

2nd May 2022

To,
BSE Limited, (Security Code: 532720)
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

National Stock Exchange of India Ltd., (Symbol: M&MFIN)
Exchange Plaza, 5th Floor, Plot No. C/1, "G" Block,
Bandra - Kurla Complex, Bandra (East),
Mumbai – 400 051

Dear Sir/Madam,

Sub: Outcome of Meeting of the Board of Directors held on 2nd May 2022

Further to our letter(s) dated 12th April 2022 and 26th April 2022 and in compliance with Regulations 30, 33 and 42 read with Schedule III and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we hereby inform you that the Board of Directors of Mahindra & Mahindra Financial Services Limited ("the Company"), at its Meeting being held today viz. Monday, 2nd May 2022, has, *inter-alia*, approved the following:

I. Financial Results:

Audited Standalone and Consolidated Financial Results of the Company for the fourth quarter and financial year ended 31st March 2022.

II. Dividend:

Recommendation of dividend of Rs. 3.60 per equity share of face value of Rs. 2 each (i.e. 180%) for the financial year ended 31st March 2022. The dividend payout is subject to the Members' approval at the forthcoming 32nd Annual General Meeting ("AGM") of the Company.

This intimation shall be deemed to be disclosure under Para A 4(a) and (h) of Part A of Schedule III of the Listing Regulations.

Accordingly, we are enclosing:

- i. A copy of the Audited Standalone and Consolidated Financial Results of the Company for the fourth quarter and year ended 31st March 2022;
- ii. Unmodified Audit Report(s) of the joint Statutory Auditors of the Company on the above;
- iii. Extract of the newspaper publication of the Audited Standalone and Consolidated Financial Results for the fourth quarter and year ended 31st March 2022, in prescribed format, to be published in print and electronic versions of the newspapers.
- iv. Presentation on the abovementioned Financial Results.

In compliance with the provisions of Regulation 33(3)(d) of the Listing Regulations, the Company hereby declares that the Joint Statutory Auditors viz. M/s. Deloitte Haskins & Sells, Chartered Accountants and M/s. Mukund M. Chitale & Co., Chartered Accountants, have issued the Audit Reports with an unmodified opinion on the Standalone and Consolidated Financial Results of the Company for the year ended 31st March 2022.

The Meeting of the Board of Directors commenced at 2.15 p.m. (IST) and the matters including matters pertaining to the Audited Financial Results for the fourth quarter and year ended 31st March 2022 and Dividend for the year ended 31st March 2022 were approved by the Board of Directors by 4.00 p.m. (IST). The Board meeting is in progress and the outcome of the remaining proposals will be announced after the conclusion of the Board meeting.

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

We request you to kindly take the same on record.

Thanking you,

For **Mahindra & Mahindra Financial Services Limited**



Brijbala Batwal

Company Secretary & Compliance Officer

Enclosure: as above

**Deloitte
Haskins & Sells**

19th Floor, Shapath – V,
S.G. Highway,
Ahmedabad – 380 015
Tel: +91 79 6682 7300
Fax: +91 79 6682 7400

**Mukund
M. Chitale
& Co.**

2nd Floor, Kapur House,
Paranjape B Scheme,
Road No 1, Vile Parle (E),
Mumbai – 400 057
Tel: + 91 22 2663 3500

**INDEPENDENT AUDITORS' REPORT ON AUDIT OF ANNUAL CONSOLIDATED
FINANCIAL RESULTS AND REVIEW OF QUARTERLY CONSOLIDATED FINANCIAL
RESULTS**

**TO THE BOARD OF DIRECTORS OF
MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED**

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended 31 March 2022 and (b) reviewed the Consolidated Financial Results for the quarter ended 31 March 2022 (refer 'Other Matters' section below), both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended 31 March 2022" 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 and joint ventures, for the quarter and year ended 31 March 2022, (the "Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of other auditors on separate financial statements of the subsidiaries, associate and joint ventures referred to in Other Matters section below, the Consolidated Financial Results for the year ended 31 March 2022:

- (i) includes the results of the following entities:

Sr. No.	Name of the Company
	Subsidiaries
1	Mahindra Rural Housing Finance Limited
2	Mahindra Insurance Brokers Limited
3	Mahindra Finance CSR Foundation
4	Mahindra & Mahindra Financial Services Limited - Employees' Stock Option Trust
5	Mahindra Rural Housing Finance Limited Employee Welfare Trust
6	Ideal Finance Limited (Associate upto July 7,2021, Subsidiary w.e.f. July 8,2021)
	Associate
7	Mahindra Finance USA, LLC
	Joint Ventures



[Handwritten signature]

8	Mahindra Manulife Investment Management Private Limited
9	Mahindra Manulife Trustee Private Limited

- (ii) is presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended 31 March 2022.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended 31 March 2022

With respect to the Consolidated Financial Results for the quarter ended 31 March 2022, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of the other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended 31 March 2022, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Consolidated Financial Results for the year ended 31 March 2022

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended 31 March 2022 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the audited consolidated financial results.

Emphasis of Matter

We draw attention to Note 9 to the Statement in which the Group describes the continuing uncertainties arising from the COVID 19 pandemic.

Our report is not modified in respect of this matter.



Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended 31 March 2022, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended 31 March 2022 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group including its associate and joint ventures in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations.

The respective Board of Directors of the companies included in the Group, Board of Directors of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associate and joint ventures.

Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended 31 March 2022

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended 31 March 2022 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.



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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the entities within the Group and its associate and joint ventures to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.



We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Consolidated Financial Results for the quarter ended 31 March 2022

We conducted our review of the Consolidated Financial Results for the quarter ended 31 March 2022 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 ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 SAs specified under section 143(10) of the Act 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.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Other Matters

- We did not audit the financial information of 5 subsidiaries included in the consolidated financial results, which reflects total assets of ₹ 8,787.75 crore as at 31 March 2022 and total revenues of ₹ 345.26 crore and ₹ 1,417.58 crore for the quarter and year ended 31 March 2022 respectively, total net profit after tax of ₹ 1.07 crore and ₹ 46.85 crore for the quarter and year ended 31 March 2022 respectively and total comprehensive income of ₹ 0.47 crore and ₹ 45.19 crore for the quarter and year ended 31 March 2022 respectively and net cash inflows of ₹ 182.98 crore for the year ended 31 March 2022, as considered in the Statement. The aforesaid financial information has been audited/reviewed, as applicable, by other auditors whose reports have been furnished to us by the Management. Our opinion and 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 under Auditor's Responsibilities section above.
- Further, the financial information of a subsidiary included in the consolidated financial results, which financial information reflects total assets of ₹ 629.34 crore as at 31 March 2022 and total revenues of ₹ 114.11 crore and ₹ 347.91 crore for the quarter and year ended 31 March 2022, respectively, total net profit after tax of ₹ 20.55 crore and ₹ 51.89



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crore for the quarter and year ended 31 March 2022 respectively and total comprehensive income of ₹ 20.67 crore and ₹ 52.10 crore for the quarter and year ended 31 March 2022 respectively and net cash outflows of ₹ 1.66 crore for the year ended 31 March 2022, as considered in the Statement. The aforesaid has been audited/reviewed by Mukund M. Chitale & Co., one of the joint auditors of the Group whose report has been furnished to us by the Management. Our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated under Auditor's Responsibilities section above.

