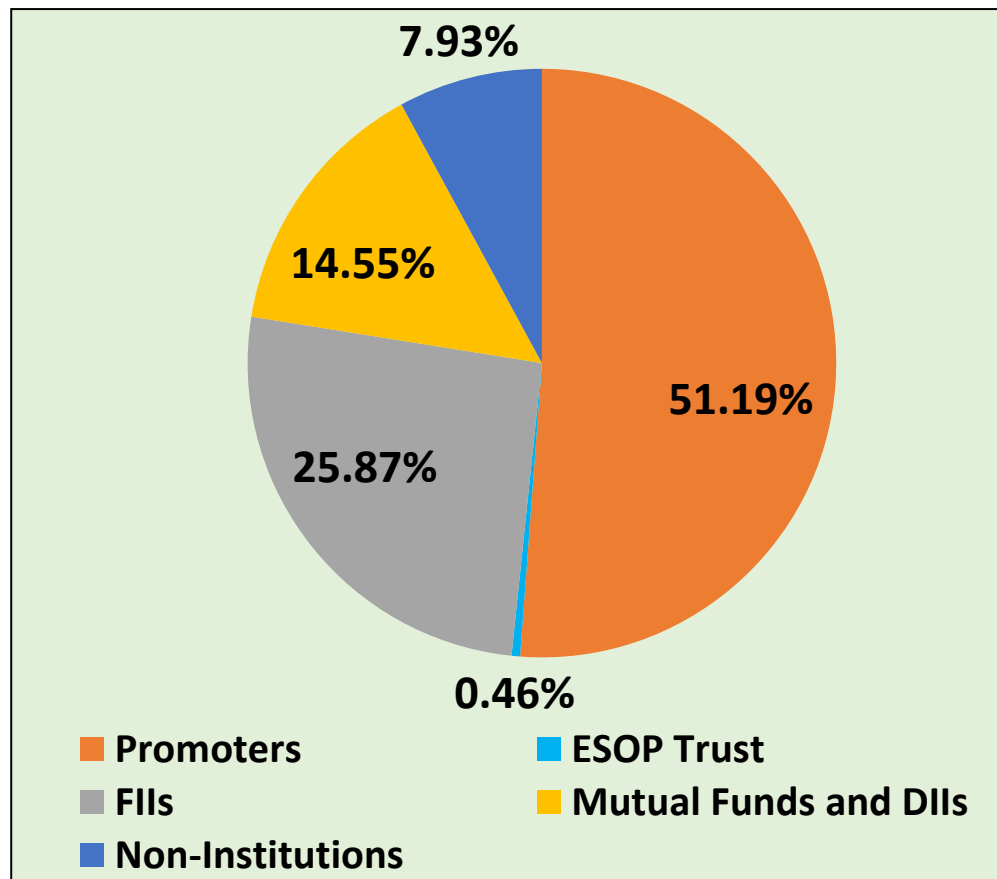
* As on June 30, 2019

Our Journey



Shareholding Pattern (as on 30th June, 2019)

Shareholding Pattern Chart



Mahindra & Mahindra Limited holds a stake of 51.19% in the Company

Top 10 Public Shareholders

- HDFC Life Insurance Company Limited
- Life Insurance Corporation Of India
- Kotak Funds - India Midcap Fund
- Blackrock Global Funds Asian Dragon Fund
- Blackrock Global Funds - Asian Growth Leaders Fund
- Valiant Mauritius Partners Offshore Limited
- Life Insurance Corporation Of India P & Gs Fund
- SBI Blue Chip Fund
- Bank Muscat India Fund
- Vanguard Emerging Markets Stock Index Fund

Automobile Finance Market: 5 years Projected Growth

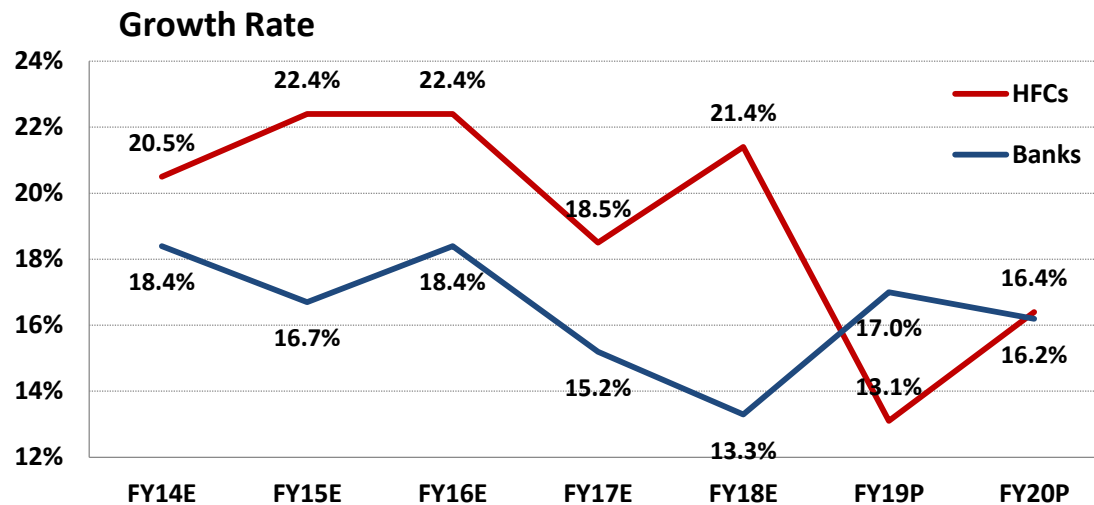
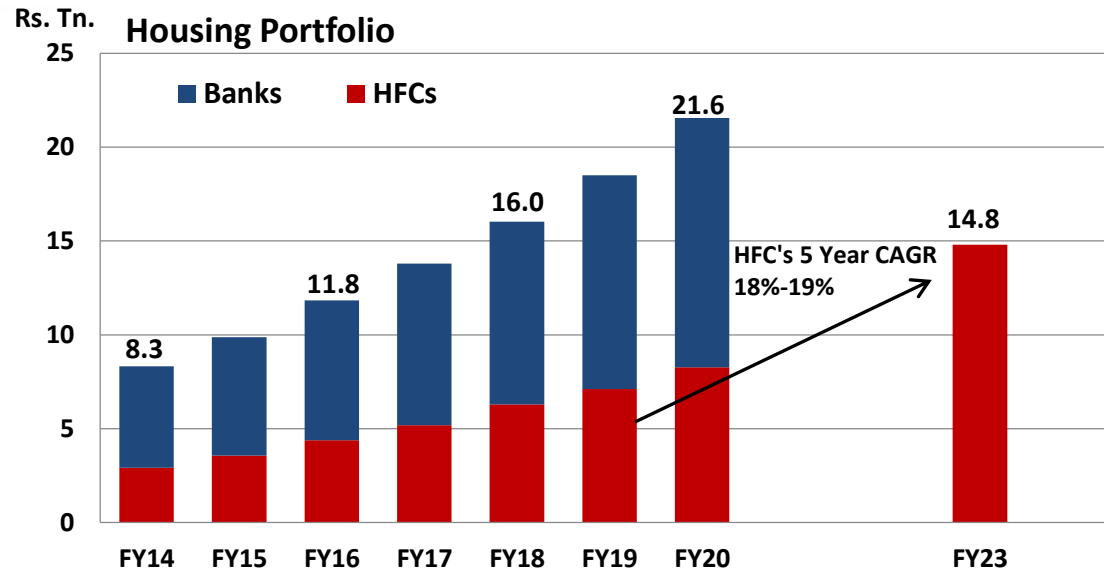
| Segment-wise growth in disbursement | | | | | |
|-------------------------------------|-----------------|--------------------|---------------------|--------------------|---------------------|
| | FY 14 (Rs. Bn.) | CAGR FY 14 – FY 19 | FY 19 (E) (Rs. Bn.) | CAGR FY 19 – FY 24 | FY 24 (P) (Rs. Bn.) |
| Passenger vehicle | 696 | 8% | 1,032 | 10% - 12% | 1,747 |
| Commercial vehicle | 351 | 20% | 859 | 5% - 7% | 1,171 |
| Two wheelers | 140 | 18% | 309 | 11% - 13% | 552 |
| Three wheelers | 64 | 12% | 110 | 10% - 12% | 188 |

