

28th January, 2020

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 third quarter and nine months ended 31st December, 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. 28th January, 2020 has *inter alia*, approved the Unaudited Standalone and Consolidated Financial Results of the Company for the third quarter and nine months ended 31st December, 2019.

Accordingly we are enclosing:

- i. The Unaudited Standalone Financial Results of the Company for the third quarter and nine months ended 31st December, 2019.
- ii. The Unaudited Consolidated Financial Results of the Company for the third quarter and nine months ended 31st December, 2019.
- iii. Limited Review Reports of the Statutory Auditors on the Standalone and Consolidated Financial Results of the Company for the third quarter and nine months ended 31st December, 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.



This intimation is also being uploaded on the website of the Company at <https://www.mahindrafinance.com>.

The Meeting of the Board of Directors commenced at 2.00 p.m. and concluded at 4.30 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

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2019

Rs. in Lakhs

	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2019	30 September 2019	31 December 2018	31 December 2019	31 December 2018	31 March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from operations						
i)	Interest income	293,212.37	280,710.02	259,193.88	846,798.63	721,399.32	996,952.90
ii)	Dividend income	11.38	1,726.56	359.15	2,696.71	405.32	1,524.27
iii)	Rental income	218.49	171.94	6.23	505.98	14.98	71.45
iv)	Fees and commission Income	3,055.04	2,694.29	2,860.21	7,559.80	8,163.76	11,638.82
v)	Net gain on fair value changes	856.30	446.77	-	1,362.55	-	761.75
vi)	Sale of services	7,256.79	5,647.73	6,742.15	19,271.74	19,183.92	26,220.90
I	Total Revenue from operations	304,610.37	291,397.31	269,161.62	878,195.41	749,167.30	1,037,170.09
II	Other income	3,520.03	2,251.35	1,383.78	7,426.12	3,682.87	5,915.38
III	Total income (I+II)	308,130.40	293,648.66	270,545.40	885,621.53	752,850.17	1,043,085.47
	Expenses						
i)	Finance costs	135,140.69	134,590.95	115,251.57	395,991.41	316,238.68	443,227.98
ii)	Fees and commission expense	3,442.25	2,677.38	3,750.23	9,674.82	9,954.87	12,968.10
iii)	Net loss on fair value changes	-	-	58.11	-	2.27	-
iv)	Impairment on financial instruments	42,020.55	39,995.48	24,499.46	149,707.34	83,260.42	71,710.83
v)	Employee benefits expenses	40,200.67	41,416.44	37,121.23	128,870.37	105,399.44	147,794.76
vi)	Depreciation, amortization and impairment	4,323.49	4,320.16	1,951.23	12,787.43	5,418.19	7,553.32
vii)	Others expenses	21,417.51	21,103.29	22,326.31	62,793.16	56,179.46	80,447.20
IV	Total expenses	246,545.16	244,103.70	204,958.14	759,824.53	576,453.33	763,702.19
V	Profit before exceptional items and tax (III-IV)	61,585.24	49,544.96	65,587.26	125,797.00	176,396.84	279,383.28
VI	Share of profit of associate	1,290.60	1,148.13	888.49	3,766.74	3,538.87	4,692.88
VII	Profit before tax (V+VI)	62,875.84	50,693.09	66,475.75	129,563.74	179,935.71	284,076.16
VIII	Tax expense :						
i)	Current tax	1,844.67	6,083.09	17,909.94	12,525.17	57,982.58	71,136.53
ii)	Deferred tax	13,545.63	18,249.86	7,620.93	32,346.66	5,282.32	26,211.44
		15,390.30	24,332.95	25,530.87	44,871.83	63,264.90	97,347.97
IX	Profit for the period (VII-VIII)	47,485.54	26,360.14	40,944.88	84,691.91	116,670.81	186,728.19
X	Other Comprehensive Income (OCI)						
A)	(i) Items that will not be reclassified to profit or loss						
	- Remeasurement loss on defined benefit plans	(66.94)	(69.17)	(448.80)	(2,116.39)	(1,411.83)	(1,481.98)
	- Net gain/(loss) on equity instruments through OCI	-	-	-	(47.95)	454.65	454.65
	(ii) Income tax relating to the above items	41.17	(362.47)	155.86	330.29	322.03	353.97
	Subtotal (A)	(25.77)	(431.64)	(292.94)	(1,834.05)	(635.15)	(673.36)
B)	(i) Items that will be reclassified to profit or loss						
	- Exchange differences in translating the financial statements of foreign operations	416.17	978.65	(1,544.83)	1,188.08	2,578.45	2,398.78
	- Net gain on debt instruments through OCI	-	-	-	-	-	788.52
	(ii) Income tax relating to the above items	-	-	-	-	-	(275.54)
	Subtotal (B)	416.17	978.65	(1,544.83)	1,188.08	2,578.45	2,911.76
	Other Comprehensive Income (A + B)	390.40	547.01	(1,837.77)	(645.97)	1,943.30	2,238.40
XI	Total Comprehensive Income for the period (IX+X)	47,875.94	26,907.15	39,107.11	84,045.94	118,614.11	188,966.59
	Profit for the period attributable to:						
	Owners of the Company	47,164.56	26,145.09	39,905.24	84,032.70	114,087.39	182,729.83
	Non-controlling interests	320.68	215.05	1,039.64	659.21	2,583.42	3,998.36
		47,485.54	26,360.14	40,944.88	84,691.91	116,670.81	186,728.19
	Other Comprehensive Income for the period attributable to:						
	Owners of the Company	382.81	558.93	(1,837.47)	(611.19)	1,959.84	2,252.51
	Non-controlling interests	7.59	(11.92)	(0.30)	(34.78)	(16.54)	(14.11)
		390.40	547.01	(1,837.77)	(645.97)	1,943.30	2,238.40
	Total Comprehensive Income for the period attributable to:						
	Owners of the Company	47,547.37	26,704.03	38,067.77	83,421.52	116,047.23	184,982.34
	Non-controlling interests	328.57	203.12	1,039.34	624.42	2,566.88	3,984.25
		47,875.94	26,907.15	39,107.11	84,045.94	118,614.11	188,966.59
XII	Earnings per equity share (face value of Rs.2/- each) #						
	Basic (Rupees)	7.67	4.25	6.49	13.66	18.56	29.73
	Diluted (Rupees)	7.66	4.24	6.47	13.64	18.52	29.67