- The Statement also includes the Group's share of loss after tax of ₹ 6.67 crore and ₹ 19.29 crore and total comprehensive loss of ₹ 6.57 crore and ₹ 19.29 for the quarter and year ended 31 March, 2022, respectively, as considered in the Statement, in respect of 2 joint ventures. These interim financial results have been reviewed by other auditors whose report has 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 joint ventures, is based solely on the report of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.
- The Statement also includes the Group's share of profit after tax of ₹ 11.92 crore and ₹ 64.31 crore and Total comprehensive income of ₹ 11.92 crore and ₹ 63.47 crore for the quarter and year ended 31 March, 2022, respectively, in respect of an associate, based on their financial results, whose financial statements / financial information have not been audited by us. These financial statements/ financial information are unaudited and have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements / financial information are not material to the Group.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the financial statements/ financial information certified by the Board of the Directors.

1. The Statement includes the results for the Quarter ended 31 March 2022 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
2. The Statement includes the results for the Quarter ended 31 March 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the previous financial year which were subject to limited review by the predecessor audit firm.



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**Deloitte
Haskins & Sells**

**Mukund
M. Chitale
& Co.**

3. The Statement includes comparative financial figures for the Quarter and Year ended 31 March 2021 which have been audited by the predecessor audit firm, where they have expressed an unmodified opinion vide report dated April 28, 2021.

Our report on the Statement is not modified in respect of these matters.

For Mukund M. Chitale & Co.
Chartered Accountants
(Firm's Registration No. 106655W)

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)



M. M. Chitale
Partner
(Membership No. 14054)
(UDIN: 22014054AIGNVU4207)
Place: Mumbai
Date: May 2, 2022

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 22046930AIGOIX8101)
Place: Mumbai
Date: May 2, 2022



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 AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

Rs. in Crore

	Particulars	Quarter ended			Year ended	
		31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
		(Unaudited) Refer note 5	(Unaudited)	(Audited) Refer note 5	(Audited)	(Audited)
	Revenue from operations					
i)	Interest income (refer note 14)	2,729.23	2,845.59	2,895.50	10,858.08	11,703.79
ii)	Dividend income	0.01	0.01	-	0.02	0.12
iii)	Rental income	10.81	6.73	4.02	26.31	17.11
iv)	Fees and commission Income	35.44	27.71	27.98	109.88	75.59
v)	Net gain on fair value changes	2.83	16.11	15.77	51.34	110.95
vi)	Sale of services	86.76	78.13	63.99	271.94	203.61
I	Total Revenue from operations	2,865.08	2,974.28	3,007.26	11,317.57	12,111.17
II	Other income	32.36	11.37	31.11	82.94	59.33
III	Total Income (I+II)	2,897.44	2,985.65	3,038.37	11,400.51	12,170.50
	Expenses					
i)	Finance costs	1,052.94	1,070.72	1,226.11	4,417.37	5,307.57
ii)	Fees and commission expense	52.95	43.86	30.08	156.11	104.80
iii)	Impairment on financial instruments (refer notes 9 to 13)	130.25	(129.70)	910.08	2,690.38	3,998.74
iv)	Employee benefits expenses	451.23	414.61	397.82	1,613.12	1,384.01
v)	Depreciation, amortization and impairment	49.65	35.37	36.55	151.99	150.51
vi)	Other expenses	298.04	227.20	196.16	887.71	558.81
IV	Total expenses	2,035.06	1,662.06	2,796.80	9,916.68	11,504.44
V	Profit / (Loss) before exceptional items, Share of profit / (loss) of associate & joint ventures and tax (III-IV)	862.38	1,323.59	241.57	1,483.83	666.06
VI	Exceptional item (refer note 8)	-	-	-	20.57	228.54
VII	Share of profit / (loss) of associate & joint ventures	6.09	10.57	14.08	45.02	39.54
VIII	Profit / (Loss) before tax (V+VI+VII)	868.47	1,334.16	255.65	1,549.42	934.14
IX	Tax expense :					
i)	Current tax	254.60	150.21	339.92	411.38	494.72
ii)	Deferred tax	(14.64)	191.66	(303.11)	(12.30)	(340.86)
		239.96	341.87	36.81	399.08	153.86
X	Profit / (Loss) for the period / year (VIII-IX)	628.51	992.29	218.84	1,150.34	780.28
XI	Other Comprehensive Income (OCI)					
A)	(i) Items that will not be reclassified to profit or loss					
	- Remeasurement gain / (loss) on defined benefit plans	(1.63)	(1.89)	1.26	(4.13)	(2.36)
	- Net gain/(loss) on equity instruments through OCI	26.01	-	(12.55)	26.01	(4.56)
	- Share of other comprehensive income / (loss) of equity accounted investees	(0.07)	-	-	(0.07)	-
	(ii) Income tax relating to the above items	(6.06)	0.46	2.82	(5.50)	1.82
	Subtotal (A)	18.25	(1.43)	(8.47)	16.31	(5.10)
B)	(i) Items that will be reclassified to profit or loss					
	- Exchange differences in translating the financial statements of foreign operations	(36.10)	0.24	1.06	(27.39)	(15.27)
	- Net gain/(loss) on debt instruments through OCI	(33.63)	(32.67)	(116.20)	(0.16)	(92.82)
	- Share of other comprehensive income / (loss) of equity accounted investees	16.57	-	-	16.57	-
	(ii) Income tax relating to the above items	8.46	8.23	29.24	0.04	23.36
	Subtotal (B)	(44.70)	(24.20)	(85.90)	(10.94)	(84.73)
	Other Comprehensive Income / (Loss) (A + B)	(26.45)	(25.63)	(94.37)	5.37	(89.83)
XII	Total Comprehensive Income / (Loss) for the period / year (X+XI)	602.06	966.66	124.47	1,155.71	690.45



STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022 (Continued ...)

Rs. In Crore

	Particulars	Quarter ended			Year ended	
		31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
		(Unaudited) Refer note 5	(Unaudited)	(Audited) Refer note 5	(Audited)	(Audited)
	Profit / (Loss) for the period attributable to:					
	Owners of the Company	623.78	987.03	216.34	1,136.87	773.21
	Non-controlling Interests	4.73	5.26	2.50	13.47	7.07
		628.51	992.29	218.84	1,150.34	780.28
	Other Comprehensive Income / (Loss) for the period / year attributable to:					
	Owners of the Company	(13.27)	(26.03)	(94.30)	18.23	(89.89)
	Non-controlling Interests	(13.18)	0.40	(0.07)	(12.86)	0.06
		(26.45)	(25.63)	(94.37)	5.37	(89.83)
	Total Comprehensive Income / (Loss) for the period / year attributable to:					
	Owners of the Company	610.51	961.00	122.04	1,155.10	683.32
	Non-controlling Interests	(8.45)	5.66	2.43	0.61	7.13
		602.06	966.66	124.47	1,155.71	690.45
XIII	Earnings per equity share (face value of Rs.2/- each) #					
	Basic (Rupees)	5.06	8.01	1.76	9.23	6.99
	Diluted (Rupees)	5.05	8.00	1.75	9.21	6.98

Earnings per share for the interim period is not annualized.