Source: CRISIL Research, Retail Finance - Auto, June 2019

| Car & UV Loan Portfolio | Top 20 Cities | Other Cities |
|------------------------------|---------------|--------------|
| Outstanding Loan Composition | 58% | 42% |
| Finance Penetration Ratio | 80.0% | 65.0% |

- By FY 2024P, penetration levels are projected to increase to 79.5% for cars and 76.5% for utility vehicles from 77.5% and 74% respectively (FY 2019 (E)) as a result of a moderation in interest rates and better availability of credit information
- Loan-to-value (LTVs) expected to increase marginally to 77% for cars and 74.5% for UVs from 75.5% and 73% respectively over the same period
- Finance penetration in cities (excluding top 20) expected to grow with availability of credit information and more customers coming under the purview of formal financial services

Housing Finance Growth



- Growth momentum in the sector expected to slow down especially for HFC's. However, demand side fundamentals remain strong.
- Affordable housing a new growth engine. PSL enhancement to also support growth
- Share of loans from Banks to increase as over the medium term
- Deeper mortgage penetration and increased demand from Tier II/ smaller towns to fuel loan growth over the period
- Government's aggressive push towards affordable housing leading to 3x increase in number of houses
- Mortgage penetration in India is 9 – 11 years behind other regional emerging markets like China and Thailand



Company Overview

Industry Overview

Business Strategy

Financial Information

Key Subsidiaries

Awards & Accolades

Risk Management Policies

Transforming rural lives across the country

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

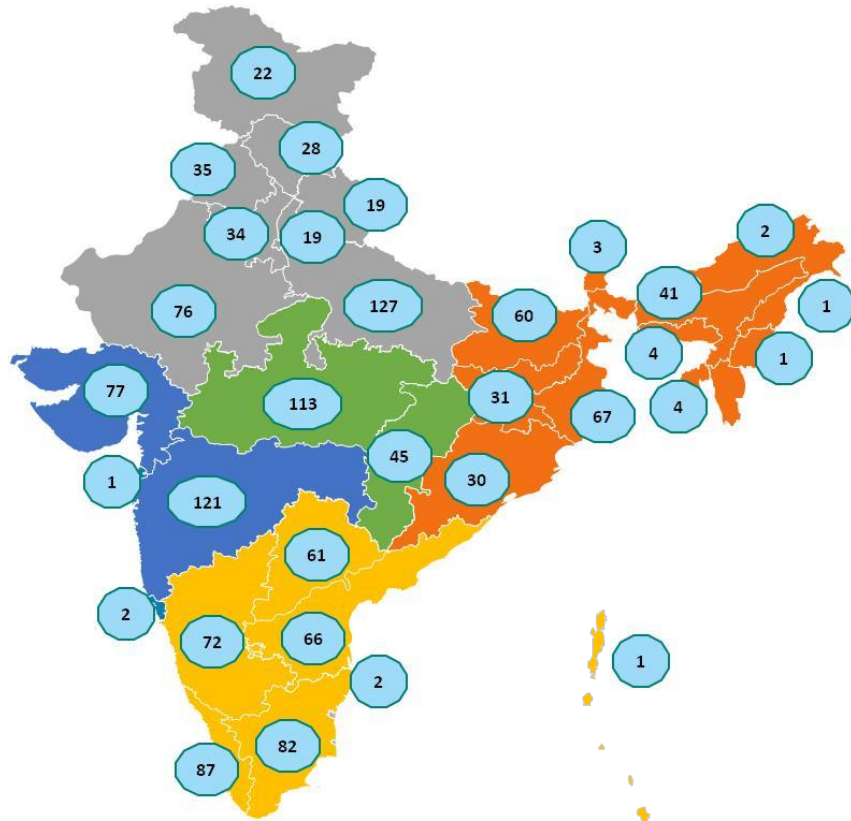
Effective use of technology to improve productivity

Leverage the “Mahindra” Ecosystem

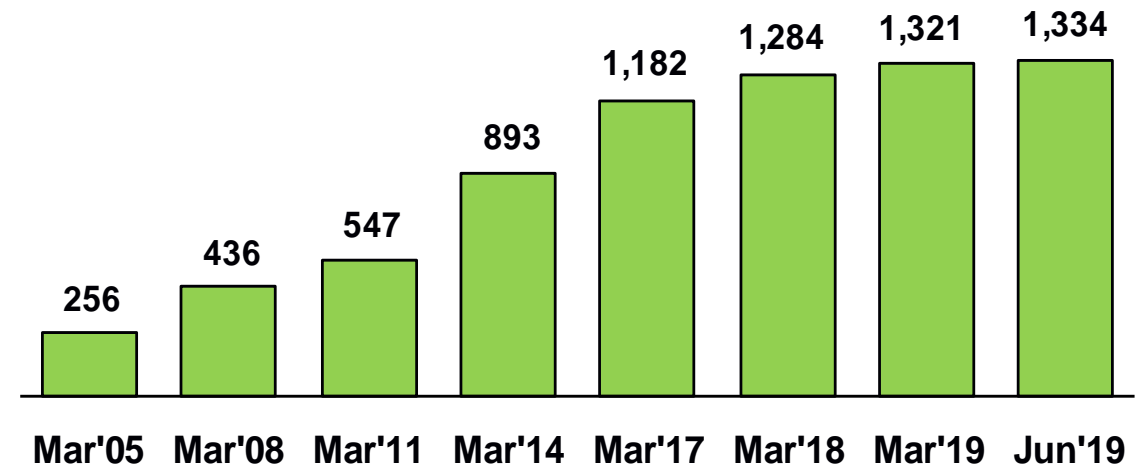
Extensive Branch Network

- Extensive branch network with presence in 28 states and 5 union territories in India through 1,334 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



Break down of estimated value of Assets Financed

| Asset Class | Quarter ended June – 19 | Quarter ended June – 18 | Year ended March – 19 |
|---|----------------------------|----------------------------|--------------------------|
| Auto/ Utility vehicles | 27% | 24% | 25% |
| Tractors | 17% | 19% | 18% |
| Cars | 20% | 21% | 20% |
| Commercial vehicles and Construction equipments | 18% | 17% | 19% |
| Pre-owned vehicles | 16% | 14% | 14% |
| SME and Others | 2% | 5% | 4% |

