

23rd 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: Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Unaudited Financial Results of the Company for the First Quarter ended 30th June, 2019.

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"], we wish to inform you that the Board of Directors at its Meeting held today i.e. 23rd July, 2019 has *inter alia*, approved the Unaudited Standalone Financial Results of the Company and the Unaudited Consolidated Financial Results for the First Quarter ended 30th June, 2019.

Accordingly we are enclosing:

- i. The Unaudited Standalone Financial Results of the Company for the First Quarter ended 30th June, 2019.
- ii. The Unaudited Consolidated Financial Results of the Company for the First Quarter ended 30th June, 2019.
- iii. Limited Review Reports of the Statutory Auditors on the Standalone and Consolidated Financial Results of the Company for the First Quarter ended 30th June, 2019, issued by the Statutory Auditors, Messrs. B S R & Co. LLP as required under Regulation 33 of the Listing Regulations.
- iv. A copy of the Press Release.



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The Results have been uploaded on the Stock Exchange websites at www.bseindia.com and www.nseindia.com and are also being simultaneously posted on the website of the Company at <https://www.mahindrafinance.com>.

The Meeting of the Board of Directors commenced at 1.15 p.m. and concluded at ~~3.15~~ p.m.

Kindly take the same on record.

Thanking you,

Yours Faithfully,

For Mahindra & Mahindra Financial Services Limited

Arnavaz

Arnavaz M. Pardiwalla

Company Secretary & Compliance Officer

Encl: a/a



Mahindra & Mahindra Financial Services Limited
CIN : L65921MH1991PLC059642

Registered Office: Gateway Building, Apollo Bunder, Mumbai 400 001. Tel. No. +91 22 22895500 Fax: +91 22 22875485
Corporate Office: Mahindra Towers, 4th Floor, Dr. G.M. Bhosale Marg, Worli, Mumbai 400 018. Tel. No. +91 22 66526000 Fax: +91 22 24984170 / 71
Website : www.mahindrafinance.com ; Email : investorhelpline_mmfsl@mahindra.com

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2019

Rs. in Lakhs

	Particulars	Quarter ended			Year ended
		30 June 2019	31 March 2019	30 June 2018	31 March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from operations				
i)	Interest income	272,876.24	275,553.58	220,908.35	996,952.90
ii)	Dividend income	958.77	1,118.95	-	1,524.27
iii)	Rental income	115.55	56.47	2.22	71.45
iv)	Fees and commission Income	1,810.47	3,475.06	2,169.66	11,638.82
v)	Net gain on fair value changes	59.48	764.02	34.43	761.75
vi)	Sale of services	6,367.22	7,036.98	6,157.63	26,220.90
	Total Revenue from operations	282,187.73	288,005.06	229,272.29	1,037,170.09
I	Other income	1,654.74	2,232.51	923.53	5,915.38
II	Total income (I+II)	283,842.47	290,237.57	230,195.82	1,043,085.47
	Expenses				
i)	Finance costs	126,259.77	126,989.30	95,675.01	443,227.98
ii)	Fees and commission expense	3,555.19	3,013.23	2,558.81	12,968.10
iii)	Impairment on financial instruments	67,691.31	(11,549.59)	34,541.05	71,710.83
iv)	Employee benefits expenses	47,253.26	42,395.32	34,478.25	147,794.76
v)	Depreciation, amortization and impairment	4,143.78	2,135.13	1,618.00	7,553.32
vi)	Others expenses	20,272.36	24,267.74	13,825.12	80,447.20
	Total expenses	269,175.67	187,251.13	182,696.24	763,702.19
IV	Profit before exceptional items and tax (III-IV)	14,666.80	102,986.44	47,499.58	279,383.28
V	Share of profit of associate	1,328.01	1,154.01	1,342.44	4,692.88
VI	Profit before tax (V+VI)	15,994.81	104,140.45	48,842.02	284,076.16
VII	Tax expense :				
VIII	i) Current tax	4,597.41	13,153.95	13,309.59	71,136.53
	ii) Deferred tax	551.17	20,929.12	3,304.95	26,211.44
		5,148.58	34,083.07	16,614.54	97,347.97
	Profit for the period (VII-VIII)	10,846.23	70,057.38	32,227.48	186,728.19
IX	Other Comprehensive Income (OCI)				
X	A) (i) Items that will not be reclassified to profit or loss				
	- Remeasurement loss on defined benefit plans	(1,980.28)	(70.15)	(474.53)	(1,481.98)
	- Net gain on equity instruments through OCI	(47.95)	-	-	454.65
	(ii) Income tax relating to the above items	651.59	31.94	172.67	353.97
	Subtotal (A)	(1,376.64)	(38.21)	(301.86)	(673.36)
	B) (i) Items that will be reclassified to profit or loss				
	- Exchange differences in translating the financial statements of foreign	(206.74)	(179.67)	1,878.44	2,398.78
	- Net gain on debt instruments through OCI	-	788.52	-	788.52
	(ii) Income tax relating to the above items	-	(275.54)	-	(275.54)
	Subtotal (B)	(206.74)	333.31	1,878.44	2,911.76
	Other Comprehensive Income (A + B)	(1,583.38)	295.10	1,576.58	2,238.40
XI	Total Comprehensive Income for the period (IX+X)	9,262.85	70,352.48	33,804.06	188,966.59
	Profit for the period attributable to:				
	Owners of the Company	10,723.05	68,717.38	31,591.48	182,729.83
	Non-controlling interests	123.18	1,340.00	636.00	3,998.36
		10,846.23	70,057.38	32,227.48	186,728.19
	Other Comprehensive Income for the period attributable to:				
	Owners of the Company	(1,552.93)	301.85	1,573.15	2,252.51
	Non-controlling interests	(30.45)	(6.75)	3.43	(14.11)
		(1,583.38)	295.10	1,576.58	2,238.40
	Total Comprehensive Income for the period attributable to:				
	Owners of the Company	9,170.12	69,019.24	33,164.62	184,982.34
	Non-controlling interests	92.73	1,333.24	639.44	3,984.25
		9,262.85	70,352.48	33,804.06	188,966.59
XII	Earnings per equity share (face value of Rs.2/- each) #				
	Basic (Rupees)	1.74	11.18	5.14	29.73
	Diluted (Rupees)	1.74	11.15	5.13	29.67