CONSOLIDATED BALANCE SHEET

Rs. In Crore

		As at 31 March 2022	As at 31 March 2021
Particulars		(Audited)	(Audited)
	ASSETS		
1)	Financial Assets		
	a) Cash and cash equivalents	765.32	808.53
	b) Bank balance other than (a) above	4,062.29	3,228.66
	c) Derivative financial instruments	26.63	25.72
	d) Receivables		
	- Trade receivables	64.83	54.64
	e) Loans	67,659.69	67,075.72
	f) Investments		
	i) Investments accounted using Equity Method	855.40	838.07
	ii) Other investments	7,798.73	11,288.26
	g) Other financial assets	270.93	398.73
		81,503.82	83,718.33
2)	Non-financial Assets		
	a) Current tax assets (Net)	586.74	414.18
	b) Deferred tax Assets (Net)	951.27	944.88
	c) Property, plant and equipment	461.07	379.24
	d) Capital work-in-progress	-	10.34
	e) Intangible assets under development	2.10	1.39
	f) Goodwill	43.40	-
	g) Other intangible assets	10.81	19.80
	h) Other non-financial assets	249.44	112.83
		2,304.83	1,882.66
	Total Assets	83,808.65	85,600.99
	LIABILITIES AND EQUITY		
	LIABILITIES		
1)	Financial Liabilities		
	a) Derivative financial Instruments	182.22	173.18
	b) Payables		
	i) Trade Payables		
	ii) total outstanding dues of micro enterprises and small enterprises	0.28	0.07
	iii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,112.92	731.90
	iv) Other Payables		
	i) total outstanding dues of micro enterprises and small enterprises	3.53	0.01
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	47.10	46.96
	c) Debt Securities	21,597.15	19,671.04
	d) Borrowings (Other than Debt Securities)	28,652.09	32,454.28
	e) Deposits	8,286.26	9,366.16
	f) Subordinated Liabilities	3,590.13	3,609.47
	g) Other financial liabilities	2,874.83	3,282.71
		66,346.51	69,335.78
2)	Non-Financial Liabilities		
	a) Current tax liabilities (Net)	27.60	13.92
	b) Provisions	275.96	271.24
	c) Other non-financial liabilities	120.81	104.53
		424.37	389.69
3)	EQUITY		
	a) Equity Share capital	246.60	246.40
	b) Other Equity	16,649.71	15,529.97
	Equity attributable to owners of the Company	16,896.31	15,776.37
	Non-controlling interests	141.46	99.15
		17,037.77	15,875.52
	Total Liabilities and Equity	83,808.65	85,600.99



STATEMENT OF CONSOLIDATED CASH FLOWS

		Rs. in Crore	
Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
		(Audited)	(Audited)
A) CASH FLOW FROM OPERATING ACTIVITIES			
Profit / (Loss) before exceptional items and taxes		1,483.83	666.06
Adjustments for :			
Depreciation, amortization and impairment		151.99	150.52
Impairment on financial instruments (excluding bad debts and write offs)		(89.75)	1,847.30
Bad debts and write offs		2,806.54	2,170.70
Interest expense		4,353.53	5,080.33
Interest income from loans		(10,235.58)	(11,253.44)
Interest income from other deposits with banks		(200.06)	(183.26)
Net (Gain) / loss on fair value of derivative financial instruments		7.32	191.69
Unrealized foreign exchange gain/loss		(90.38)	(124.74)
Share based payments to employees		13.51	18.35
Net gain on fair value changes		(11.70)	(9.20)
Interest income on investments		(387.32)	(297.60)
Dividend income		-	(0.02)
Net gain on derecognition of property, plant and equipment		(1.65)	(0.30)
Net (gain) / loss on sale of investments		35.97	(97.81)
Operating profit / (loss) before working capital changes		(2,163.77)	(1,841.41)
Adjustments for changes in working capital -			
Loans		(4,956.23)	256.46
Trade receivables		(20.31)	(17.42)
Other financial assets		(13.75)	(37.57)
Other financial liabilities		215.11	(2.38)
Other non-financial assets		(2.74)	(37.67)
Trade Payables		361.01	71.38
Other non-financial liabilities		14.21	2.05
Derivative financial instruments		0.14	(0.97)
Provisions		0.22	63.30
Cash generated from / (used in) operations before adjustments for interest received and interest paid		(6,566.10)	(1,544.24)
Interest paid		(4,826.59)	(4,742.22)
Interest received from loans		11,983.97	12,770.91
Cash generated from / (used in) operations		591.27	6,484.45
Income taxes paid (net of refunds)		(573.22)	(658.56)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)		18.06	5,825.89
B) CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, plant and equipment and intangible assets		(300.68)	(45.52)
Proceeds from sale of Property, plant and equipment		6.58	4.32
Purchase of investments measured at amortized cost		(223.76)	(339.51)
Proceeds from sale of investments measured at amortized cost		84.18	170.90
(Increase) / decrease in investment in Triparty Repo Dealing System (TREPS) (net)		2,404.00	(2,404.00)
Purchase of investments measured at FVOCI		(102.62)	(4,547.94)
Proceeds from sale of investments measured at FVOCI		39.06	-
Purchase of investments measured at FVTPL		(11,759.03)	(34,736.80)
Proceeds from sale of investments measured at FVTPL		13,072.66	35,468.56
Purchase of investments measured at cost		(33.99)	(0.01)
Consideration received on partial disposal of subsidiary, net of cash (loss of control)		-	20.73
Proceeds from / (investments in) term deposits with banks (net)		(633.93)	(2,312.08)
Dividend income received		-	0.02
Interest received from other deposits with banks		143.68	152.22
Interest income received on investments measured at amortized cost, FVOCI, FVTPL and at cost		414.41	220.57
Change in Earmarked balances with banks		0.02	0.09
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)		3,110.59	(8,348.44)



STATEMENT OF CONSOLIDATED CASH FLOWS (Continued ...)

Rs. In Crore

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
	(Audited)	(Audited)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Equity shares, including securities premium (net of issue expenses)	-	3,069.96
Proceeds from borrowings through Debt Securities	7,785.50	8,100.90
Repayment of borrowings through Debt Securities	(5,867.80)	(8,160.65)
Proceeds from Borrowings (Other than Debt Securities)	40,858.82	16,351.61
Repayment of Borrowings (Other than Debt Securities)	(44,631.84)	(17,109.06)
Proceeds from borrowings through Subordinated Liabilities	132.91	50.00
Repayment of borrowings through Subordinated Liabilities	(155.17)	(272.98)
Increase / (decrease) In Fixed deposits (net)	(1,141.25)	573.24
Payments for principal portion of lease liability	(54.66)	(54.53)
Dividend paid	(99.19)	-
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	(3,172.88)	2,548.48
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(44.23)	25.93
Cash and Cash Equivalents at the beginning of the year	808.53	782.60
Cash and Cash Equivalents balance of Mahindra Ideal Finance, Sri Lanka on the date of acquisition	1.73	-
Unrealised gain/(loss) on foreign currency cash and cash equivalents	(0.71)	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	765.32	808.53

Components of Cash and Cash Equivalents

Rs. In Crore

Particulars	As at 31 March 2022	As at 31 March 2021
	(Audited)	(Audited)
Components of Cash and Cash Equivalents:		
Cash and cash equivalents at the end of the year		
- Cash on hand	54.87	54.42
- Cheques and drafts on hand	36.30	33.12
- Balances with banks in current accounts	283.65	478.50
- Term deposits with original maturity up to 3 months	390.50	242.49
Total	765.32	808.53

Note :

The above Statement of Cash Flow has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.



Notes:

- 1) The above Consolidated financial results of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS'), prescribed under Section 133 of the Companies Act, 2013 ("the Act"), directions/ guidelines issued by the Reserve Bank of India ('RBI') and other recognized accounting practices generally accepted in India. The above Consolidated financial results are in compliance with Regulation 33 and Regulation 52 read with Regulation 63 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 2) The above Consolidated 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 2 May 2022.
- 3) The Consolidated financial results for the quarter and year ended 31 March 2022 include the following entities of the group -

i) The audited financial results of Mahindra & Mahindra Financial Services Limited (the "Parent"), its subsidiaries, Mahindra Insurance Brokers Limited (80%) and Mahindra Rural Housing Finance Limited (98.43%), 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 foreign subsidiary, Ideal Finance Limited (58.20%), in Sri Lanka and joint ventures, Mahindra Manulife Investment Management Private Limited (MMIMPL: 51%) (Formerly known as "Mahindra Asset Management Company Private Limited") and Mahindra Manulife Trustee Private Limited (MMTPL: 51%) (Formerly known as "Mahindra Trustee Company Private Limited"). The joint ventures, MMIMPL and MMTPL have been consolidated under equity method of accounting;

ii) The Management certified financial results of associate, Mahindra Finance USA LLC (49%), in the United States. The standalone financial results of Mahindra Finance USA LLC do not constitute a material component of the consolidated financial results and these have been consolidated as associate, under equity method of accounting.