Earnings per share for the Interim period is not annualised.



STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2019

Rs. in Lakhs

	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2019	30 September 2019	31 December 2018	31 December 2019	31 December 2018	31 March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from operations						
i)	Interest income	254,169.02	244,073.85	220,528.99	734,888.88	620,330.43	861,455.78
ii)	Dividend income	6.05	1,506.03	272.83	2,420.17	319.00	1,388.00
iii)	Rental income	218.49	171.94	6.23	505.98	14.98	71.45
iv)	Fees and commission Income	2,884.57	2,455.42	2,229.94	7,025.88	6,173.67	8,691.76
v)	Net gain on fair value changes	801.64	429.46	-	1,256.32	-	683.87
	Total Revenue from operations	258,059.77	248,636.70	223,037.99	746,097.23	626,838.08	872,290.86
	Other income	3,541.83	5,448.32	1,569.04	10,839.82	6,255.41	8,690.31
	Total income (I+II)	261,601.60	254,085.02	224,607.03	756,937.05	633,093.49	880,981.17
	Expenses						
i)	Finance costs	120,886.28	120,219.82	102,049.02	353,926.64	280,022.71	394,456.16
ii)	Fees and commission expense	1,200.32	1,101.63	1,301.41	3,300.89	2,363.63	3,047.83
iii)	Net loss on fair value changes	-	-	91.73	-	65.82	-
iv)	Impairment on financial instruments	40,008.86	36,062.89	22,470.70	138,033.65	74,965.86	63,520.83
v)	Employee benefits expenses	28,889.57	29,402.67	27,159.05	93,501.20	77,601.70	109,011.91
vi)	Depreciation, amortization and impairment	3,621.21	3,591.24	1,517.39	10,645.43	4,292.29	6,022.52
vii)	Others expenses	18,176.53	17,868.31	18,047.77	52,401.62	45,011.51	66,677.73
	Total expenses	212,782.77	208,246.56	172,637.07	651,809.43	484,323.52	642,736.98
	Profit before tax (III-IV)	48,818.83	45,838.46	51,969.96	105,127.62	148,769.97	238,244.19
	Tax expense :						
i)	Current tax	(323.00)	5,851.00	11,328.02	8,722.00	46,070.10	57,686.12
ii)	Deferred tax	12,613.63	14,810.23	8,776.49	27,856.96	5,790.08	24,851.72
		12,290.63	20,661.23	20,104.51	36,578.96	51,860.18	82,537.84
	Profit for the period (V-VI)	36,528.20	25,177.23	31,865.45	68,548.66	96,909.81	155,706.35
	Other Comprehensive Income (OCI)						
A)	(i) Items that will not be reclassified to profit or loss						
	- Remeasurement gain/(loss) on defined benefit plans	(40.66)	57.38	(433.00)	(1,777.41)	(1,237.72)	(1,324.60)
	- Net gain/(loss) on equity instruments through OCI	-	-	-	(47.95)	454.65	454.65
	(ii) Income tax relating to the above items	14.92	(387.21)	151.31	271.41	273.64	304.00
	Subtotal (A)	(25.74)	(329.83)	(281.69)	(1,553.95)	(509.43)	(565.95)
B)	(i) Items that will be reclassified to profit or loss						
	- Net gain on debt instruments through OCI	-	-	-	-	-	788.52
	(ii) Income tax relating to the above items	-	-	-	-	-	(275.54)
	Subtotal (B)	-	-	-	-	-	512.98
	Other Comprehensive Income (A + B)	(25.74)	(329.83)	(281.69)	(1,553.95)	(509.43)	(52.97)
	Total Comprehensive Income for the period (VII+VIII)	36,502.46	24,847.40	31,583.76	66,994.71	96,400.38	155,653.38
	Earnings per equity share (face value of Rs.2/- each) #						
	Basic (Rupees)	5.94	4.09	5.18	11.15	15.77	25.33
	Diluted (Rupees)	5.93	4.08	5.17	11.12	15.74	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 28 January 2020.
- 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 & 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 and nine months ended 31 December 2019 has been carried out by the Statutory Auditors. The Consolidated figures for the corresponding quarter and nine months ended 31 December 2018 as reported in these financial results have been approved by the Company's Board of Directors, but have not been subjected to review.