* Standalone

Break down of AUM

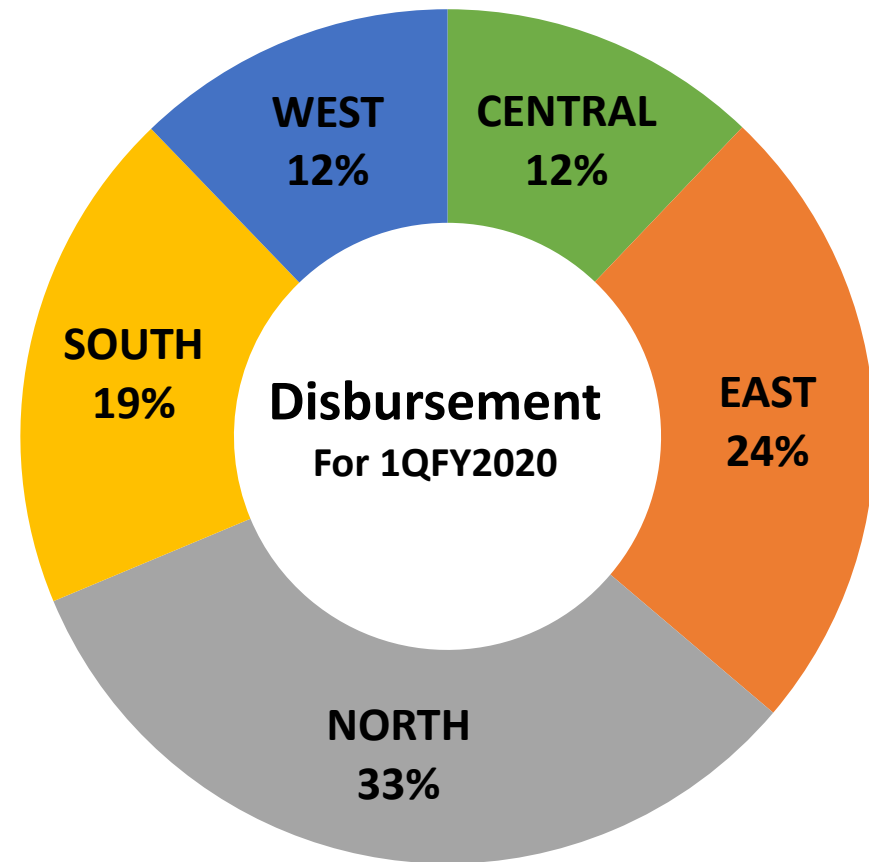
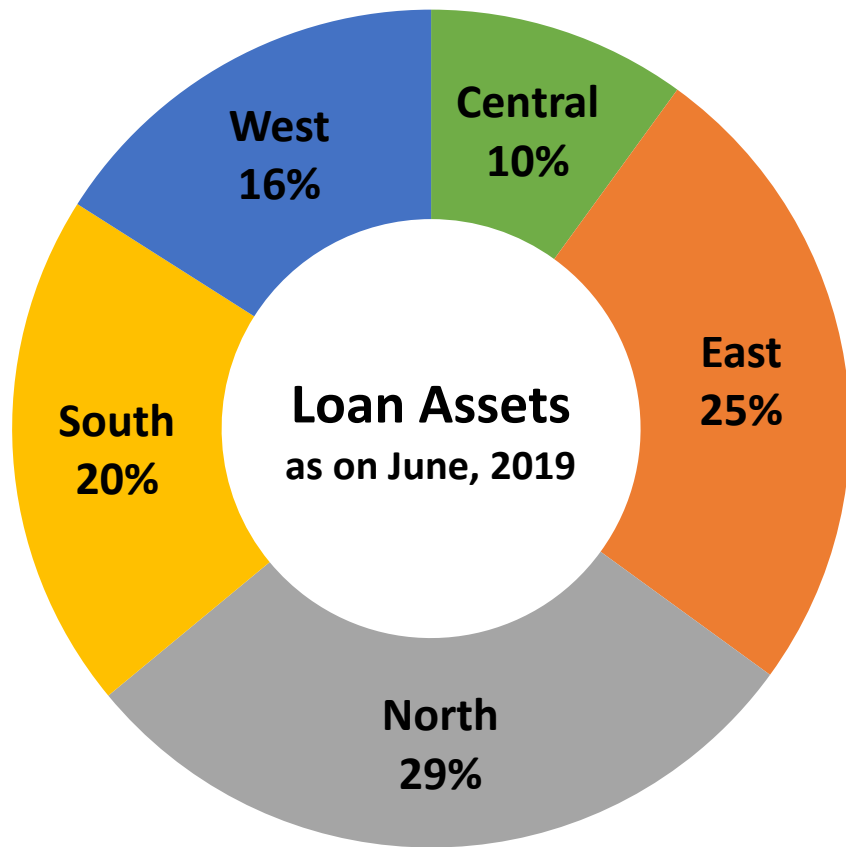
| Asset Class | As on June – 19 | As on June – 18 | As on March – 19 |
|---|-----------------|-----------------|------------------|
| Auto/ Utility vehicles | 26% | 27% | 26% |
| Tractors | 17% | 17% | 17% |
| Cars | 21% | 22% | 21% |
| Commercial vehicles and Construction equipments | 19% | 14% | 18% |
| Pre-owned vehicles | 9% | 8% | 9% |
| SME and Others | 8%* | 12% | 9% |

As on 30th June 19, ~43% of the AUM was from M&M assets

* Share of SME: 5%

* Standalone

Break down by Geography



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

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

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

CENTRAL: Chhattisgarh, Madhya Pradesh;

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

* Standalone

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 (including MLD) and Subordinated debt | 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

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

Funding Mix by Investor profile (Jun'19)

| Investor Type | Amount (INR mn.) | % Share |
|---------------------------|------------------|---------------|
| Banks | 246,213 | 44.8% |
| Mutual Fund | 84,349 | 15.3% |
| Insurance & Pension Funds | 87,643 | 15.9% |
| FIs & Corporates | 52,266 | 9.5% |
| Others | 79,568 | 14.5% |
| Total | 550,039 | 100.0% |

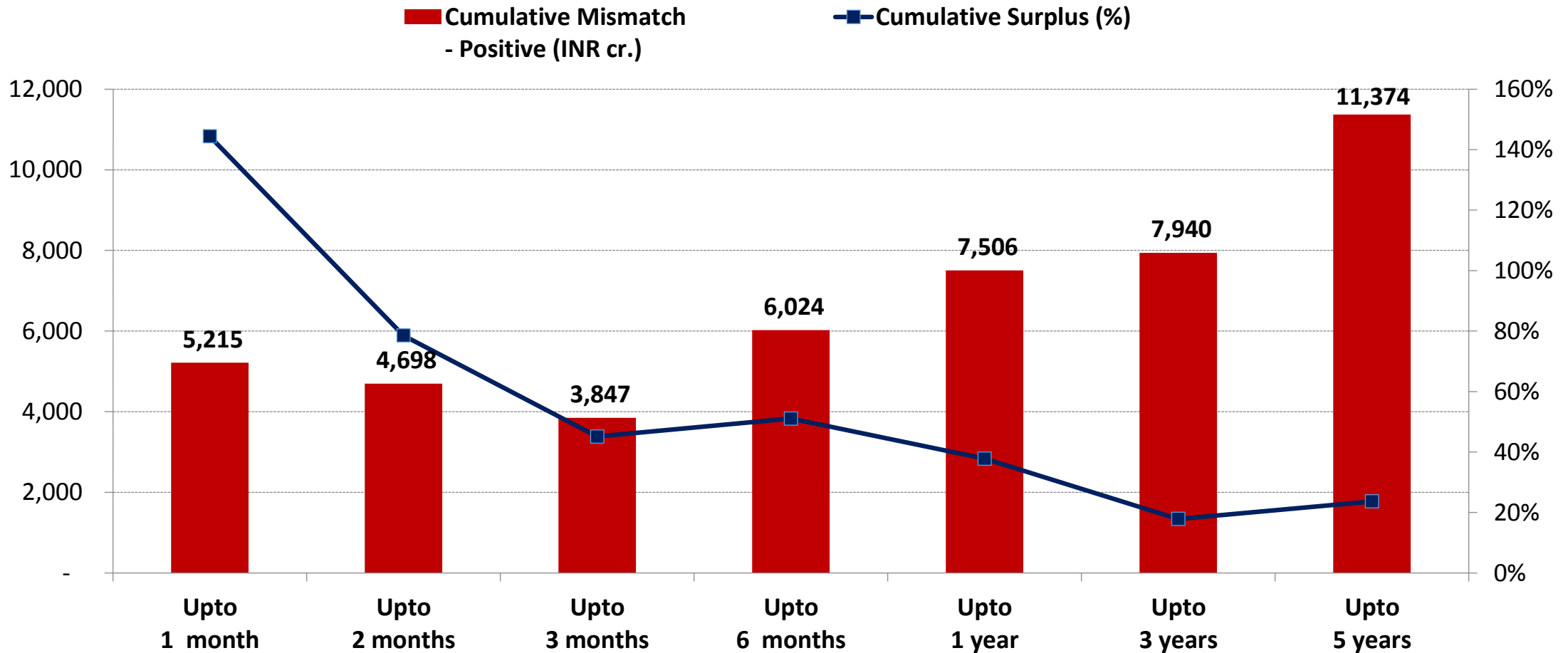
* Based on holding as on 30th June, 2019