Earnings per share for the interim period is not annualised.

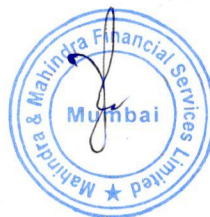


STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2019

Rs. in Lakhs

	Particulars	Quarter ended			Year ended
		30 June 2019	31 March 2019	30 June 2018	31 March 2019
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
	Revenue from operations				
i)	Interest income	236,646.01	241,125.35	191,162.28	861,455.78
ii)	Dividend income	908.09	1,069.00	-	1,388.00
iii)	Rental income	115.55	56.47	2.22	71.45
iv)	Fees and commission Income	1,705.89	2,518.09	1,672.39	8,691.76
v)	Net gain on fair value changes	25.22	749.69	17.64	683.87
I	Total Revenue from operations	239,400.76	245,518.60	192,854.53	872,290.86
II	Other income	1,849.67	2,434.90	1,112.81	8,690.31
III	Total income (I+II)	241,250.43	247,953.50	193,967.34	880,981.17
	Expenses				
i)	Finance costs	112,820.54	114,433.45	84,875.79	394,456.16
ii)	Fees and commission expense	998.94	684.20	239.30	3,047.83
iii)	Impairment on financial instruments	61,961.90	(11,445.03)	29,383.62	63,520.83
iv)	Employee benefits expenses	35,208.96	31,410.21	26,344.45	109,011.91
v)	Depreciation, amortization and impairment	3,432.98	1,730.23	1,326.73	6,022.52
vi)	Others expenses	16,356.78	21,666.22	10,577.28	66,677.73
IV	Total expenses	230,780.10	158,479.28	152,747.17	642,736.98
V	Profit before tax (III-IV)	10,470.33	89,474.22	41,220.17	238,244.19
VI	Tax expense :				
i)	Current tax	3,194.00	11,616.02	12,292.87	57,686.12
ii)	Deferred tax	433.10	19,061.66	2,022.21	24,851.72
		3,627.10	30,677.68	14,315.08	82,537.84
VII	Profit for the period (V-VI)	6,843.23	58,796.54	26,905.09	155,706.35
VIII	Other Comprehensive Income (OCI)				
A)	(i) Items that will not be reclassified to profit or loss				
	- Remeasurement loss on defined benefit plans	(1,794.13)	(86.88)	(488.06)	(1,324.60)
	- Net gain on equity instruments through OCI	(47.95)	-	-	454.65
	(ii) Income tax relating to the above items	643.70	30.36	170.55	304.00
	Subtotal (A)	(1,198.38)	(56.52)	(317.51)	(565.95)
B)	(i) Items that will be reclassified to profit or loss				
	- Net gain on debt instruments through OCI	-	788.52	-	788.52
	(ii) Income tax relating to the above items	-	(275.54)	-	(275.54)
	Subtotal (B)	-	512.98	-	512.98
	Other Comprehensive Income (A + B)	(1,198.38)	456.46	(317.51)	(52.97)
IX	Total Comprehensive Income for the period (VII+VIII)	5,644.85	59,253.00	26,587.58	155,653.38
X	Earnings per equity share (face value of Rs.2/- each) #				
	Basic (Rupees)	1.11	9.56	4.38	25.33
	Diluted (Rupees)	1.11	9.54	4.37	25.28