- 5) 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.
- 6) 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 and nine months ended 31 December 2019. As per the requirements of this standard, right-of-use assets amounting to Rs.23,368.24 lakhs (Standalone Balance sheet: Rs.17,343.62 lakhs) and lease liabilities amounting to Rs.24,336.04 lakhs (Standalone Balance sheet: Rs.18,063.58 lakhs) have been included within the line items "Property, plant and equipment" and "Other financial liabilities" respectively in the Consolidated Balance sheet.
- 7) 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, 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.
- 8) 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 quarter ended 30 June 2019, the Company had settled the entire amount of obligation as per the terms and conditions of the agreement.
- 9) 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.
- 10) All secured Non-Convertible Debentures (NCDs) 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 NCDs.
- 11) During the quarter ended 30 September 2019, the Company has entered in to a share subscription, share purchase and shareholders' agreement with Ideal Finance Limited ("Ideal Finance") and its existing Shareholders to form and operate a Joint Venture in the financial services sector in Sri Lanka. Pursuant to these agreements, the Company has agreed to subscribe / acquire up to 58.20% of the Equity share capital of Ideal Finance, in one or more tranches over a specified period of time, for an amount not exceeding Sri Lankan Rupees (LKR) 200.30 crores (equivalent to around Rs.80.12 crores at foreign exchange rate of INR 1 to LKR 2.5). Upon acquisition of above stake, Ideal Finance will become a subsidiary of the Company. On 21 January 2020, the Company has remitted an amount of Rs. 4,399.60 lakhs (equivalent to LKR 11,000.00 lakhs) to Ideal Finance towards acquisition of 38.20% of the Equity share capital under first and second tranches as prescribed in these agreements.
- 12) The Taxation Laws (Amendment) Ordinance, 2019 contain substantial amendments in the Income Tax Act 1961 and the Finance (No.2) Act, 2019 to provide an option to domestic companies to pay income tax at a concessional rate. The Company has elected to apply the concessional tax rate. Accordingly, the Company has recognised the provision for income tax and re-measured the net deferred tax assets at concessional rate for the half year ended 30 September 2019 and continued to apply the concessional tax rate for the nine months period ended 31 December 2019. Further, the opening net deferred tax asset has been re-measured at lower rate with a one-time impact of Rs.10,399.46 lakhs recognised in the Standalone statement of profit and loss and Rs.12,523.65 lakhs recognised in the Consolidated statement of profit and loss for the half year ended 30 September 2019.
- 13) During the quarter ended 31 December 2019, the Company has made an investment of Rs.1,500.00 lakhs (nine months ended 31 December 2019: Rs.3,500.00 lakhs) in Mahindra Asset Management Company Private Limited, its wholly owned subsidiary, by subscription to 1,50,00,000 equity shares of face value of Rs.10/- each, for cash, at par, fully paid up on a rights basis.
- 14) Pursuant to SEBI Circular no. SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22 October 2019, the Company has listed Commercial Papers on National Stock Exchange (NSE) on 1 January 2020.
- 15) Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period / year classification.