Funding Mix by type of Instrument (Jun'19)

| Instrument Type | Amount (INR mn.) | % Share |
|----------------------------|------------------|---------------|
| NCDs | 183,407 | 33.3% |
| Retail NCDs | 42,975 | 7.8% |
| Bank Loans | 155,542 | 28.3% |
| Offshore Borrowings | 13,941 | 2.5% |
| Fixed Deposits | 67,457 | 12.3% |
| CP, ICD | 36,275 | 6.6% |
| Securitisation/ Assignment | 50,442 | 9.2% |
| Total | 550,039 | 100.0% |

^ For purpose of presentation, Borrowings are recognised at Face Value (NCD, ZCB and CP)

ALM Position



As on 30th June, 19

* Based on provisional filing with RBI

Employee Management and Technology Initiatives

Employee engagement & training

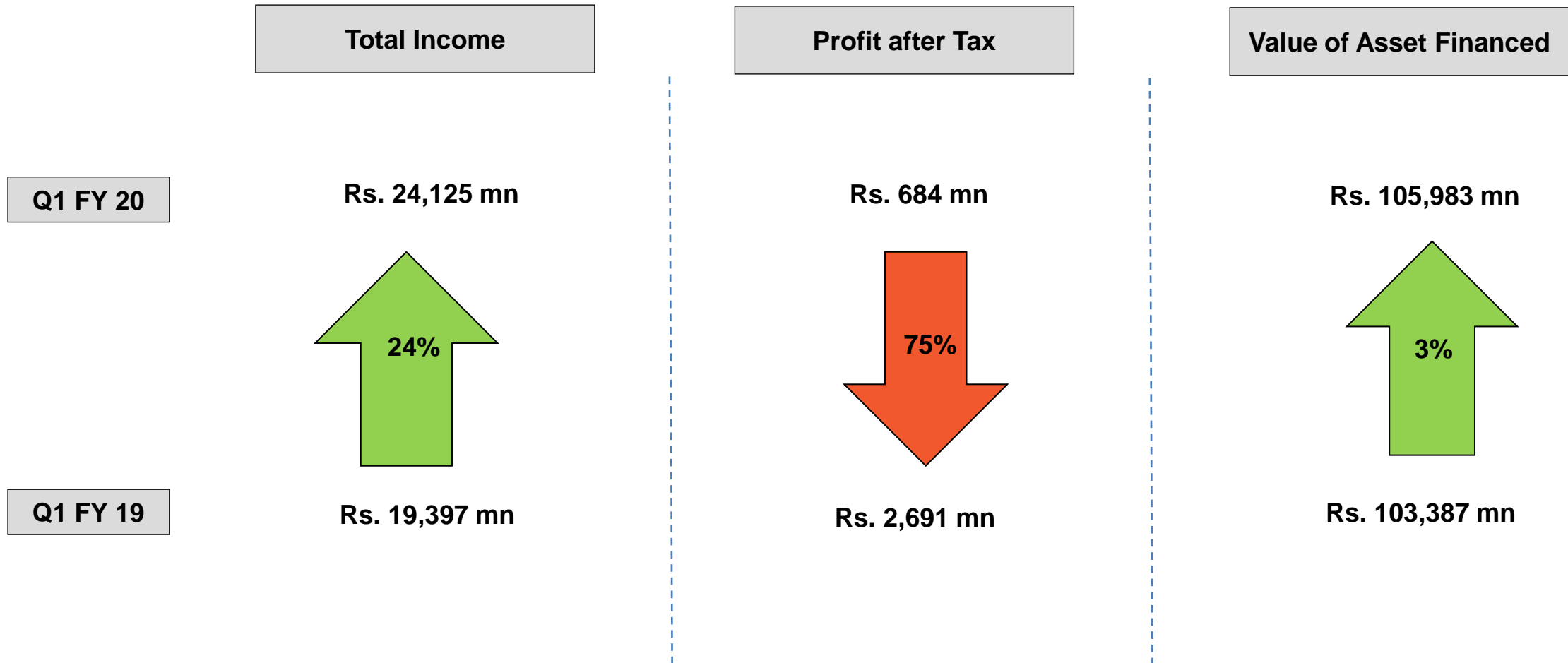
- Training programs for employees on regular basis
- 5 days induction program on product knowledge, business processes and aptitude training
- Mahindra Finance Academy training programs for prospective and existing employees at 5 locations
- Assessment & Development Centre for promising employees
- Employee 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/HHD
- Through hand held devices 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

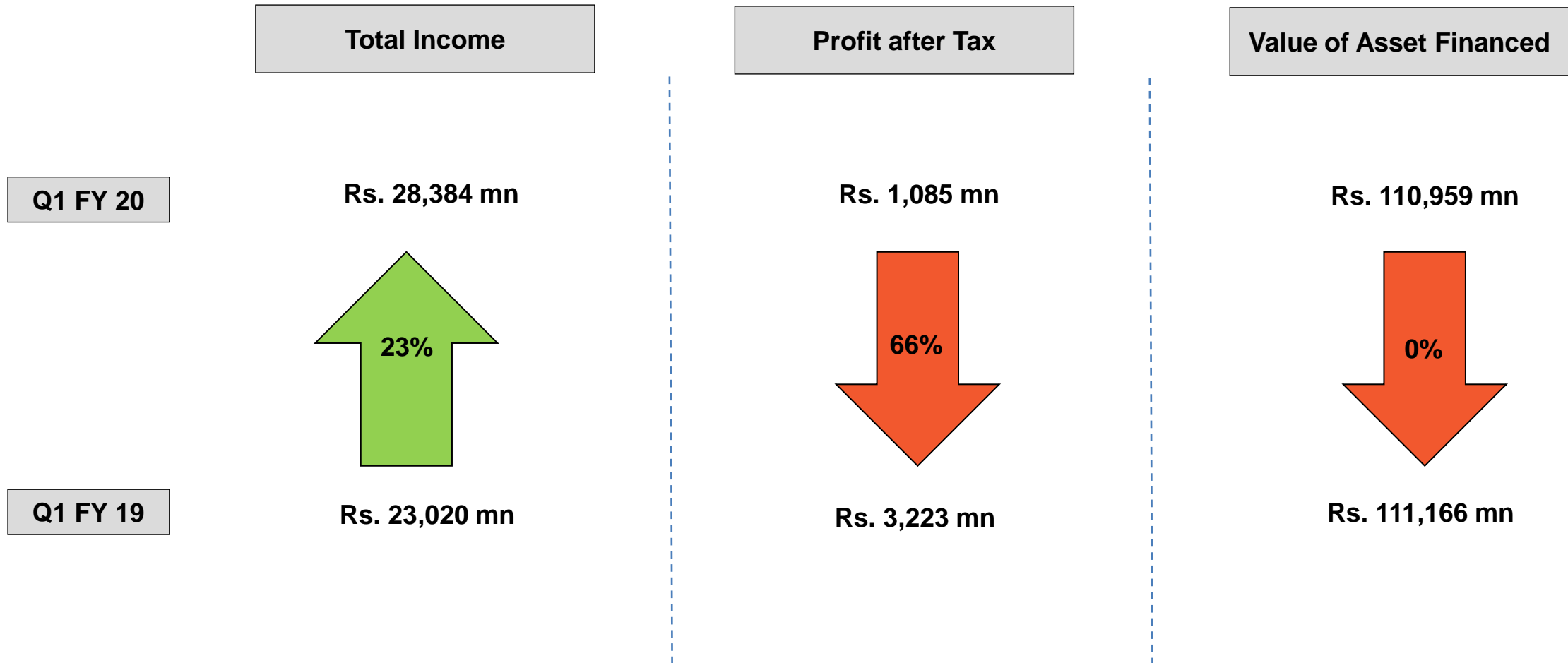


Key Financials (Standalone)