Earnings per share for the interim period is not annualised.



Notes:

- 1) The above 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 by the Companies (Indian Accounting Standards) Rules, 2016, prescribed under section 133 of the Companies Act 2013 ('the Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Any application guidance/ clarifications/ directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/ applicable.
- 2) The above financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 23 July 2019.
- 3) The Consolidated financial results include the unaudited financial results of the subsidiaries Mahindra Insurance Brokers Limited (80%), Mahindra Rural Housing Finance Limited (98.43%), Mahindra Asset Management Company Private Limited (100%), Mahindra Trustee Company Private Limited (100%), Mahindra and 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 unaudited financial results of a Joint Venture company, Mahindra Finance USA LLC (49%), in the United States, which has been consolidated as an associate under equity method of accounting. The standalone financial results of Mahindra Finance USA LLC, MMFSL ESOP Trust, MRHFL EWT and Mahindra Finance CSR Foundation which does not constitute a material component of the consolidated financial results have been certified by the management.
- 4) In compliance with Regulation 33 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of financial results for the quarter ended 30 June 2019 has been carried out by the Statutory Auditors. The Consolidated figures for the corresponding quarter ended 30 June 2018 and for the quarter ended 31 March 2019 as reported in these financial results have been approved by the Company's Board of Directors, but have not been subjected to review.
- 5) The Standalone figures for the last quarter of the previous year are the balancing figures between audited figures in respect of the full financial year and the published year- to-date figures up to third quarter. The Consolidated figures for the last quarter of the previous year are the balancing figures between audited figures in respect of the full financial year and the year- to-date figures up to third quarter approved by the Company's Board of Directors.
- 6) There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company. The Segment Reporting in respect of the Unaudited Consolidated Financial Results is given in Appendix 1.
- 7) The Company has adopted Ind AS 116, Leases, effective 1 April 2019 using modified retrospective method of transition. Adoption of this standard did not have a material effect on unaudited financial results for the quarter ended 30 June 2019.
- 8) During the quarter ended 30 June 2019, the Company along with Mahindra Asset Management Company Private Limited (MAMCPL) and Mahindra Trustee Company Private Limited (MTCPL), wholly-owned subsidiaries of the Company, has entered in to a share subscription agreement and shareholders agreement to form a 51:49 Joint Venture with Manulife Asset Management (Singapore) Pte. Ltd. (Manulife). Pursuant to these agreements, the Manulife will make an equity investment aggregating to US \$ 35.00 million to acquire 49% of the share capital of MAMCPL & MTCPL. The Company is awaiting regulatory approval for this transaction.
- 9) Pursuant to the offer made by National Housing Bank (NHB), the Board of Directors of the Company, at its meeting held on 27 March 2019, had approved the acquisition of 1,18,91,511 equity shares of Rs.10/- each of Mahindra Rural Housing Finance Limited, a subsidiary of the Company, at a premium of Rs. 231.16, for cash, aggregating to Rs. 28,677.57 lakhs. During the current quarter ended 30 June 2019, the Company had settled the entire amount of obligation as per the terms and conditions of the agreement.
- 10) During the quarter ended 30 June 2019, the Company has incorporated a Wholly-owned subsidiary company, namely, Mahindra Finance CSR Foundation, under the provisions of section 8 of the Companies Act, 2013 for undertaking the CSR activities of the Company and its subsidiaries.
- 11) All secured NCD's issued by the Company are secured by pari-passu charges on Aurangabad office and exclusive charge on receivables under loan contracts, owned assets and book debts to the extent of 100% of outstanding secured NCD's.
- 12) During the quarter ended 30 June 2019, the Company has made an investment of Rs.1,000.00 lakhs in Mahindra Asset Management Company Private Limited, its wholly owned subsidiary, by subscription to 1,00,00,000 equity shares of face value of Rs.10/- each, for cash, at par, fully paid up on a rights basis.
- 13) Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period / year classification.