- 4) The Consolidated financial results of the Company for the quarter and year ended 31 March 2021 were audited by the previous auditors, BSR & Co. LLP, who have expressed an unqualified opinion vide report dated 23 April 2021.
- 5) The figures for the last quarter of the current year and 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 the end of third quarter of the current and previous financial year which were subjected to limited review by the statutory auditors.
- 6) The Board of Directors of the Parent have proposed a dividend of Rs.3.60 per share on equity share of Rs.2/- each, i.e. 180%, subject to approval of the members of the Company at the forthcoming Annual General Meeting. When approved by the members of the Company, this will involve payout of Rs. 444.79 crore.
- 7) The Segment Reporting in respect of the Consolidated Financial Results is given in Appendix 1.

8) Exceptional Items:

- a) For the year ended 31 March 2021 -

The amount shown as exceptional item for the year ended 31 March 2021 in the consolidated statement of profit and loss pertain to settlement as per 51:49 Joint Venture agreement between the Company along with Mahindra Asset Management Company Private Limited (MAMCPL) and Mahindra Trustee Company Private Limited (MTCPL), then wholly-owned subsidiaries of the Company, with Manulife Asset Management (Singapore) Pte. Ltd. (Manulife).

Pursuant to this agreement -

i) Manulife has made an equity investment aggregating to US \$ 35.00 million to acquire 49% of the share capital of MAMCPL & MTCPL;

ii) The Company has sold 1,47,00,000 equity shares of MAMCPL, equivalent to 7% of the fully paid up equity share capital of MAMCPL, for a consideration of Rs. 20.80 crore (equivalent to USD 2.73 million) to Manulife; and

iii) The shareholding of the Company in MAMCPL and MTCPL has come down from 100% to 51% of the share capital respectively. The erstwhile names of MAMCPL and MTCPL have been changed to Mahindra Manulife Investment Management Private Limited (MMIMPL) and Mahindra Manulife Trustee Private Limited (MMTPL), respectively. In the Consolidated financial statements, effective from the quarter ended 30 June 2020, MMIMPL and MMTPL have been consolidated as joint ventures under equity method of accounting and as a result, recognized a pre-tax profit of Rs. 228.54 crore, as an exceptional item on the date of settlement.

- b) For the year ended 31 March 2022 -

Pursuant to the Share Subscription, Share Purchase and Shareholders' Agreement dated 20 August, 2019 with Ideal Finance Limited, Sri Lanka ("Ideal Finance") and its existing shareholders for investment of the third and final tranche for acquisition of shares of Ideal Finance from its existing shareholders, the Company has completed the acquisition of the balance 20% of the Equity Share Capital aggregating 2,91,29,032 Equity Shares of Ideal Finance from its existing shareholders for Rs. 33.97 crore on 8 July 2021, resulting in an increase in the Company's stake in Ideal Finance from 38.20% to 58.20%. Consequent to this investment, Ideal Finance has become a Subsidiary of the Company effective 8 July, 2021. With this change in status from associate to subsidiary, it has been consolidated as foreign subsidiary for the purpose of preparation and presentation of consolidated financial statements of the Company effective from the quarter ended 30 September 2021. Based on the fair valuation of Ideal Finance and in accordance with applicable Accounting Standard, a capital gain of Rs.20.57 crore has been recognized as an exceptional item in the Consolidated Statement of profit and loss for the quarter ended 30 September 2021 along with recognition of Goodwill of Rs.43.40 crore and Non-controlling interest of Rs.39.88 crore in the Consolidated Balance sheet.



- 9) During the previous year, in accordance with the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated 27 March 2020, 17 April 2020 and 23 May 2020 relating to 'COVID-19 - Regulatory Package', the Parent and its subsidiary in the housing finance business have granted moratorium up to six months on the payment of installments which became due between 01 March 2020 and 31 August 2020 to all eligible borrowers. This relaxation did not automatically trigger a significant increase in credit risk. The Parent and its subsidiary in the housing finance business, in the previous year, continued to recognize interest income during the moratorium period.

During the current year, to relieve COVID-19 pandemic related stress, the Parent and its subsidiary in the housing finance business have invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the respective Board of Directors and in accordance with the guidelines issued by the RBI vide its circular no. RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 on Resolution Framework – 2.0 : Resolution of Covid-19 related stress of Individuals and Small Businesses dated 5 May 2021. This is in continuation to the restructuring plan implemented for the customers as per the RBI circular no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 on Resolution Framework for COVID-19-related Stress dated 6 August 2020.

The methodologies and assumptions applied in the impairment loss allowance calculations have primarily remained unchanged from those applied while preparing the financial results for the year ended 31 March 2021. The Parent and its subsidiary in the housing finance business have been updating the ECL model with the latest set of data on reasonable periodic intervals for the year ended 31 March 2022, to capture the significant changes in economic and market drivers, customer behaviours and government actions caused by COVID-19 to reduce the risk of uncertainty due to judgements and estimations considering economic outlook data as per Government agencies around the growth parameters.

The Parent and its subsidiary in the housing finance business also continues to undertake a risk assessment of their credit exposures in addition to the model determined ECL provision, to reflect deterioration in the macroeconomic outlook and uncertainty in credit evaluations. The Parent and its subsidiary in the housing finance business holds expected credit loss on financial assets as at 31 March 2022 aggregating Rs. 5,097.26 crore (as at 31 March 2021 Rs. 5,180.89 crore) which includes potential impact on account of the pandemic.

Further, the Parent has been duly servicing its debt obligations, maintains a healthy capital adequacy ratio and does not foresee any challenges in the liquidity position for the next 12 months. The management will continue to closely monitor the material changes in the macro-economic factors impacting the operations of the Parent.

- 10) On 12 November 2021, the Reserve Bank of India (RBI) had issued circular no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms (IRACP norms) pertaining to Advances. On 15 February 2022, the RBI had issued another circular no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.048/2021-22 providing time till 30 September 2022. Accordingly, the Parent will implement the updated norms under IRACP w.e.f. 1 October 2022.
- 11) The Parent's net NPA (net Stage-3 assets) ratio stood at 3.36% as at 31 March 2022 which is in line with regulatory expectation of the RBI.
- 12) In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Parent and its subsidiary in the housing finance business exceeds the total provision required under IRACP (including standard asset provisioning), as at 31 March 2022 and accordingly, no amount is required to be transferred to impairment reserve.
- 13) During the current period, to relieve COVID-19 pandemic related stress, the Parent and its subsidiary in the housing finance business have invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of respective entities and in accordance with the guidelines issued by the RBI.
- i) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021

As per Format - B: For the year ended 31 March 2022

Type of borrower	Rs. in crores				
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year * (A)	Of (A), aggregate debt that slipped into NPA during the half-year (B)	Of (A) amount written off during the half-year (C)	Of (A) amount paid by the borrowers during the half-year (D)	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year (E)
Personal Loans	1,439.63	45.43	6.60	90.03	1,297.57
Corporate persons	41.64	-	-	2.44	39.20
Of which, MSMEs	-	-	-	-	-
Others :					
- Vehicle loans for commercial purpose	2,366.04	152.79	48.95	162.73	2,001.57
- Housing loans	2,398.21	92.42	1.72	175.68	2,128.39
Total	6,245.52	290.64	57.27	430.89	5,466.72

* In respect of OTR 2.0, above includes restructuring implemented till 30 September 2021