* As per IND-AS

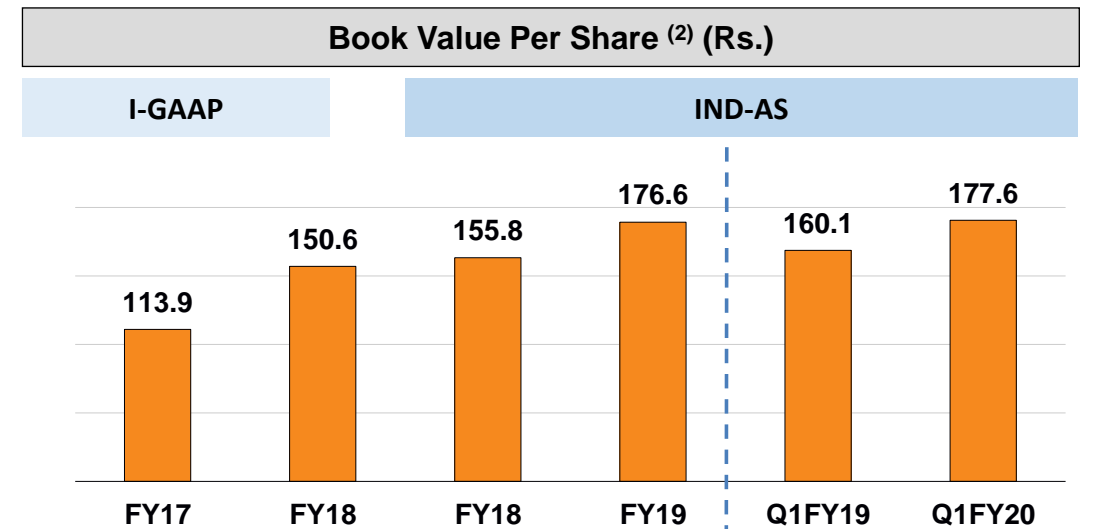
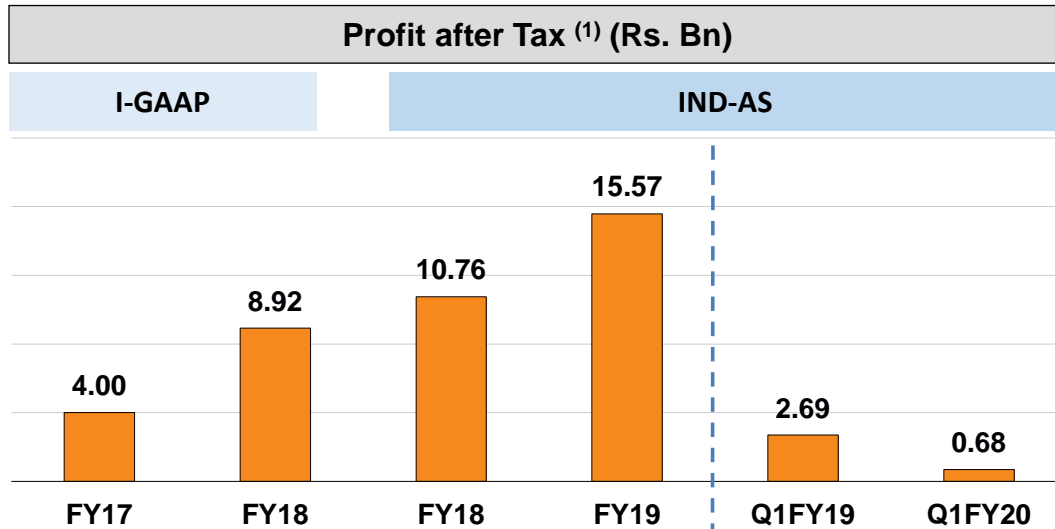
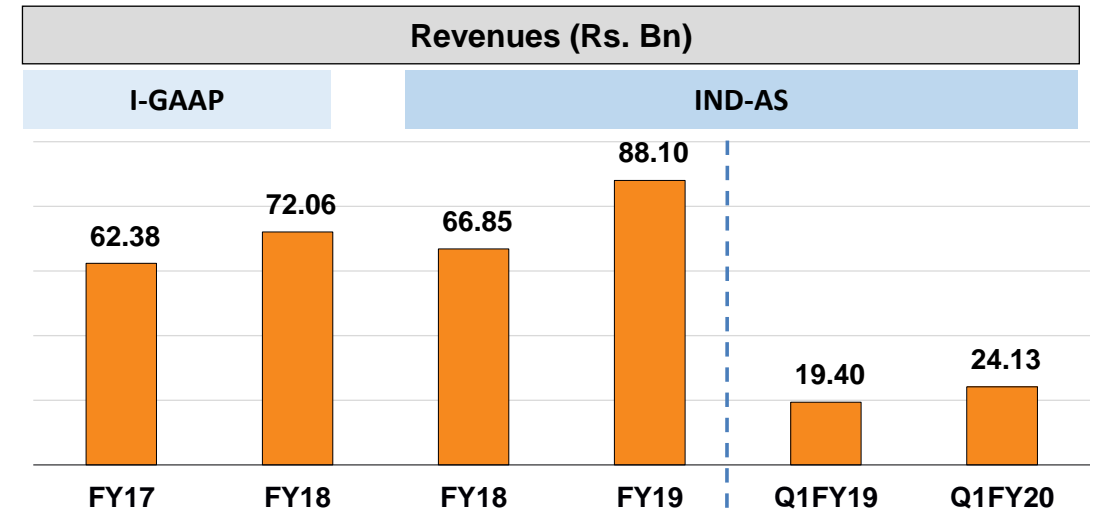
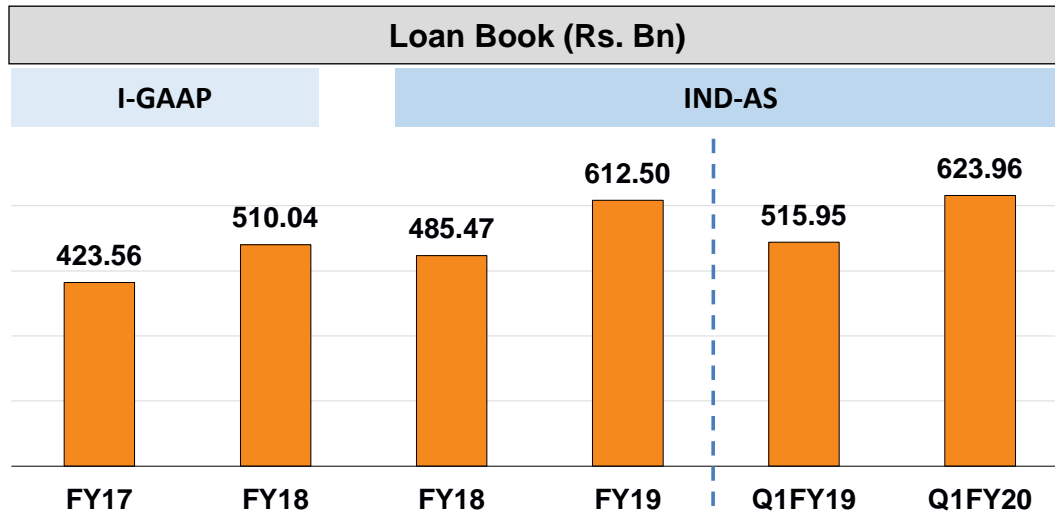
Key Financials (Consolidated)