Date : 23 July 2019

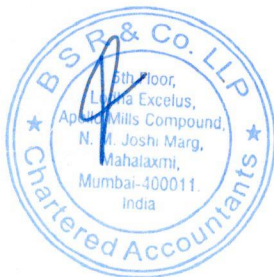
Place : Mumbai



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

Ramesh Iyer
Vice-Chairman & Managing Director

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Appendix 1

Mahindra & Mahindra Financial Services Limited

Segment-wise Revenue and Results for Consolidated results as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

		Rs. in Lakhs			
Particulars		Quarter ended			Year ended
		30 June 2019	31 March 2019	30 June 2018	31 March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(a) Segment Revenue					
- Financing activities		277,555.78	283,323.80	224,165.79	1,019,375.88
- Others		8,451.76	10,495.01	7,671.41	35,541.97
Total		286,007.54	293,818.81	231,837.20	1,054,917.85
Less : Inter-segment revenue		2,165.07	3,581.24	1,641.38	11,832.38
Net revenue		283,842.47	290,237.57	230,195.82	1,043,085.47
(b) Segment Results (Profit before tax) :					
- Financing activities		14,576.31	99,867.25	45,944.55	272,837.53
- Share of profit of associate		1,328.01	1,154.01	1,342.44	4,692.88
- Others		90.49	3,119.19	1,555.03	6,545.75
Total		15,994.81	104,140.45	48,842.02	284,076.16
Add : Other unallocable income net of unallocable expenditure		-	-	-	-
Net Profit before tax		15,994.81	104,140.45	48,842.02	284,076.16

Date : 23 July 2019

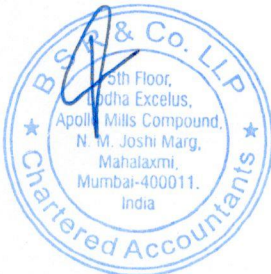
Place : Mumbai



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

Ramesh Iyer
Vice-Chairman & Managing Director

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Limited Review Report on Unaudited Quarterly Consolidated Financial Results of Mahindra & Mahindra Financial Services Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors of
Mahindra & Mahindra Financial Services Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Mahindra & Mahindra Financial Services Limited ('the Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), and its share of the net profit after tax and total comprehensive income of its associates for the quarter ended 30 June 2019 ('the Statement'), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Listing Regulations'). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 30 June 2018 and previous quarter ended 31 March 2019 as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review since the requirement of submission of quarterly consolidated financial results has become mandatory only from 1 April 2019.
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has 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, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.



Limited Review Report on Unaudited Quarterly Consolidated Financial Results of Mahindra & Mahindra Financial Services Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Mahindra & Mahindra Financial Services Limited

4. The Statement includes the results of the following entities:

Name of the entity	Relationship
Mahindra & Mahindra Financial Service Limited	Parent Company
Mahindra Insurance Brokers Limited	Subsidiary
Mahindra Rural Housing Finance Limited	Subsidiary
Mahindra Asset Management Company Private Limited	Subsidiary
Mahindra Trustee Company Private Limited	Subsidiary
Mahindra Finance USA, LLC	Associate
Mahindra & Mahindra Financial Services Limited Employees Stock Option Trust	Subsidiary
Mahindra Rural Housing Finance Limited Employee Welfare Trust	Subsidiary
Mahindra Finance CSR Foundation (with effect from 2 April 2019)	Subsidiary

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information of 3 subsidiaries included in the Statement, whose interim financial information reflect total revenues of Rs. 8,382.10 lakhs, total net loss after tax of Rs. 243.82 lakhs and total comprehensive loss of Rs. 415.72 lakhs for the quarter ended 30 June 2019, as considered in the consolidated unaudited financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