- ii) Disclosure on Resolution Framework 2.0 implemented in terms of RBI circular no. RBI/2021-22/32 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 (Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs))

No. of accounts restructured	Amount (Rs in Crore)*
2062	232.47

* represents the closing balance of loan accounts as at 31 March 2022



- 14) Based on the inspection carried out by RBI, the Parent has been advised to refund the excess interest upto 31 March 2022, with respect to certain contracts. Accordingly, the Parent has made provision of Rs.181.70 crore (net of charges due) for the year ended 31 March 2022, inclusive of Rs. 142.80 crore (net of charges due), for the quarter ended 31 March 2022, which is adjusted against interest income. The Parent is in the process of refunding the said amounts.
- 15) All secured NCDs issued by the Parent Company are secured by pari-passu charge on Aurangabad office (wherever applicable) and / or exclusive charge on receivables under loan contracts, owned assets and book debts to the minimum extent of 100% or such higher security as per the respective term-sheets of outstanding secured NCDs. All secured NCD's issued by its subsidiary Company in the housing finance business are secured by pari-passu charges on its Pune office and/or exclusive charge on receivables under loan contracts, owned assets and book debts to the extent of 100% of outstanding secured NCD's.
- 16) The asset cover available as on 31 March 2022 in respect of listed secured debt securities for the Parent is 1.09 and on unsecured debt is to the extent of 1.74 and for the subsidiary company in the housing finance business are 1.04 and on unsecured debt is to the extent of 1.18 respectively.
- 17) The compliance related to disclosure of certain ratios and other financial information as required under Regulation 52 (4) of the Listing Regulations is made in Appendix 2.
- 18) Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current year classification.

Date : 02 May 2022
Place : Mumbai



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


Ramesh Iyer
Vice-Chairman & Managing Director
[DIN: 00220759]

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 Crore

Particulars	Quarter ended			Year ended	
	31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
	(Unaudited) Refer note 5	(Unaudited)	(Audited) Refer note 5	(Audited)	(Audited)
(a) Segment Revenue					
- Financing activities	2,811.28	2,908.35	2,975.30	11,134.38	11,971.46
- Others	114.42	97.25	97.24	349.90	281.11
Total	2,925.70	3,005.60	3,072.54	11,484.28	12,252.57
Less : Inter-segment revenue	28.26	19.95	34.17	83.77	82.07
Net revenue	2,897.44	2,985.65	3,038.37	11,400.51	12,170.50
(b) Segment Results (Profit / (Loss) before tax) :					
- Financing activities	846.82	1,314.04	234.85	1,505.17	893.35
- Others	21.65	20.12	20.80	44.25	40.79
Total	868.47	1,334.16	255.65	1,549.42	934.14
Add : Other unallocable income net of unallocable expenditure	-	-	-	-	-
Net Profit / (Loss) before tax	868.47	1,334.16	255.65	1,549.42	934.14
(c) Segment Assets :					
- Financing activities	81,602.30	81,628.98	83,600.55	81,602.30	83,600.55
- Others	694.55	679.66	658.96	694.55	658.96
- Other unallocable assets	1,511.80	1,554.48	1,341.48	1,511.80	1,341.48
Total	83,808.65	83,863.12	85,600.99	83,808.65	85,600.99
(d) Segment Liabilities :					
- Financing activities	66,618.14	67,338.07	69,576.81	66,618.14	69,576.81
- Others	125.15	131.44	134.75	125.15	134.75
- Other unallocable liabilities	27.59	16.21	13.91	27.59	13.91
Total	66,770.88	67,485.72	69,725.47	66,770.88	69,725.47

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



Date : 02 May 2022
Place : Mumbai

Ramesh Iyer
Vice-Chairman & Managing Director
[DIN: 00220759]

Appendix - 2

Mahindra & Mahindra Financial Services Limited

Compliance related to disclosure of certain ratios and other financial information as required under Regulation 52 (4) of the Listing Regulations

Analytical Ratios and other disclosures based on Consolidated financial results:

Rs. In Crore, unless indicated otherwise

Particulars	Quarter ended			Year ended	
	31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
	(Unaudited) Refer note 5	(Unaudited)	(Audited) Refer note 5	(Audited)	(Audited)
a) Debt equity ratio (no. of times) (refer note ii)	3.68	3.90	4.13	3.68	4.13
b) Debt service coverage ratio	N/A	N/A	N/A	N/A	N/A
c) Interest service coverage ratio	N/A	N/A	N/A	N/A	N/A
d) Outstanding redeemable preference shares (quantity and value)	-	-	-	-	-
e) Capital redemption reserve	50.00	50.00	50.00	50.00	50.00
f) Debenture redemption reserve	N/A	N/A	N/A	N/A	N/A
g) Net worth (refer note iii)	16,896.31	16,229.12	15,776.37	16,896.31	15,776.37
h) Net profit (loss) after tax	628.51	992.29	218.84	1,150.34	780.28
i) Earnings per share (face value of Rs.2/- each) (not annualized for the interim period)					
- Basic (Rupees)	5.06	8.01	1.76	9.23	6.99
- Diluted (Rupees)	5.05	8.00	1.75	9.21	6.98
j) Current ratio	N/A	N/A	N/A	N/A	N/A
k) Long term debt to working capital	N/A	N/A	N/A	N/A	N/A
l) Bad debts to Account receivable ratio	N/A	N/A	N/A	N/A	N/A
m) Current liability ratio	N/A	N/A	N/A	N/A	N/A
n) Total debts to total assets (refer note iv)	74.13%	75.38%	76.05%	74.13%	76.05%
o) Debtors turnover	N/A	N/A	N/A	N/A	N/A
p) Inventory turnover	N/A	N/A	N/A	N/A	N/A
q) Operating margin (%)	N/A	N/A	N/A	N/A	N/A
r) Net profit margin (%) (refer note v)	21.69%	33.24%	7.20%	10.09%	6.41%

Notes :

- Certain ratios/line items marked with remark "N/A" are not applicable since the Company is a Non banking financial company registered with the RBI
- Debt equity ratio = [Debt Securities + Borrowings (Other than Debt Securities) + Deposits + Subordinated Liabilities] / [Equity Share capital + Other equity]
- Net worth = [Equity share capital + Other equity]
- Total debts to total assets = [Debt Securities + Borrowings (Other than Debt Securities) + Deposits + Subordinated Liabilities] / Total assets
- Net profit margin (%) = Profit after tax / Total income

Date : 02 May 2022
Place : Mumbai



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

Ramesh Iyer
Vice-Chairman & Managing Director
[DIN: 00220759]

**Deloitte
Haskins & Sells**

19th Floor, Shapath – V,
S.G. Highway,
Ahmedabad – 380 015
Tel: +91 79 6682 7300
Fax: +91 79 6682 7400

**Mukund
M. Chitale
& Co.**

2nd Floor, Kapur House,
Paranjape B Scheme,
Road No 1, Vile Parle (E),
Mumbai – 400 057
Tel: + 91 22 2663 3500

INDEPENDENT AUDITORS' REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY STANDALONE FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED**

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended 31 March 2022 and (b) reviewed the Standalone Financial Results for the quarter ended 31 March 2022 (refer 'Other Matters' section below), both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended 31 March 2022" of **MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED** (the "Company") (the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

(a) Opinion on Annual Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended 31 March 2022:

- i. is presented in accordance with the requirements of Regulation 33 and Regulation 52 and Regulation 54 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended 31 March 2022

With respect to the Standalone Financial Results for the quarter ended 31 March 2022, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended 31 March 2022, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Basis for Opinion on the Audited Standalone Financial Results for the year ended 31 March 2022

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended 31 March 2022 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial results.