* As per IND-AS

Growth Trajectory

Figures on standalone basis

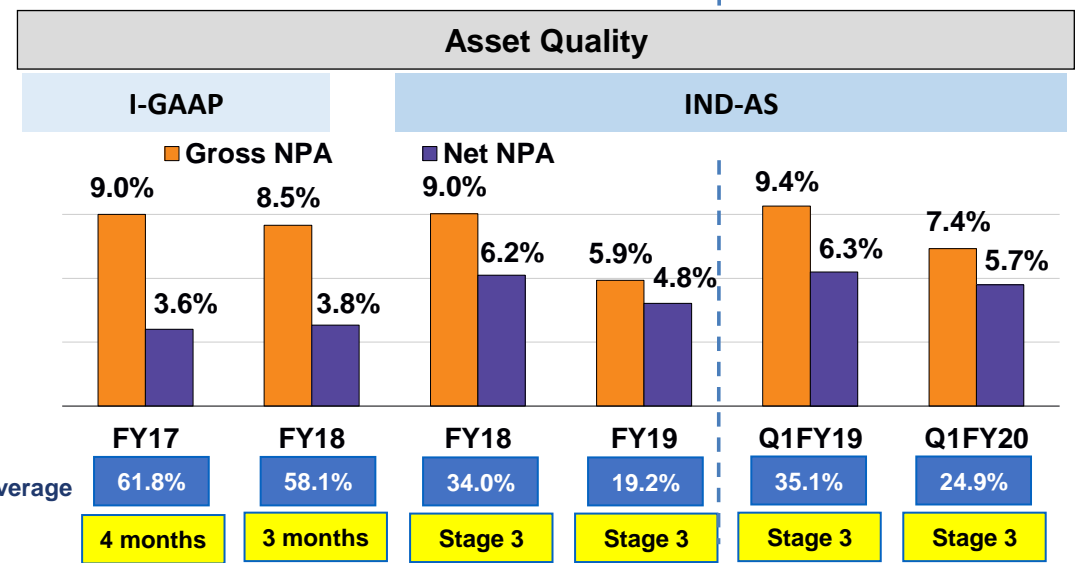
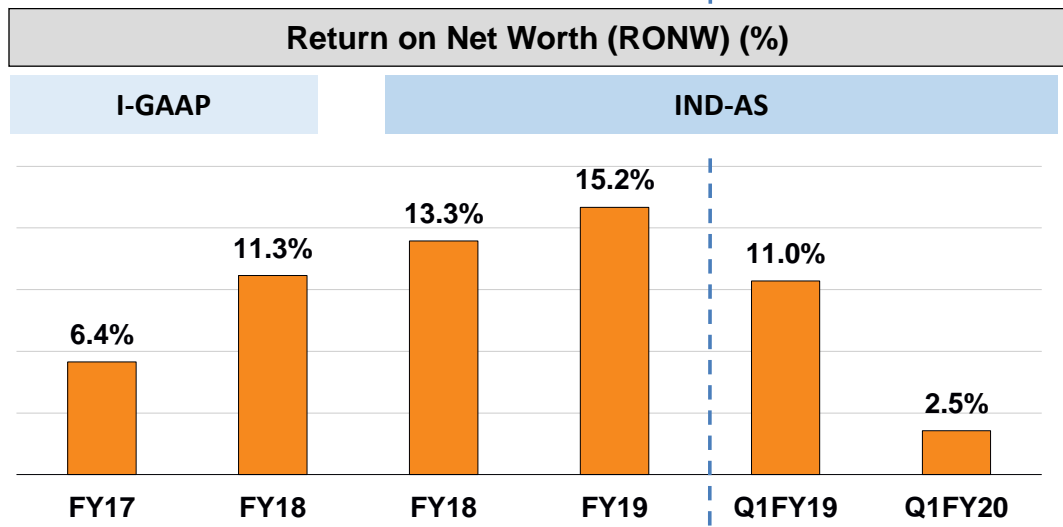
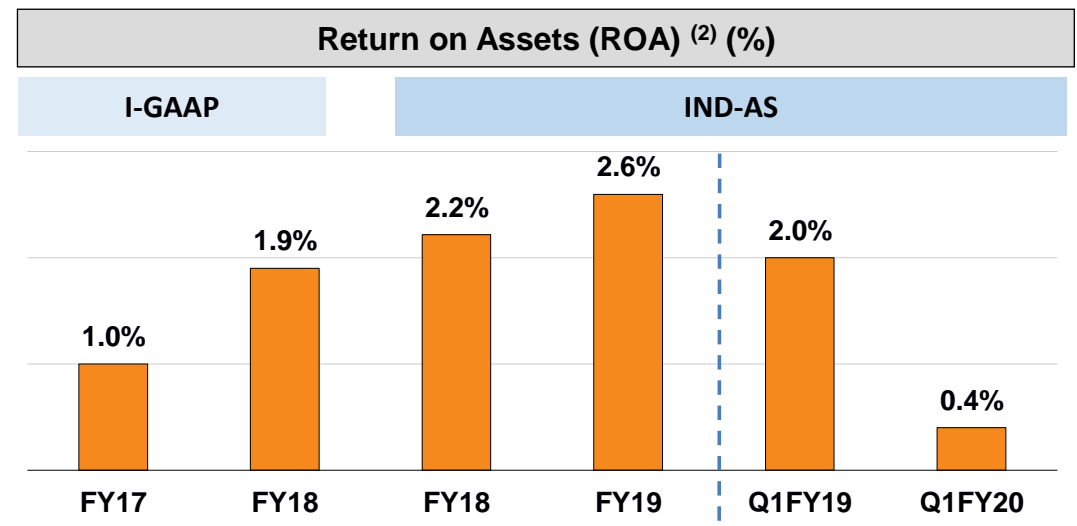
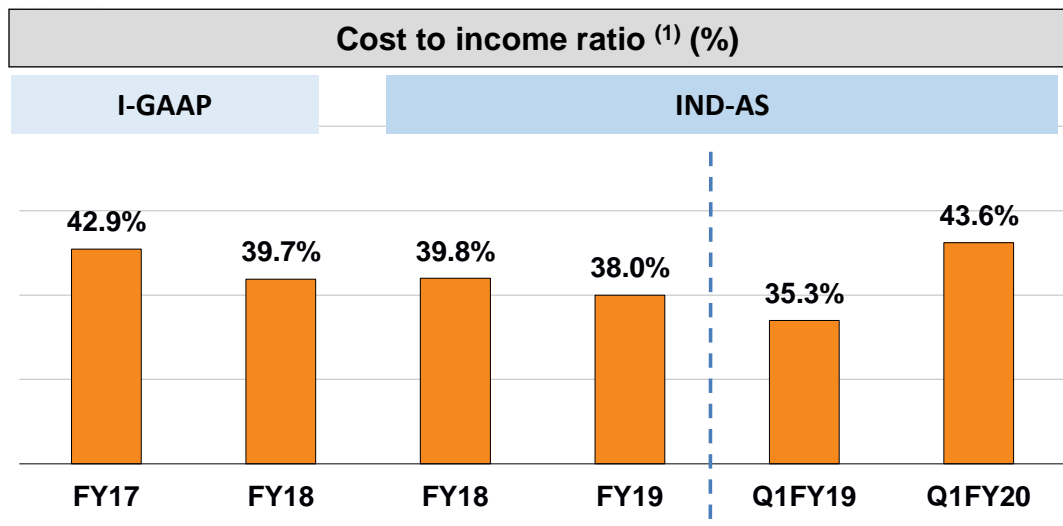


Note :⁽¹⁾ PAT post exceptional items.

⁽²⁾ Calculated as Shareholders funds/ Number of shares.