Limited Review Report on Unaudited Quarterly Consolidated Financial Results of Mahindra & Mahindra Financial Services Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Mahindra & Mahindra Financial Services Limited

7. The Statement includes the interim financial information of 3 subsidiaries which have not been reviewed / audited, whose interim financial information reflect total revenues of Rs. 69.66 lakhs, total net profit after tax of Rs. 44.42 lakhs and total comprehensive income of Rs. 44.42 lakhs for the quarter ended 30 June 2019, as considered in the Statement. The Statement also includes the Group's share of net profit (and other comprehensive income) of Rs. 1,328.01 lakhs for the quarter ended 30 June 2019, as considered in the consolidated unaudited financial results, in respect of one associate, based on their interim financial information which have not been reviewed/audited. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W/W-100022



Venkataramanan Vishwanath

Partner

Membership No. 113156

UDIN: 19113156AAAACR6710

Mumbai
23 July 2019

B S R & Co. LLP

Chartered Accountants

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Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
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India

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Limited Review Report on Unaudited Quarterly Standalone Financial Results of Mahindra & Mahindra Financial Services Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of Mahindra & Mahindra Financial Services Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Mahindra & Mahindra Financial Services Limited ('the Company') for the quarter ended 30 June 2019 ('the Statement').
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has 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, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the three months ended 31 March 2019 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.



B S R & Co (a partnership firm with
Registration No. BA61223) converted into
B S R & Co. LLP (a Limited Liability, Partnership
with LLP Registration No. AAB-8181)
with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011, India

Limited Review Report on Unaudited Quarterly Standalone Financial Results of Mahindra & Mahindra Financial Services Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Mahindra & Mahindra Financial Services Limited

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Venkataramanan Vishwanath

Partner

Membership No: 113156

ICAI UDIN: 19113156AAAACS4531

Mumbai
23 July 2019

PRESS RELEASE

Mahindra Finance

Financial Results – FY20 Q1

Income up 23%, stood at Rs.2,838 Crores
PAT declines 66%, stood at Rs.108 Crores
AUM up 22%, crosses Rs.71,000 Crores

Mumbai, July 23, 2019: The Board of Directors of Mahindra & Mahindra Financial Services Limited (Mahindra Finance), a leading provider of financial services in the rural and semi-urban markets announced today the unaudited financial results for the quarter ended June 30, 2019.

F-2020 Q1 Consolidated Results

The **Total Income increased by 23%** at **Rs.2,838 Crores** during the quarter ended June 30, 2019, as against Rs.2,302 Crores in the corresponding quarter last year. The **Profit After Tax (PAT)** stood at **Rs.108 Crores** during the quarter ended June 30, 2019, as against Rs.322 Crores during the corresponding quarter last year, a decline of **66%** over the same period previous year.

F-2020 Q1 Standalone Results

The **Total Income increased by 24%** at **Rs.2,413 Crores** during the quarter ended June 30, 2019, as against Rs.1,940 Crores in the corresponding quarter last year. The **Profit After Tax (PAT)** stood at **Rs.68 Crores** during the quarter ended June 30, 2019, as against Rs.269 Crores during the corresponding period last year, a decline of **75%** over the same period previous year.

Operations

During the period ended June 30, 2019, the Company's customer base has crossed **6.2 Million**.

The **Total value of assets financed** for the quarter ended June 30, 2019, was **Rs.10,598 Crores** as against Rs.10,339 Crores during the same quarter previous year, registering a **growth of 3%**.

The standalone **Assets Under Management (AUM)** stood at **Rs.71,406 Crores** as on June 30, 2019, as against Rs.58,711 Crores as on corresponding reporting date last year, registering a **growth of 22%**.

The Company continues to be leading financier for automotive and tractors, including pre-owned vehicles. During the year, growth was higher in the pre-owned and commercial vehicle segment. We have maintained our market share and volumes in all our lead products.

The Company's capital and debt position is strong and the ALM position is well balanced.

Impairment provisioning is done as per Expected Credit Loss (ECL) method prescribed in Ind AS, which requires provisioning in three stages. The company has considered all loan accounts with an ageing of above 90 days under Stage 3 (Impaired assets). The **Gross Stage 3** levels have gone down to 7.4% for the quarter ended June 30, 2019, from 9.4% during the corresponding quarter last year. The **Net Stage 3** levels have gone down to **5.7%** for the quarter ended June 30, 2019, from 6.3% during the corresponding quarter last year. The **Stage 3 provisioning coverage ratio** stood at **24.9%**.

