

B S R & Co. LLP

Chartered Accountants

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India

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Review report

To the Board of Directors of MAS Financial Services Limited

We have reviewed the accompanying statement of unaudited standalone financial results of MAS Financial Services Limited (the 'Company') for the quarter ended 30 June 2018 (the 'Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

The standalone financial results for the quarter ended 30 June 2017 reported under previous GAAP are based on the Special Purpose Condensed Standalone Financial Statements (the 'financial statements') of the Company for the quarter ended 30 June 2017. These financial statements were audited by Deloitte Haskins & Sells, Chartered Accountants, whose report dated 31 July 2017 expressed an unmodified opinion on those financial statements. We draw attention to the fact that management has adjusted these previously issued financial statements for the differences in the accounting principles adopted by the Company on transition to the Indian Accounting Standard ('Ind AS') and presented a reconciliation for the same, which have been approved by the Company's Board of Directors. The figures for the corresponding quarter ended 30 June 2017 including the reconciliation of profit under Ind AS of the corresponding quarter with profit reported under previous GAAP, as reported in the Statement have not been subjected to review. Our conclusion is not modified with respect to this matter.

This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' specified under section 143 (10) of the Companies Act, 2013 (the 'Act'). 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 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.



Review report (*Continued*)

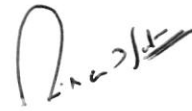
MAS Financial Services Limited

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 i.e. Ind AS prescribed under Section 133 of the Act 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 and SEBI Circular dated 5 July 2016 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



Nirav Patel

Partner

Membership No: 113327

Ahmedabad
24 August 2018

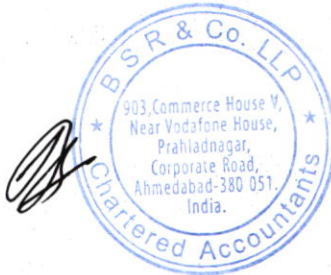
**MAS FINANCIAL SERVICES LTD.**

Regd. Office: 6, Ground Floor, Narayan Chambers, B/h Patang Hotel, Ashram Road, Ahmedabad-380 009.
 Phone No.: +91 79 41106500, Fax No.: +91 79 41106597, E-mail : riddhi_bhayani@mas.co.in, Website: www.mas.co.in
 CIN: U65910GJ1995PLC026064

Statement of Unaudited Standalone Financial Results for the quarter ended 30 June 2018

(₹ in Lakh)

Sr. No.	Particulars	Quarter ended	
		30.06.2018 Unaudited	30.06.2017 Unaudited
1	INCOME		
	(a) Revenue from operations	12,136.27	9,733.96
	(b) Other income	28.88	32.49
	Total income	12,165.15	9,766.45
2	EXPENSES		
	(a) Employee benefits expense	1,162.29	783.86
	(b) Finance costs	4,260.80	4,507.62
	(c) Depreciation and amortisation expense	30.43	25.01
	(d) Provisions and loan losses	1,375.09	754.18
	(e) Other expenses	652.37	781.19
	Total expenses	7,480.98	6,851.86
3	Profit before exceptional items and tax (1-2)	4,684.17	2,914.59
4	Exceptional items	-	-
5	Profit before tax (3+4)	4,684.17	2,914.59
6	Tax expense		
	(a) Current tax	1,770.00	1,288.00
	(b) Deferred tax	(132.13)	(50.52)
	Net tax expense	1,637.87	1,237.48
7	Profit for the quarter from continuing operations (5-6)	3,046.30	1,677.11
8	Profit from discontinued operations	-	-
9	Tax expense of discontinued operations	-	-
10	Profit from discontinued operations (after tax) (8-9)	-	-
11	Profit for the quarter (7+10)	3,046.30	1,677.11
12	Other comprehensive income		
	(a) (i) Items that will not be reclassified to profit or loss	1.53	0.37
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.53)	(0.13)
	(b) (i) Items that will be reclassified to profit or loss	5,271.70	(1,324.56)
	(ii) Income tax relating to items that will be reclassified to profit or loss	(1,842.41)	462.85
	Other comprehensive income / (loss) (net of tax)	3,430.29	(861.47)
13	Total comprehensive income for the quarter	6,476.59	815.64
14	Earnings per share (of ₹ 10 each) (not annualised)		
	(a) Basic	5.57	3.66
	(b) Diluted	5.57	3.66



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- 1 The unaudited standalone financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act 2013 (the 'Act'). The Company has adopted Ind AS from 1 April 2018 with effective transition date of 1 April 2017 and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - Interim Financial Reporting, prescribed under section 133 of the Act and the other accounting principles generally accepted in India.

This transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act, read with rule 7 of Companies (Accounts) Rules 2014 (as amended), guidelines issued by Reserve Bank of India ('RBI') and other generally accepted accounting principles in India (collectively referred to as the 'Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at 1 April 2017 and the corresponding adjustments pertaining to comparative previous quarter as presented in these financial results have been restated / reclassified in order to conform to current period presentation.

These unaudited standalone financial results have been drawn up on the basis of Ind AS that are applicable to the Company as at 30 June 2018 based on the Press Release issued by the Ministry of Corporate Affairs ('MCA') on 18 January 2016. Any application guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable.

- 2 In compliance with Regulation 33 of the Securities Exchange Board of India (the 'SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of the financial results for the quarter ended 30 June 2018 has been carried out by the Statutory Auditors.

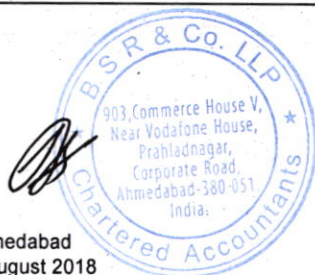
As permitted under circular no. CIR/CFD/FAC/62/2016 dated 5 July 2016 issued by the SEBI, the Company has opted to avail exemption for submission of Ind AS compliant financial results for the quarter ended 31 March 2018 and previous year ended 31 March 2018. Further, the standalone financial results for the quarter ended 30 June 2017 have not been subjected to a limited review or audit. However, management has exercised necessary due diligence to ensure that the financial results for the quarter ended 30 June 2017 provide a true and fair view of the Company's affairs.

- 3 As required by Ind AS 101, the profit reconciliation between the figures previously reported under Previous GAAP and restated as per Ind AS is as under:

(₹ in Lakh)	
Particulars	Quarter ended 30 June 2017
Profit after tax as reported under previous GAAP	2,304.27
Adjustments resulting in increase/(decrease) in profit after tax as reported under Previous GAAP :	
i) Impact on recognition of financial assets and financial liabilities at amortised cost by application of Effective Interest Rate method	(46.62)
ii) Impact on application of Expected Credit Loss method for loan loss provisions	154.08
iii) Impact on securitised loan portfolio	(51.84)
iv) Fair value impact of Compulsorily Convertible Debentures	(214.28)
v) Fair value impact of Compulsorily Convertible Cumulative Preference Shares	(419.17)
vi) Dividend on convertible preference shares considered as Finance Cost	(28.95)
vii) Others	(0.94)
viii) Tax impact on above adjustments	(19.44)
Profit after tax as reported under Ind AS	1,677.11
Other Comprehensive Income / (loss) (net of tax)	
i) Fair value changes on Equity Instruments	0.37
ii) Fair value changes on Loans and Advances	(1,324.56)
iii) Tax impact on above adjustments	462.72
Total Other Comprehensive Income / (loss) (net of tax)	(861.47)
Total Comprehensive Income (after tax) as reported under Ind AS	815.64

- 4 The Board of Directors in its meeting held on 9 May 2018 recommended final dividend of ₹ 2.16 per equity share of face value of ₹ 10 each for the year ended 31 March 2018. The shareholders of the Company have approved the dividend in the Annual General Meeting of the Company held on 27 June 2018. Dividend was subsequently paid on 11 July 2018.
- 5 Pursuant to the private placement offer letter ('Offer Document') dated 30 March 2017, the Company has allotted 1,034,553 equity shares on 19 April 2017 having face value of ₹ 10 each at a premium of ₹ 328.31 under the second tranche of the Offer Document.
- 6 The unaudited standalone financial results for the quarter ended 30 June 2018 along with restated comparative period have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 24 August 2018.
- 7 The Company is engaged primarily in the business of Financing and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.