Financial Performance

Figures on standalone basis



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

* GNPA under I-GAAP after including income reversal

Standalone Profit & Loss Account: IND-AS

| Accounting Basis | As per IND-AS | | | |
|-------------------------------|---------------|---------------|---------------|---------------|
| Particulars (Rs. in Million) | Q1FY20 | Q1FY19 | Y-o-Y | FY19 |
| Revenue from operations | 23,940 | 19,286 | 24.1% | 87,229 |
| Less: Finance cost | 11,282 | 8,488 | 32.9% | 39,445 |
| NII | 12,658 | 10,798 | 17.2% | 47,784 |
| Other Income | 185 | 111 | 66.2% | 869 |
| Total Income | 12,843 | 10,909 | 17.7% | 48,653 |
| Employee benefits expense | 3,521 | 2,634 | 33.6% | 10,901 |
| Provisions and write-offs | 6,196 | 2,938 | 110.9% | 6,352 |
| Other expenses | 1,736 | 1,082 | 60.5% | 6,973 |
| Depreciation and amortization | 343 | 133 | 158.8% | 602 |
| Total Expenses | 11,796 | 6,787 | 73.8% | 24,828 |
| Profit before Tax | 1,047 | 4,122 | -74.6% | 23,825 |
| Tax expense | 363 | 1,431 | -74.7% | 8,254 |
| Net Profit after Taxes | 684 | 2,691 | -74.6% | 15,571 |

* Figures re-grouped and rounded where found relevant

Standalone Balance Sheet

| Particulars (Rs. in Million) | As on Jun 30, 2019 | As on Jun 30, 2018 | As on Mar 31, 2019 |
|--------------------------------------|--------------------|--------------------|--------------------|
| ASSETS | | | |
| Financial Asset | | | |
| a) Cash and cash equivalents | 2,735 | 2,447 | 5,017 |
| b) Bank balance other than (a) above | 5,365 | 1,271 | 4,568 |
| c) Derivative financial instruments | 50 | 244 | 100 |
| d) Trade Receivables | 76 | 44 | 52 |
| e) Loans | 623,965 | 515,949 | 612,496 |
| f) Investments | 43,394 | 24,521 | 37,917 |
| g) Other Financial Assets | 2,811 | 784 | 1,690 |
| Financial Asset | 678,396 | 545,260 | 661,840 |
| Non-Financial Asset | | | |
| a) Current tax assets (Net) | 3,559 | 1,742 | 3,021 |
| b) Deferred tax Assets (Net) | 3,738 | 6,089 | 3,717 |
| c) Property, plant and equipment | 1,337 | 1,085 | 1,325 |
| d) Right to use (Leased assets) | 1,843 | - | - |
| e) Other Intangible assets | 276 | 265 | 306 |
| f) Other non-financial assets | 660 | 519 | 571 |
| Non-Financial Assets | 11,413 | 9,700 | 8,940 |
| Total Assets | 689,809 | 554,960 | 670,780 |

* Figures re-grouped and rounded where found relevant

Standalone Balance Sheet (Contd.)

| Particulars (Rs. in Million) | As on Jun 30, 2019 | As on Jun 30, 2018 | As on Mar 31, 2019 |
|--|--------------------|--------------------|--------------------|
| LIABILITIES AND EQUITY | | | |
| Financial Liabilities | | | |
| a) Derivative financial instruments | 622 | 8 | 770 |
| b) Payables | | | |
| i) Trade payables | 8,812 | 11,908 | 9,795 |
| ii) Other payables | 262 | - | 342 |
| c) Debt Securities | 217,128 | 221,692 | 223,194 |
| d) Borrowings (Other than Debt Securities) | 227,921 | 139,037 | 213,015 |
| e) Deposits | 67,083 | 33,570 | 56,672 |
| f) Subordinated Liabilities | 35,590 | 32,344 | 35,589 |
| g) Other financial liabilities | 19,701 | 15,094 | 19,266 |
| Financial Liabilities | 577,119 | 453,653 | 558,643 |
| Non-Financial liabilities | | | |
| a) Current tax liabilities (Net) | 139 | 381 | 139 |
| b) Provisions | 2,068 | 1,434 | 2,065 |
| c) Other non-financial liabilities | 742 | 597 | 853 |
| Non-Financial Liabilities | 2,949 | 2,412 | 3,057 |
| Equity | | | |
| a) Equity Share capital | 1,230 | 1,229 | 1,230 |
| b) Other Equity | 108,511 | 97,666 | 107,850 |
| Equity | 109,741 | 98,895 | 109,080 |
| Total Equities and Liabilities | 689,809 | 554,960 | 670,780 |

* Figures re-grouped and rounded where found relevant

Consolidated Profit & Loss Account

| Particulars (Rs. in Million) | Q1FY20 | Q1FY19 | Y-o-Y | FY19 |
|---|---------------|---------------|---------------|---------------|
| Revenue from operations | 28,219 | 22,927 | 23.1% | 103,717 |
| Less: Finance cost | 12,626 | 9,567 | 32.0% | 44,323 |
| NII | 15,593 | 13,360 | 16.7% | 59,394 |
| Other Income | 165 | 92 | 79.2% | 592 |
| Total Income | 15,758 | 13,452 | 17.1% | 59,986 |
| Employee benefits expense | 4,725 | 3,448 | 37.1% | 14,779 |
| Provisions and write Offs | 6,769 | 3,454 | 96.0% | 7,171 |
| Other expenses | 2,383 | 1,638 | 45.4% | 9,342 |
| Depreciation and amortization | 415 | 162 | 156.1% | 755 |
| Total Expenses | 14,292 | 8,702 | 64.2% | 32,047 |
| Profit before tax (before Exceptional) | 1,466 | 4,750 | -69.1% | 27,939 |
| Share of profit of associates | 133 | 134 | -1.1% | 469 |
| Profit before tax | 1,599 | 4,884 | -67.3% | 28,408 |
| Tax expense | 514 | 1,661 | -69.0% | 9,735 |
| Net Profit after Taxes | 1,085 | 3,223 | -66.3% | 18,673 |

* Figures re-grouped and rounded where found relevant

Consolidated Balance Sheet

| Particulars (Rs. in Million) | As on Jun 30, 2019 | As on Jun 30, 2018 | As on Mar 31, 2019 |
|--|--------------------|--------------------|--------------------|
| ASSETS | | | |
| Financial Asset | | | |
| a) Cash and cash equivalents | 4,538 | 2,898 | 5,372 |
| b) Bank balance other than (a) above | 5,365 | 1,271 | 4,568 |
| c) Derivative financial instruments | 50 | 244 | 100 |
| d) Trade Receivables | 538 | 448 | 536 |
| e) Loans | 702,688 | 583,919 | 689,390 |
| f) Investments | 38,252 | 21,096 | 33,274 |
| g) Other Financial Assets | 3,247 | 1,177 | 2,121 |
| Financial Asset | 754,678 | 611,053 | 735,361 |
| Non-Financial Asset | | | |
| a) Current tax assets (Net) | 3,726 | 1,860 | 3,121 |
| b) Deferred tax Assets (Net) | 4,507 | 6,064 | 4,497 |
| c) Property, plant and equipment | 1,692 | 1,332 | 1,682 |
| d) Right to use (Lease assets) | 2,490 | - | - |
| e) Intangible assets under development | 10 | 2 | 8 |
| f) Other Intangible assets | 300 | 286 | 333 |
| g) Other non-financial assets | 886 | 723 | 758 |
| Non-Financial Assets | 13,611 | 10,267 | 10,399 |
| Total Assets | 768,289 | 621,320 | 745,760 |

* Figures re-grouped and rounded where found relevant

Consolidated Balance Sheet (Contd.)