SUBSIDIARIES

Mahindra Insurance Brokers Limited (MIBL)

During the quarter ended June 30, 2019, MIBL registered income at Rs.79.63 crores as against Rs.66.67 crores, registering a growth of 19% over the same period previous year. The Profit After Tax (PAT) was Rs.6.16 crores as against Rs.14.82 crores, a decline of 58% over the same period previous year.

Mahindra Rural Housing Finance Limited (MRHFL)

During the quarter ended June 30, 2019, MRHFL registered Income at Rs.363.05 crores as against Rs.301.98 crores, a growth of 20% over the same period previous year. The Profit After Tax during the quarter ended June 30, 2019, was Rs.28.75 Crores as against Rs.30.88 Crores, a decline of 7% over the same period previous year.

Mahindra Asset Management Company Private Limited (MAMCPL)

During the quarter ended June 30, 2019, MAMCPL earned revenues of Rs.4.14 Crores as compared to Rs.9.41 Crores in the same period previous year. The company incurred a loss of Rs.8.56 Crores compared to a loss of Rs.6.22 Crores over the same period previous year.

The Average Assets under Management (AUM) of MAMCPL for the quarter ended June 30, 2019 was Rs.4,972 Crores across nine schemes, which showed a growth of 26% over the same period previous year. Of these assets, MAMCPL managed Rs.1,513 crores of average equity assets in the quarter ended June 30, 2019 compared to Rs.1,264 Crores in the same quarter last year.

Mahindra Finance USA, LLC (MFUSA)

During the quarter ended June 30, 2019, MFUSA registered income at USD 16.69 Million as against USD 15.99 Million, registering a growth of 4% over the same period previous year. The Profit After Tax (PAT) during the quarter ended June 30, 2019, registered was USD 3.90 Million as against USD 4.10 Million, a decline of 5% over the same period previous year.

Mahindra Finance CSR Foundation

During the quarter ended 30 June 2019, the Company has incorporated a Wholly-owned subsidiary company, namely, Mahindra Finance CSR Foundation, under the provisions of section 8 of the Companies Act, 2013 for undertaking the CSR activities of the Company and its subsidiaries.

About Mahindra & Mahindra Financial Services Limited

Mahindra & Mahindra Financial Services Limited (Mahindra Finance), part of the Mahindra Group, is one of India's leading non-banking finance companies. Focused on the rural and semi-urban sector, the Company has over 6.2 Million customers and has an AUM of over USD 10 Billion. The Company is a leading vehicle and tractor financier, provides loans to SMEs and also offers fixed deposits to public. The Company has over 1,300 MMFSL offices and reaches out to customers spread over 3,70,000 villages and 7,000 towns across the country.

Mahindra Finance is the only Non-Banking Finance Company from India to be listed on the Dow Jones Sustainability Index in the Emerging Market Category. Mahindra Finance has been ranked 8th on the list of India's Best Companies to work for – 2019 and 25 Best Large Workplaces in Asia 2019 by Great Place to Work® Institute.

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

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

Mahindra Asset Management Company Private Limited (MAMCPL), a wholly-owned subsidiary of Mahindra Finance, acts as the Investment Manager of Mahindra Mutual Fund.

The Company has a JV in US, Mahindra Finance USA LLC, in partnership with De Lage Landen, a subsidiary of Rabo Bank, for financing Mahindra tractors in US.

About Mahindra

The Mahindra Group is a USD 20.7 billion federation of companies that enables people to rise through innovative mobility solutions, driving rural prosperity, enhancing urban living, nurturing new businesses and fostering communities. It has a leadership position in utility vehicles, information technology, financial services and vacation ownership in India and is the world's largest tractor company, by volume. It also enjoys a strong presence in agribusiness, components, commercial vehicles, speedboats, consulting services, energy, industrial equipment, logistics, real estate, steel, aerospace, defence and two wheelers. Headquartered in India, Mahindra employs over 240,000 people across 100 countries.

Learn more about Mahindra on www.mahindra.com / Twitter and Facebook: @MahindraRise

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