Emphasis of Matter

We draw attention to Note 8 to the Statement in which the Company describes the continuing uncertainties arising from the COVID 19 pandemic.

Our report is not modified in respect of this matter.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended 31 March 2022 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended 31 March 2022 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company is also responsible for overseeing the financial reporting process of the Company.



Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended 31 March 2022

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended 31 March 2022 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be



influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Standalone Financial Results for the quarter ended 31 March 2022

We conducted our review of the Standalone Financial Results for the quarter ended 31 March 2022 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 ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 SAs specified under section 143(10) of the Act 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.

Other Matters

1. The Statement includes the results for the Quarter ended 31 March 2022 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
2. The Statement includes the results for the Quarter ended 31 March 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the previous financial year which were subject to limited review by the predecessor audit firm.



3. The Statement includes comparative financial figures for the Quarter and Year ended 31 March 2021 which have been audited by the predecessor audit firm, where they have expressed an unmodified opinion vide report dated April 28, 2021.

Our report on the Statement is not modified in respect of these matters.

For Mukund M. Chitale & Co.
Chartered Accountants
(Firm's Registration No. 106655W)

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)



M. M. Chitale
Partner
(Membership No. 14054)
(UDIN:22014054AIGNMF9304)
Place: Mumbai
Date: May 2, 2022



Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 22046930AIGOCY9446)
Place: Mumbai
Date: May 2, 2022



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 AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

Rs. In Crore

	Particulars	Quarter ended			Year ended	
		31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
		(Unaudited) Refer note 4	(Unaudited)	(Audited) Refer note 4	(Audited)	(Audited)
	Revenue from operations					
i)	Interest income (refer note 13)	2,391.69	2,486.71	2,563.55	9,475.61	10,266.95
ii)	Dividend income	-	-	-	-	0.02
iii)	Rental income	10.81	6.73	4.02	26.31	17.11
iv)	Fees and commission Income	32.78	27.10	27.43	105.29	70.73
v)	Net gain on fair value changes	7.16	11.11	11.73	50.76	101.30
I	Total Revenue from operations	2,442.44	2,531.65	2,606.73	9,657.97	10,456.11
II	Other income	23.92	11.34	30.78	60.83	60.70
III	Total Income (I+II)	2,466.36	2,542.99	2,637.51	9,718.80	10,516.81
	Expenses					
i)	Finance costs	935.74	951.41	1,088.68	3,920.18	4,733.19
ii)	Fees and commission expense	13.72	11.97	6.53	44.91	31.14
iii)	Impairment on financial instruments (refer notes 8 to 12)	63.85	(147.36)	886.00	2,368.30	3,734.82
iv)	Employee benefits expenses	320.04	302.73	281.98	1,171.40	1,015.23
v)	Depreciation, amortization and impairment	42.05	29.42	30.48	126.83	125.88
vi)	Other expenses	256.88	185.25	172.51	730.27	460.22
IV	Total expenses	1,632.28	1,333.42	2,466.18	8,361.89	10,100.48
V	Profit / (Loss) before exceptional items and tax (III-IV)	834.08	1,209.57	171.33	1,356.91	416.33
VI	Exceptional item (refer note 7)	-	-	-	-	6.10
VII	Profit / (Loss) before tax (V+VI)	834.08	1,209.57	171.33	1,356.91	422.43
VIII	Tax expense :					
i)	Current tax	205.70	142.06	311.52	348.16	434.80
ii)*	Deferred tax	27.58	173.70	(290.16)	20.00	(347.52)
		233.28	315.76	21.36	368.16	87.28
IX	Profit / (Loss) for the period / year (VII-VIII)	600.80	893.81	149.97	988.75	335.15
X	Other Comprehensive Income (OCI)					
A)	(i) Items that will not be reclassified to profit or loss					
	- Remeasurement gain / (loss) on defined benefit plans	(1.58)	(1.13)	1.08	(3.10)	(2.82)
	- Net gain / (loss) on equity instruments through OCI	26.01	-	(12.54)	26.01	(4.56)
	(ii) Income tax relating to the above items	(6.15)	0.28	2.88	(5.77)	1.86
	Subtotal (A)	18.28	(0.85)	(8.58)	17.14	(5.52)
B)	(i) Items that will be reclassified to profit or loss					
	- Net gain / (loss) on debt instruments through OCI	(33.41)	(32.28)	(116.19)	0.70	(92.82)
	(ii) Income tax relating to the above items	8.41	8.13	29.25	(0.18)	23.36
	Subtotal (B)	(25.00)	(24.15)	(86.94)	0.52	(69.46)
	Other Comprehensive Income / (Loss) (A + B)	(6.72)	(25.00)	(95.52)	17.67	(74.98)
XI	Total Comprehensive Income / (Loss) for the period / year (IX+X)	594.08	868.81	54.45	1,006.42	260.17
XII	Earnings per equity share (face value of Rs.2/- each) #					
	Basic (Rupees)	4.87	7.25	1.22	8.02	3.03
	Diluted (Rupees)	4.87	7.24	1.22	8.01	3.02

Earnings per share for the Interim period is not annualized.



STANDALONE BALANCE SHEET

Rs. in Crore

Particulars		As at 31 March 2022	As at 31 March 2021
		(Audited)	(Audited)
ASSETS			
1)	Financial Assets		
	a) Cash and cash equivalents	327.87	570.58
	b) Bank balance other than (a) above	3,822.82	2,751.47
	c) Derivative financial instruments	26.63	25.72
	d) Receivables		
	- Trade receivables	9.09	8.40
	e) Loans	60,444.64	59,947.42
	f) Investments	8,440.27	11,705.35
	g) Other financial assets	223.13	363.54
		73,294.45	75,372.48
2)	Non-financial Assets		
	a) Current tax assets (Net)	562.89	401.65
	b) Deferred tax Assets (Net)	836.42	862.36
	c) Property, plant and equipment	383.10	311.49
	d) Capital work-in-progress	-	10.34
	e) Other Intangible assets	9.77	18.63
	f) Other non-financial assets	202.10	59.50
		1,994.28	1,663.97
	Total Assets	75,288.73	77,036.45
LIABILITIES AND EQUITY			
LIABILITIES			
1)	Financial Liabilities		
	a) Derivative financial instruments	182.22	173.18
	b) Payables		
	I) Trade Payables		
	ii) total outstanding dues of micro enterprises and small enterprises	-	-
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	954.88	596.35
	II) Other Payables		
	i) total outstanding dues of micro enterprises and small enterprises	3.53	0.01
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	46.87	46.73
	c) Debt Securities	18,252.71	16,834.57
	d) Borrowings (Other than Debt Securities)	26,005.17	29,142.08
	e) Deposits	8,428.19	9,450.88
	f) Subordinated Liabilities	3,129.85	3,149.37
	g) Other financial liabilities	2,316.17	2,604.26
		59,317.59	61,997.21
2)	Non-Financial Liabilities		
	a) Current tax liabilities (Net)	13.92	13.92
	b) Provisions	221.35	214.91
	c) Other non-financial liabilities	107.78	98.90
		343.05	327.73
3)	EQUITY		
	a) Equity Share capital	246.60	246.40
	b) Other Equity	15,381.49	14,465.11
		15,628.09	14,711.51
	Total Liabilities and Equity	75,288.73	77,036.45