Place : Ahmedabad
 Date : 24 August 2018



Karanesh C. Gandhi
 (Chairman & Managing Director)
 (DIN - 00044852)

B S R & Co. LLP

Chartered Accountants

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Review report

To the Board of Directors of MAS Financial Services Limited

We have reviewed the accompanying statement of unaudited consolidated financial results of MAS Financial Services Limited (the 'Company') and its subsidiary (collectively referred to as the 'Group') for the quarter ended 30 June 2018 (the 'Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

The consolidated financial results for the quarter ended 30 June 2017 reported under previous GAAP are based on the Special Purpose Condensed Consolidated Financial Statements (the 'financial statements') of the Group for the quarter ended 30 June 2017. These financial statements were audited by Deloitte Haskins & Sells, Chartered Accountants, whose report dated 24 August 2017 expressed an unmodified opinion on those financial statements. We draw attention to the fact that management has adjusted these previously issued financial statements for the differences in the accounting principles adopted by the Group on transition to the Indian Accounting Standard ('Ind AS') and presented a reconciliation for the same, which have been approved by the Company's Board of Directors. The figures for the corresponding quarter ended 30 June 2017 including the reconciliation of profit under Ind AS of the corresponding quarter with profit reported under previous GAAP, as reported in the Statement have not been subjected to review. Our conclusion is not modified with respect to this matter.

This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' specified under section 143 (10) of the Companies Act, 2013 (the 'Act'). 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 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.

The Statement includes results of MAS Rural Housing & Mortgage Finance Limited.

We did not review the financial information of one subsidiary included in the Statement, whose unaudited financial information reflect total revenue of Rs. 699.07 lac for the quarter ended 30 June 2018. This unaudited financial information has been reviewed by other auditor whose report have been furnished to us, and our conclusion on the Statement to the extent they have been derived from such unaudited financial information is based solely on the report of such other auditor. Our conclusion is not modified in respect of such matter.

Review report (*Continued*)

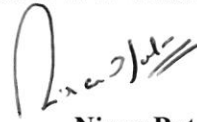
MAS Financial Services Limited

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 i.e. Ind AS prescribed under Section 133 of the Act 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 and SEBI Circular dated 5 July 2016 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



Nirav Patel

Partner

Membership No: 113327

Ahmedabad
24 August 2018

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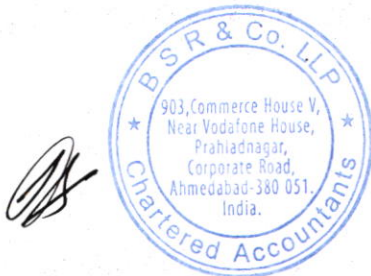
Phone No.: +91 79 41106500, Fax No.: +91 79 41106597, E-mail : riddhi_bhayani@mas.co.in, Website: www.mas.co.in

CIN: U65910GJ1995PLC026064

Statement of Unaudited Consolidated Financial Results for the quarter ended 30 June 2018

(₹ in Lakh)

Sr. No.	Particulars	Quarter ended	
		30.06.2018 Unaudited	30.06.2017 Unaudited
1	INCOME		
	(a) Revenue from operations	12,835.34	10,382.72
	(b) Other income	43.60	31.49
	Total income	12,878.94	10,414.21
2	EXPENSES		
	(a) Employee benefits expense	1,284.98	860.43
	(b) Finance costs	4,680.34	4,893.23
	(c) Depreciation and amortisation expense	39.52	35.83
	(d) Provisions and loan losses	1,368.58	756.42
	(e) Other expenses	704.63	856.58
	Total expenses	8,078.05	7,402.49
3	Profit before exceptional items and tax (1-2)	4,800.89	3,011.72
4	Exceptional items	-	-
5	Profit before tax (3+4)	4,800.89	3,011.72
6	Tax expense		
	(a) Current tax	1,800.80	1,320.20
	(b) Deferred tax	(133.14)	(52.65)
	Net tax expense	1,667.66	1,267.55
7	Profit for the quarter from continuing operations (5-6)	3,133.23	1,744.17
8	Profit from discontinued operations	-	-
9	Tax expense of discontinued operations	-	-
10	Profit from discontinued operations (after tax) (8-9)	-	-
11	Profit for the quarter (7+10)	3,133.23	1,744.17
12	Other comprehensive income		
	(a) (i) Items that will not be reclassified to profit or loss	1.91	0.05
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.63)	(0.04)
	(b) (i) Items that will be reclassified to profit or loss	5,271.70	(1,324.56)
	(ii) Income tax relating to items that will be reclassified to profit or loss	(1,842.41)	462.85
	Other comprehensive income / (loss) (net of tax)	3,430.57	(861.70)
13	Total comprehensive income for the quarter	6,563.80	882.47
14	Earnings per share (of ₹ 10 each) (not annualised)		
	(a) Basic	5.73	3.80
	(b) Diluted	5.73	3.80



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CIN: U65910GJ1995PLC026064

- 1 The unaudited consolidated financial results of the Company and its subsidiary (collectively referred to as the 'Group') have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act 2013 (the 'Act'). The Group has adopted Ind AS from 1 April 2018 with effective transition date of 1 April 2017 and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - Interim Financial Reporting, prescribed under section 133 of the Act and the other accounting principles generally accepted in India.

This transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act, read with rule 7 of Companies (Accounts) Rules 2014 (as amended), guidelines issued by Reserve Bank of India ('RBI') and other generally accepted accounting principles in India (collectively referred to as the 'Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at 1 April 2017 and the corresponding adjustments pertaining to comparative previous quarter as presented in these financial results have been restated / reclassified in order to conform to current period presentation.

These unaudited consolidated financial results have been drawn up on the basis of Ind AS that are applicable to the Group as at 30 June 2018 based on the Press Release issued by the Ministry of Corporate Affairs ('MCA') on 18 January 2016. Any application guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable.

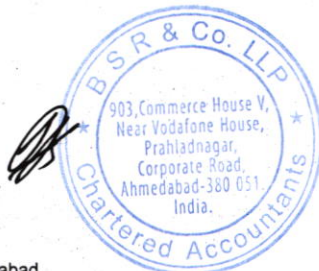
- 2 In compliance with Regulation 33 of the Securities Exchange Board of India (the 'SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of the financial results for the quarter ended 30 June 2018 has been carried out by the Statutory Auditors.

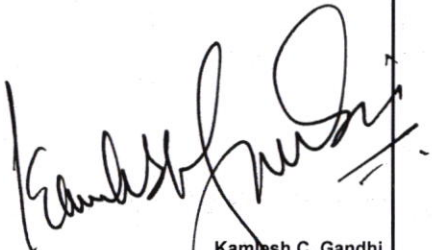
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- 3 As required by Ind AS 101, the profit reconciliation between the figures previously reported under Previous GAAP and restated as per Ind AS is as under:

(₹ in Lakh)	
Particulars	Quarter ended 30 June 2017
Profit after tax as reported under Previous GAAP	2,370.25
Adjustments resulting in increase/(decrease) in profit after tax as reported under previous GAAP :	
i) Impact on recognition of financial assets and financial liabilities at amortised cost by application of Effective Interest Rate method	(43.47)
ii) Impact on application of Expected Credit Loss method for loan loss provisions	158.06
iii) Impact on securitised loan portfolio	(53.65)
iv) Fair value impact of Compulsorily Convertible Debentures	(214.28)
v) Fair value impact of Compulsorily Convertible Cumulative Preference Shares	(419.17)
vi) Dividend on convertible preference shares considered as Finance Cost	(35.37)
vii) Others	0.68
viii) Remeasurement of defined benefit obligation recognised in other comprehensive income	0.23
ix) Tax impact on above adjustments	(19.11)
Profit after tax as reported under Ind AS	1,744.17
Other Comprehensive Income / (loss) (net of tax)	
i) Fair value changes on Equity Instruments	0.37
ii) Fair value changes on Loans and Advances	(1,324.56)
iii) Remeasurement of the defined benefit liabilities	(0.32)
iv) Tax impact on above adjustments	462.81
Total Other Comprehensive Income / (loss) (net of tax)	(861.70)
Total Comprehensive Income (after tax) as reported under Ind AS	882.47

- 4 The Board of Directors in its meeting held on 9 May 2018 recommended final dividend of ₹ 2.16 per equity share of face value of ₹ 10 each for the year ended 31 March 2018. The shareholders of the Company have approved the dividend in the Annual General Meeting of the Company held on 27 June 2018. Dividend was subsequently paid on 11 July 2018.
- 5 Pursuant to the private placement offer letter ('Offer Document') dated 30 March 2017, the Company has allotted 1,034,553 equity shares on 19 April 2017 having face value of ₹ 10 each at a premium of ₹ 328.31 under the second tranche of the Offer Document.
- 6 The unaudited consolidated financial results for the quarter ended 30 June 2018 along with restated comparative period have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 24 August 2018.
- 7 The Group is engaged primarily in the business of Financing and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Group.




Kamlesh C. Gandhi
 (Chairman & Managing Director)
 DIN - 00044852

Place : Ahmedabad
 Date : 24 August 2018