Date : 28 January 2020

Place : Mumbai



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

Ramesh Iyer
Vice-Chairman & Managing Director

Appendix 1
Mahindra & Mahindra Financial Services Limited

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

Rs. in Lakhs						
Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2019	30 September 2019	31 December 2018	31 December 2019	31 December 2018	31 March 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(a) Segment Revenue						
- Financing activities	300,959.96	291,126.99	263,911.64	869,642.73	736,054.35	1,019,375.88
- Others	9,677.12	8,543.25	8,684.92	26,672.13	25,046.96	35,541.97
Total	310,637.08	299,670.24	272,596.56	896,314.86	761,101.31	1,054,917.85
Less : Inter-segment revenue	2,506.68	6,021.58	2,051.16	10,693.33	8,251.14	11,832.38
Net revenue	308,130.40	293,648.66	270,545.40	885,621.53	752,850.17	1,043,085.47
(b) Segment Results (Profit before tax) :						
- Financing activities	60,337.38	48,908.13	64,323.06	123,821.82	172,970.28	272,837.53
- Share of profit of associate	1,290.60	1,148.13	888.49	3,766.74	3,538.87	4,692.88
- Others	1,247.86	636.83	1,264.20	1,975.18	3,426.56	6,545.75
Total	62,875.84	50,693.09	66,475.75	129,563.74	179,935.71	284,076.16
Add : Other unallocable income net of unallocable expenditure	-	-	-	-	-	-
Net Profit before tax	62,875.84	50,693.09	66,475.75	129,563.74	179,935.71	284,076.16
(c) Segment Assets :						
- Financing activities	7,999,865.45	7,711,804.37	6,911,319.51	7,999,865.45	6,911,319.51	7,344,525.53
- Others	42,728.72	42,027.61	38,853.28	42,728.72	38,853.28	38,280.91
- Other unallocable assets	74,438.32	84,272.52	86,673.67	74,438.32	86,673.67	74,790.47
Total	8,117,032.49	7,838,104.50	7,036,846.46	8,117,032.49	7,036,846.46	7,457,596.91
(d) Segment Liabilities :						
- Financing activities	6,929,227.03	6,698,905.03	5,935,870.49	6,929,227.03	5,935,870.49	6,313,165.42
- Others	14,793.38	14,719.21	10,911.06	14,793.38	10,911.06	9,678.78
- Other unallocable liabilities	-	-	-	-	-	-
Total	6,944,020.41	6,713,624.24	5,946,781.55	6,944,020.41	5,946,781.55	6,322,844.20

Date : 28 January 2020

Place : Mumbai



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

Ramesh Iyer
Vice-Chairman & Managing Director



Limited Review Report on Unaudited Quarterly Consolidated Financial Results and consolidated year-to-date 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 associate for the quarter ended 31 December 2019 and year-to-date results for the period from 1 April 2019 to 31 December 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") and SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22 October 2019. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 31 December 2018 and corresponding period from 1 April 2018 to 31 December 2018 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 and SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22 October 2019. 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 and consolidated year-to-date 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 & 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
Mahindra Finance USA, LLC	Associate

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 and SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22 October 2019, 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. 9,598.19 lakhs and Rs. 26,232.76 lakhs, total net profit after tax of Rs. 563.54 lakhs and Rs. 511.90 lakhs and total comprehensive income of Rs. 608.75 lakhs and Rs. 320.17 lakhs, for the quarter ended 31 December 2019 and for the period from 1 April 2019 to 31 December 2019, respectively, 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 and consolidated year-to-date 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 revenue of Rs. 78.93 lakhs and Rs. 439.37 lakhs, total net profit after tax of Rs. 47.64 lakhs and Rs. 333.15 lakhs and total comprehensive income of Rs. 47.64 lakhs and Rs. 333.15 lakhs for the quarter ended 31 December 2019 and for the period 1 April 2019 to 31 December 2019, respectively, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of Rs. 1,290.60 lakhs and Rs. 3,766.74 lakhs and total comprehensive income of Rs. 1,290.60 lakhs and Rs. 3,766.74 lakhs for the quarter ended 31 December 2019 and for the period from 1 April 2019 to 31 December 2019, respectively, as considered in the consolidated unaudited financial results, in respect of one associate, based on its interim financial information which have not been reviewed/audited. According to the information and explanations given to us by the management, the interim financial information referred to above in this paragraph is 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