STATEMENT OF STANDALONE CASH FLOWS

Rs. In Crore

	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
		(Audited)	(Audited)
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit / (Loss) before exceptional items and taxes	1,356.91	416.33
	Adjustments for :		
	Depreciation, amortization and impairment	126.83	125.88
	Impairment on financial instruments (excluding bad debts and write offs)	(144.77)	1,564.12
	Bad debts and write offs	2,513.07	2,170.70
	Interest expense	3,866.50	4,481.64
	Interest income from loans	(8,909.59)	(9,843.07)
	Interest income from other deposits with banks	(181.36)	(159.56)
	Net (Gain) / loss on fair value of derivative financial instruments	7.99	201.20
	Unrealized foreign exchange gain/loss	(90.38)	(124.74)
	Share based payments to employees	9.20	15.99
	Net gain on fair value changes	(11.70)	(9.20)
	Interest income on investments	(384.66)	(264.32)
	Dividend income	(2.47)	(0.02)
	Net gain on derecognition of property, plant and equipment	(1.27)	(0.41)
	Net (gain) / loss on sale of investments	64.80	(92.21)
	Operating profit / (loss) before working capital changes	(1,780.90)	(1,517.67)
	Adjustments for changes in working capital -		
	Loans	(4,610.88)	(197.71)
	Trade receivables	(0.43)	(2.32)
	Other financial assets	(8.92)	(37.16)
	Other financial liabilities	125.09	(9.47)
	Other non-financial assets	(11.08)	(5.65)
	Trade Payables	362.19	7.35
	Other non-financial liabilities	8.88	1.12
	Derivative financial instruments	0.14	(0.97)
	Provisions	4.35	68.82
	Cash generated from / (used in) operations before adjustments for interest received and interest paid	(5,911.56)	(1,693.66)
	Interest paid	(4,234.25)	(4,177.57)
	Interest received from loans	10,654.89	11,353.61
	Cash generated from / (used in) operations	509.08	5,482.38
	Income taxes paid (net of refunds)	(509.40)	(596.49)
	NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)	(0.32)	4,885.89
B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, plant and equipment and intangible assets	(275.45)	(43.79)
	Proceeds from sale of Property, plant and equipment	5.26	3.66
	Purchase of investments measured at amortized cost	(223.76)	(338.96)
	Proceeds from sale of investments measured at amortized cost	77.44	168.13
	(Increase) / decrease in Investment in Triparty Repo Dealing System (TREPS) (net)	2,404.00	(2,404.00)
	Purchase of investments measured at FVOCI	(17.75)	(4,547.94)
	Proceeds from sale of investments measured at FVOCI	39.06	-
	Purchase of investments measured at FVTPL	(9,939.03)	(31,839.71)
	Proceeds from sale of investments measured at FVTPL	10,941.90	33,256.50
	Purchase of investments measured at cost	(33.99)	(0.01)
	Consideration received on partial disposal of subsidiary, net of cash (loss of control)	-	20.80
	Proceeds from / (Investments in) term deposits with banks (net)	(871.82)	(1,845.96)
	Dividend income received	2.47	0.02
	Interest received from other deposits with banks	128.74	130.75
	Interest income received on investments measured at amortized cost, FVOCI, FVTPL and at cost	375.78	188.58
	Change in Earmarked balances with banks	0.02	0.09
	NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	2,612.88	(7,251.84)



STATEMENT OF CASH FLOWS (Continued ...)

		Rs. in Crore	
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	
	(Audited)	(Audited)	
C) CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of Equity shares, including securities premium (net of issue expenses)	-	3,080.28	
Proceeds from borrowings through Debt Securities	6,425.50	6,415.90	
Repayment of borrowings through Debt Securities	(5,019.80)	(7,317.15)	
Proceeds from Borrowings (Other than Debt Securities)	39,444.31	14,257.41	
Repayment of Borrowings (Other than Debt Securities)	(42,505.96)	(14,485.57)	
Proceeds from borrowings through Subordinated Liabilities	132.91	-	
Repayment of borrowings through Subordinated Liabilities	(155.16)	(272.98)	
Increase / (decrease) in Fixed deposits (net)	(1,034.09)	626.99	
Payments for principal portion of lease liability	(44.14)	(45.14)	
Dividend paid	(98.84)	-	
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	(2,855.27)	2,259.74	
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(242.71)	(106.21)	
Cash and Cash Equivalents at the beginning of the year	570.58	676.79	
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	327.87	570.58	

Components of Cash and Cash Equivalents

		Rs. in Crore	
Particulars	As at 31 March 2022	As at 31 March 2021	
	(Audited)	(Audited)	
Components of Cash and Cash Equivalents:			
Cash and cash equivalents at the end of the year			
- Cash on hand	40.58	42.29	
- Cheques and drafts on hand	36.30	33.12	
- Balances with banks in current accounts	250.99	445.17	
- Term deposits with original maturity up to 3 months	-	50.00	
Total	327.87	570.58	

Note :

The above Statement of Cash Flow has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

Notes:

- The above 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"), directions/ guidelines issued by the Reserve Bank of India ('RBI') and other recognized accounting practices generally accepted in India. The above financial results are in compliance with Regulation 33 and Regulation 52 read with Regulation 63 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 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 2 May 2022.
- The financial results of the Company for the quarter and year ended 31 March 2021 were audited by the previous auditors, BSR & Co, LLP, who have expressed an unqualified opinion vide report dated 23 April 2021.
- The figures for the last quarter of the current year and 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 the end of third quarter of the current and previous financial year which were subjected to limited review by the statutory auditors.
- The Board of Directors have proposed a dividend of Rs.3.60 per share on equity share of Rs.2/- each, i.e.180%, subject to approval of the members of the Company at the forthcoming Annual General Meeting. When approved by the members of the Company, this will involve payout of Rs. 444.79 crore.
- The Company is engaged primarily in the business of financing and accordingly there is no separate reportable segment as per Ind AS 108 dealing with 'Operating Segments'.
- Exceptional item for year ended 31 March 2021:

The amount shown as exceptional item for the year ended 31 March 2021 in standalone statement of profit and loss pertain to settlement as per 51:49 Joint Venture agreement between the Company along with Mahindra Asset Management Company Private Limited (MAMCPL) and Mahindra Trustee Company Private Limited (MTCPL), then wholly-owned subsidiaries of the Company, with Manulife Asset Management (Singapore) Pte. Ltd. (Manulife). Pursuant to this agreement, the Company has sold 1,47,00,000 equity shares of MAMCPL, equivalent to 7% of the fully paid up equity share capital of MAMCPL, for a consideration of Rs. 20.80 crore (equivalent to USD 2.73 million) to Manulife and recognized a pre-tax profit of Rs.6.10 crore on a standalone basis, as exceptional item on the date of settlement.



- 8) During the previous year, in accordance with the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated 27 March 2020, 17 April 2020 and 23 May 2020 relating to 'COVID-19 - Regulatory Package', the Company had granted moratorium up to six months on the payment of instalments which became due between 01 March 2020 and 31 August 2020 to all eligible borrowers. This relaxation did not automatically trigger a significant increase in credit risk. The Company, in the previous year, continued to recognize interest income during the moratorium period.

During the current year, to relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI vide its circular no. RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 on Resolution Framework – 2.0 : Resolution of Covid-19 related stress of Individuals and Small Businesses dated 5 May 2021. This is in continuation to the restructuring plan implemented for the customers as per the RBI circular no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 on Resolution Framework for COVID-19-related Stress dated 6 August 2020.

The methodologies and assumptions applied in the impairment loss allowance calculations have primarily remained unchanged from those applied while preparing the financial results for the year ended 31 March 2021. The Company has been updating the ECL model with the latest set of data on reasonable periodic intervals for the year ended 31 March 2022, to capture the significant changes in economic and market drivers, customer behaviours and government actions caused by COVID-19 to reduce the risk of uncertainty due to judgements and estimations considering economic outlook data as per Government agencies around the growth parameters.

The Company also continues to undertake a risk assessment of their credit exposures in addition to the model determined ECL provision, to reflect deterioration in the macroeconomic outlook and uncertainty in credit evaluations. The Company holds expected credit loss on financial assets as at 31 March 2022 aggregating Rs. 4,508.83 crore (as at 31 March 2021: Rs. 4,653.61 crore) which includes potential impact on account of the pandemic.