| Particulars (Rs. in Million) | As on Jun 30, 2019 | As on Jun 30, 2018 | As on Mar 31, 2019 |
|---|--------------------|--------------------|--------------------|
| LIABILITIES AND EQUITY | | | |
| Financial Liabilities | | | |
| a) Derivative financial instruments | 4,613 | 4,173 | 770 |
| b) Payables | | | |
| i) Trade payables | 10,118 | 12,742 | 11,143 |
| ii) Other payables | 376 | - | 342 |
| c) Debt Securities | 241,348 | 244,207 | 247,159 |
| d) Borrowings (Other than Debt Securities) | 266,427 | 170,065 | 246,327 |
| e) Deposits | 66,790 | 33,010 | 56,309 |
| f) Subordinated Liabilities | 38,224 | 34,638 | 38,221 |
| g) Other financial liabilities | 22,251 | 16,152 | 28,408 |
| Financial Liabilities | 650,147 | 514,987 | 628,679 |
| Non-Financial liabilities | | | |
| a) Current tax liabilities (Net) | 139 | 380 | 139 |
| b) Provisions | 2,649 | 1,731 | 2,550 |
| c) Other non-financial liabilities | 855 | 703 | 917 |
| Non-Financial Liabilities | 3,643 | 2,814 | 3,606 |
| Equity | | | |
| a) Equity Share capital | 1,230 | 1,229 | 1,230 |
| b) Other Equity | 112,475 | 100,775 | 111,460 |
| c) Non-controlling interests | 794 | 1,515 | 785 |
| Equity (incl attributable to minority investors) | 114,499 | 103,519 | 113,475 |
| Total Equities and Liabilities | 768,289 | 621,320 | 745,760 |

* Figures re-grouped and rounded where found relevant

Summary & Key Ratios

Figures on standalone basis

| Particulars (Rs. in Million) | As per IND-AS | | |
|--|----------------------------|----------------------------|--------------------------|
| | Quarter ended June – 19 | Quarter ended June – 18 | Year ended March – 19 |
| RONW (Avg. Net Worth) ^ | 2.5% | 11.0% | 15.2% |
| Debt / Equity | 4.99:1 | 4.31:1 | 4.84:1 |
| Capital Adequacy^{\$} | 19.4% | 21.9% | 20.3% |
| Tier I | 14.9% | 16.6% | 15.5% |
| Tier II | 4.5% | 5.3% | 4.8% |
| EPS (Basic) (Rs.) | 1.11 | 4.38 | 25.33 |
| Book Value (Rs.) | 177.6 | 160.1 | 176.6 |
| Dividend % | - | - | 325% |
| New Contracts During the period (Nos.) | 180,948 | 171,511 | 761,381 |
| No. of employees | 22,005 | 19,346 | 21,789 |

^{\$} as per IND-AS after considering proposed dividend

* Figures re-grouped and rounded where found relevant

Spread Analysis

Figures on standalone basis

| Particulars (Rs. in Million) | As per IND-AS | | |
|--|----------------------------|----------------------------|--------------------------|
| | Quarter ended June – 19 | Quarter ended June – 18 | Year ended March – 19 |
| Total Income / Average Assets | 14.2% | 14.3% | 14.7% |
| Interest / Average Assets | 6.6% | 6.3% | 6.6% |
| Gross Spread | 7.6% | 8.0% | 8.1% |
| Overheads / Average Assets | 3.3% | 2.8% | 3.1% |
| Write offs & NPA provisions / Average Assets | 3.6% | 2.2% | 1.0% |
| Net Spread | 0.6% | 3.0% | 4.0% |
| Net Spread after Tax | 0.4% | 2.0% | 2.6% |

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

NPA Analysis (As per IND-AS)

Figures on standalone basis

| Particulars (Rs. in Million) except figures in % | As on Jun 30, 2019 | As on Jun 30, 2018 | As on Mar 31, 2019 |
|--|--------------------|--------------------|--------------------|
| Total Assets (including Provisions) | 714,057 | 587,107 | 689,476 |
| Gross NPA (Stage 3) | 52,952 | 55,338 | 40,706 |
| Less: ECL Provisions (Stage 3) | 13,163 | 19,415 | 7,799 |
| Net NPA (Stage 3) | 39,789 | 35,923 | 32,907 |
| Gross NPA % (Stage 3) | 7.4% | 9.4% | 5.9% |
| Net NPA % (Stage 3) | 5.7% | 6.3% | 4.8% |
| Coverage Ratio (%) – based on Stage 3 ECL | 24.9% | 35.1% | 19.2% |
| Stage 1 & 2 provision to Total Assets (%) | 1.6% | 2.2% | 1.6% |
| Coverage Ratio(%) – including Stage 1 & 2 provision | 45.8% | 58.3% | 46.0% |
| Particulars (in units) except figures in % | As on Jun 30, 2019 | As on Jun 30, 2018 | As on Mar 31, 2019 |
| Contracts under NPA (90 dpd) | 130,226 | 158,961 | 93,084 |
| % of Live Cases under NPA | 5.4% | 7.4% | 4.0% |
| Repossessed Assets (out of above NPA) | 11,143 | 12,597 | 9,832 |

* Figures re-grouped and rounded where found relevant

Mahindra Rural Housing Finance Limited

| Accounting Basis | As per IND-AS | | |
|--|---------------------------|----------------------------|----------------------------|
| | Particulars (Rs. million) | Quarter ended June – 19 | Quarter ended June – 18 |
| Loans disbursed | 4,976 | 7,779 | 25,811 |
| No. of Customer Contracts (nos.) | 24,911 | 53,847 | 171,187 |
| Outstanding loan book | 78,722 | 70,833 | 76,892 |
| Total income | 3,631 | 3,020 | 13,839 |
| PBT | 411 | 472 | 3,662 |
| PAT | 288 | 309 | 2,505 |
| Net-worth | 11,560 | 7,884 | 11,271 |
| GNPA % – IND-AS I-GAAP | 16.24% 12.67% | 16.67% 13.40% | 13.02% 9.65% |
| NNPA % – IND-AS I-GAAP | 13.32% 9.25% | 14.17% 10.30% | 10.77% 6.81% |
| NNPA % – IND-AS I-GAAP (Net of Total Provisions) | 11.73% 8.99% | 13.08% 10.02% | 8.87% 6.53% |

- **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 Trust – 1.57%
- **Reach:** Currently spread in 13 States & 1 Union Territory

* Figures re-grouped and rounded where found relevant

Mahindra Insurance Brokers Limited

| Accounting Basis | As per IND-AS | | |
|---------------------------------------|---------------------------|----------------------------|----------------------------|
| | Particulars (Rs. million) | Quarter ended June – 19 | Quarter ended June – 18 |
| No. of Policies for the Period (nos.) | 538,578 | 554,338 | 2,265,146 |
| Net Premium | 4,673 | 4,035 | 19,238 |
| Total income | 796 | 667 | 3,234 |
| PBT | 88 | 213 | 1,029 |
| PAT | 62 | 148 | 715 |
| No. of employees (nos.) | 1,108 | 1,019 | 1,097 |

- **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%

Awards and Accolades

- **Great Places to Work** has honored Mahindra Finance at the **8th Rank**, in the **India's Best Companies to Work For 2019**- a study by **Economic Times**.
- Mahindra Finance has been ranked at **11th** among the **Best Large Workplaces** in the **Asia's Best Workplaces 2019** list by The Great Place to Work Institute®
- **Mahindra Finance** has been awarded **Golden Peacock Award for Corporate Social Responsibility – 2018** by Institute of Directors
- Mahindra Finance was awarded **ET NOW CSR Leadership Award** for Best CSR Practices and Skill development.
- Mahindra Finance (MMFSL) Annual Family Fun Day - Vrindavan 2019 has attained **Yale's Gold Level Green Certificate**
- Mahindra Finance **Ranked #1** for the third consecutive time in the **MCARES Survey**, with Mahindra Finance securing a position in the top percentile group

**India's Best Companies
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MCARES

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* |

*Fair valued at reporting date

PD – Probability of Default;

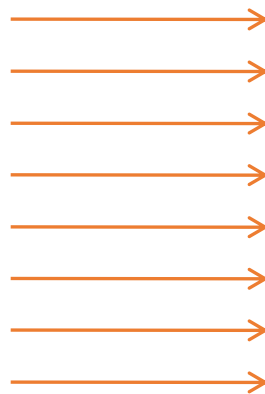
LGD – Loss given Default;

EAD – Exposure at Default

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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across the country*