ICAI UDIN: 20113156AAAAAH2317

Mumbai
28 January 2020

B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
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India

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Limited Review Report on Unaudited Quarterly Standalone Financial Results and standalone year-to-date 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 and year to date results for the period from 1 April 2019 to 31 December 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 and SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22 October 2019. 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. 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22 October 2019 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

Mumbai
28 January 2020

Membership No: 113156
ICAI UDIN: 20113156AAAAAI5019

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

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5th Floor, Lodha Excelus
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PRESS RELEASE

Financial Results – FY20 Q3 & YTD, Standalone & Consolidated Results

F20-Q3 Standalone Income stood at Rs.2,616 Crores, up 16%

F20-Q3 Standalone PAT stood at Rs.365 Crores, up 14%

Standalone AUM crosses Rs.75,000 Crores, up 16%

Mumbai, January 28, 2020: 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 and nine-month period ended December 31, 2019.

F-2020 Q3 (Oct'19 – Dec'19) Standalone Results

The **Total Income increased by 16%** at **Rs.2,616 Crores** during the quarter ended December 31, 2019, as against Rs.2,246 Crores during the corresponding quarter last year. The **Profit Before Tax (PBT)** stood at **Rs.488 Crores** during the quarter ended December 31, 2019, as against Rs.520 Crores during the corresponding quarter last year, a decline of **6%** over the same period previous year. The **Profit After Tax (PAT)** stood at **Rs.365 Crores** during the quarter ended December 31, 2019, as against Rs.319 Crores during the corresponding quarter last year, a growth of **14%** over the same period previous year.

F-2020 YTD (Apr'19 – Dec'19) Standalone Results

The **Total Income increased by 20%** at **Rs.7,569 Crores** during the nine-month period ended December 31, 2019, as against Rs.6,331 Crores during the corresponding period last year. The **Profit Before Tax** stood at **Rs.1,051 Crores** during the nine-month period ended December 31, 2019, as against Rs.1,488 Crores during the corresponding period last year, a decline of **29%** over the same period previous year. The **Profit After Tax** stood at **Rs.685 Crores** during the nine-month period ended December 31, 2019, as against Rs.969 Crores during the corresponding period last year, a decline of **29%** over the same period previous year.

F-2020 Q3 (Oct'19 – Dec'19) Consolidated Results

The **Total Income increased by 14%** at **Rs.3,081 Crores** during the quarter ended December 31, 2019, as against Rs.2,705 Crores during the corresponding quarter last year. The **Profit Before Tax** stood at **Rs.629 Crores** during the quarter ended December 31, 2019, as against Rs.665 Crores during the corresponding quarter last year, a decline of **5%** over the same period previous year. The **Profit After Tax** stood at **Rs.475 Crores** during the quarter ended December 31, 2019, as against Rs.409 Crores during the corresponding quarter last year, a growth of **16%** over the same period previous year.

F-2020 YTD (Apr'19 – Dec'19) Consolidated Results

The **Total Income increased by 18%** at **Rs.8,856 Crores** during the nine-month period ended December 31, 2019, as against Rs.7,529 Crores during the corresponding period last year. The **Profit Before Tax** stood at **Rs.1,296 Crores** during the nine-month period ended December 31, 2019, as against Rs.1,799 Crores during the corresponding period last year, a decline of **28%** over the same period previous year. The **Profit After Tax** stood at **Rs.847 Crores** during the nine-month period ended December 31, 2019, as against Rs.1,167 Crores during the corresponding period last year, a decline of **27%** over the same period previous year.

Operations

During the period ended December 31, 2019, the Company's customer base has crossed **6.6 Million**.

The Standalone **Assets Under Management (AUM)** stood at **Rs.75,884 Crores** as on December 31, 2019, as against Rs.65,575 Crores as on corresponding reporting date last year, registering a **growth of 16%**.

The Total value of assets financed for the nine-month period ended December 31, 2019, was **Rs.33,126 Crores** as against Rs.34,485 Crores during the same period previous year, decline of 4%.

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 90 days and above under Stage 3 (Impaired assets). The **Gross Stage 3** levels stood at **8.5%** for the period ended December 31, 2019, against 8.3% during the corresponding period last year. The **Net Stage 3** levels stood at to **6.7%** for the period ended December 31, 2019, from 6.2% during the corresponding period last year. The **Stage 3 provisioning coverage ratio** stood at **22.9%**. The company has also made an additional provision of Rs.94 Crores (pre-tax) considering the market conditions.

SUBSIDIARIES

Mahindra Insurance Brokers Limited (MIBL)

During the quarter ended December 31, 2019, MIBL registered income at Rs.91.2 Crores as against Rs.81.8 Crores, registering a growth of 11% over the same period previous year. The Profit Before Tax (PBT) registered was Rs.22.2 Crores as against Rs.26.1 Crores, a decline of 15% over the same period previous year. The Profit After Tax (PAT) registered was Rs.16.0 Crores as against Rs.18.2 Crores, a decline of 12% over the same period previous year.

During the nine-month period ended December 31, 2019, MIBL registered Income at Rs.249.0 Crores, as against Rs.223.7 Crores, registering a growth of 11% over the same period previous year. The Profit Before Tax (PBT) was Rs.45.7 Crores as compared to Rs.64.3 Crores, a decline of 29% over the same period previous year. The Profit After Tax (PAT) was Rs.33.0 Crores as against Rs.44.8 Crores, a decline of 26% over the same period previous year.

Mahindra Rural Housing Finance Limited (MRHFL)

During the quarter ended December 31, 2019, MRHFL registered Income at Rs.393.6 crores as against Rs.393.4 crores over the same period previous year. The Profit Before Tax during the quarter ended December 31, 2019, was Rs.115.2 Crores as against Rs.123.7 Crores, a decline of 7% over the same period previous year. The Profit After Tax during the quarter ended December 31, 2019, was Rs.90.6 Crores as against Rs.77.6 Crores, a growth of 17% over the same period previous year.

During the nine months' period ended December 31, 2019, MRHFL registered Income at Rs.1,127.1 crores as against Rs.1,030.2 crores, a growth of 9% over the same period previous year. The Profit Before Tax during the quarter ended December 31, 2019, was Rs.217.3 Crores as against Rs.262.2 Crores, decline of 17% over the same period previous year. The Profit After Tax during the quarter ended December 31, 2019, was Rs.148.1 Crores as against Rs.168.5 Crores, a decline of 12% over the same period previous year.

Mahindra Asset Management Company Private Limited (MAMCPL)

During the quarter ended December 31, 2019, MAMCPL earned revenues of Rs.4.7 Crores as compared to Rs.4.4 Crores in the same period previous year. The company incurred a loss of Rs.10.4 Crores compared to a loss of Rs.14.0 Crores during the same period previous year.

During the nine-months period ended December 31, 2019, MAMCPL earned revenues of Rs.13.1 Crores as compared to Rs.23.6 Crores in the same period previous year. The company incurred a loss of Rs.27.8 Crores compared to a loss of Rs.31.8 Crores during the same period previous year. The Average Assets under Management of MAMCPL for the quarter ended December 31, 2019 was Rs.5,258 Crores across thirteen schemes which showed a growth of 40% over the same period previous year. Of these assets, MAMCPL managed Rs.1,641 crores of average equity assets in the quarter ended December 31, 2019 which compared to Rs.1,310 Crores in the same quarter last year.

Mahindra Finance USA, LLC (MFUSA)

During the quarter ended December 31, 2019, MFUSA registered income at USD 17.2 Million as against USD 16.9 Million, registering a growth of 2% over the same period previous year. The Profit Before Tax (PBT) during the quarter ended December 31, 2019, registered was USD 4.7 Million as against USD 3.3 Million, registering a growth of 42% over the same period previous year. The Profit After Tax (PAT) during the quarter ended December 31, 2019, registered was USD 3.7 Million as against USD 2.5 Million, registering a growth of 48% over the same period previous year.

During the nine-month period ended December 31, 2019, MFUSA registered income at USD 52.2 Million as against USD 50.4 Million, registering a growth of 4% over the same period previous year. The Profit Before Tax (PBT) during the nine months' period ended December 31, 2019, registered was USD 14.3 Million as against USD 13.6 Million, registering a growth of 5% over the same period previous year. The Profit After Tax (PAT) during the nine months' period ended December 31, 2019, registered was USD 10.9 Million as against USD 10.4 Million, registering a growth of 5% over the same period previous year.

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 6.6 Million customers and has an AUM of over USD 10.5 Billion. The Company is a leading vehicle and tractor financier, provides loans to SMEs and also offers fixed deposits. 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 Joint Venture in the US, Mahindra Finance USA LLC, in partnership with De Lage Landen, a subsidiary of Rabo Bank, for financing Mahindra tractors in the 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, defense 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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