Further, the Company has been duly servicing its debt obligations, maintains a healthy capital adequacy ratio and does not foresee any challenges in the liquidity position for the next 12 months. The management will continue to closely monitor the material changes in the macro-economic factors impacting the operations of the Company.

- 9) On 12 November 2021, the Reserve Bank of India (RBI) had issued circular no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms (IRACP norms) pertaining to Advances. On 15 February 2022, the RBI had issued another circular no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.048/2021-22 providing time till 30 September 2022. Accordingly, the Company will implement the updated norms under IRACP w.e.f. 1 October 2022.
- 10) The Company's net NPA (net Stage-3 assets) ratio stood at 3.36% as at 31 March 2022 which is in line with regulatory expectation of the RBI.
- 11) In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at 31 March 2022 and accordingly, no amount is required to be transferred to impairment reserve.
- 12) During the year, to relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI.

- i) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021

As per Format - B: For the year ended 31 March 2022

Type of borrower	Rs. in crore				
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year *	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
	(A)	(B)	(C)	(D)	(E)
Personal Loans	1,439.63	45.43	6.60	90.03	1,297.57
Corporate persons	41.64	-	-	2.44	39.20
Of which, MSMEs	-	-	-	-	-
Others:					
- Vehicle loans for commercial purpose	2,366.04	152.79	48.95	162.73	2,001.57
Total	3,847.31	198.22	55.55	255.21	3,338.33

* In respect of OTR 2.0, above includes restructuring implemented till 30 September 2021

- ii) Disclosure on Resolution Framework 2.0 implemented in terms of RBI circular no. RBI/2021-22/32 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 (Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs))

No. of accounts restructured	Amount (Rs in Crore)
2062	232.47

* represents the closing balance of loan accounts as at 31 March 2022



- 13) Based on the inspection carried out by RBI, the Company has been advised to refund the excess interest upto 31 March 2022, with respect to certain contracts. Accordingly, the Company has made provision of Rs.181.70 crore (net of charges due) for the year ended 31 March 2022, inclusive of Rs. 142.80 crore (net of charges due), for the quarter ended 31 March 2022, which is adjusted against interest income. The Company is in the process of refunding the said amounts.
- 14) All secured NCDs issued by the Company are secured by pari-passu charge on Aurangabad office (wherever applicable) and / or exclusive charge on receivables under loan contracts, owned assets and book debts to the minimum extent of 100% or such higher security as per the respective term-sheets of outstanding secured NCDs.
- 15) The asset cover available as on 31 March 2022 in respect of listed secured debt securities is 1.09 and on unsecured debt is to the extent of 1.74.
- 16) The compliance related to disclosure of certain ratios and other financial information as required under Regulation 52 (4) of the Listing Regulations is made in Appendix 1.
- 17) Disclosures pertaining to Fund raising by issuance of Debt Securities by Large Corporate:
The Company, as per the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144, and the definitions therein, is a Large Corporate and hence is required to disclose the following information about its borrowings.

I) Initial Disclosure as per Annexure - 'A' filed within 30 days from the beginning of the financial year for the FY: 2022-23

Sr.	Particulars	Details
1)	Name of the company	Mahindra & Mahindra Financial Services Limited
2)	CIN	L65921MH1991PLC059642
3)	Outstanding borrowing of the Company as on 31 March 2022 #	Rs.42,847.65 Crore
4)	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	<ul style="list-style-type: none"> • IND AAA / Stable by India Ratings & Research Private Limited • CARE AAA / Stable by CARE Ratings Limited • BWR AAA / Stable by Brickwork Ratings India Private Limited
5)	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	BSE Limited

II) Annual disclosure as per Annexure - B2 for the year ended 31 March 2022

- 1) Name of the Company: Mahindra & Mahindra Financial Services Limited
- 2) CIN: L65921MH1991PLC059642
- 3) Report filed for FY: 2021-22
- 4) Details of the Current block (Rs. in Crore)

Sr.	Particulars	Details
i)	2-year block period	FY 2021-22
ii)	Incremental borrowing done in FY 2021-22 (a) #	12,930.49
iii)	Mandatory borrowing to be done through debt securities in FY 2021-22 (b) = (25% of a)	3,232.62
iv)	Actual borrowing done through debt securities in FY 2021-22 (c)	4,608.40
v)	Shortfall in the borrowing through debt securities, if any, for FY 2020-21 carried forward to FY 2021-22 (d)	NIL
vi)	Quantum of (d), which has been met from (c) (e)	N.A
vii)	Shortfall, if any, in the mandatory borrowing through debt securities for FY 2021-22 (after adjusting for any shortfall in borrowing for FY 2020-21 which was carried forward to FY 2021-22) (f) = (b) - [(c) - (e)]	NIL
	{If the calculated value is zero or negative, write "nil"}	

5) Details of penalty to be paid, if any, in respect to previous block (Rs. in Crore):

Sr.	Particulars	Details
i)	2-year Block period (Specify financial years)	FY 2021-22
ii)	Amount of fine to be paid for the block, if applicable Fine = 0.2% of {(d)-(e)}	N.A

Notes:

- (i) Figures pertain to long-term borrowing basis original maturity of more than one year (excludes External Commercial Borrowings, Inter-corporate borrowings between a parent & subsidiaries and securitization portfolio outstanding)
- (ii) Figures are taken on the basis of cash flows / principal maturity value, excluding accrued interest, if any.

- 18) Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current year classification.

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



Date : 02 May 2022
Place : Mumbai

Ramesh Iyer
Vice-Chairman & Managing Director
[DIN: 00220769]

Appendix - 1

Mahindra & Mahindra Financial Services Limited

Compliance related to disclosure of certain ratios and other financial information as required under Regulation 52 (4) of the Listing Regulations

Analytical Ratios and other disclosures based on Standalone financial results:

Rs. in Crore, unless indicated otherwise

	Particulars	Quarter ended			Year ended	
		31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
		(Unaudited) Refer note 4	(Unaudited)	(Audited) Refer note 4	(Audited)	(Audited)
a)	Debt equity ratio (no. of times) (refer note ii)	3.57	3.80	3.98	3.57	3.98
b)	Debt service coverage ratio	N/A	N/A	N/A	N/A	N/A
c)	Interest service coverage ratio	N/A	N/A	N/A	N/A	N/A
d)	Outstanding redeemable preference shares (quantity and value)	-	-	-	-	-
e)	Capital redemption reserve	50.00	50.00	50.00	50.00	50.00
f)	Debenture redemption reserve	N/A	N/A	N/A	N/A	N/A
g)	Net worth (refer note iii)	15,628.09	15,032.51	14,711.51	15,628.09	14,711.51
h)	Net profit (loss) after tax	600.80	893.81	149.97	988.75	335.15
i)	Earnings per share (face value of Rs.2/- each) (not annualized for the interim period)					
	- Basic (Rupees)	4.87	7.25	1.22	8.02	3.03
	- Diluted (Rupees)	4.87	7.24	1.22	8.01	3.02
j)	Current ratio	N/A	N/A	N/A	N/A	N/A
k)	Long term debt to working capital	N/A	N/A	N/A	N/A	N/A
l)	Bad debts to Account receivable ratio	N/A	N/A	N/A	N/A	N/A
m)	Current liability ratio	N/A	N/A	N/A	N/A	N/A
n)	Total debts to total assets (refer note iv)	74.13%	75.51%	76.04%	74.13%	76.04%
o)	Debtors turnover	N/A	N/A	N/A	N/A	N/A
p)	Inventory turnover	N/A	N/A	N/A	N/A	N/A
q)	Operating margin (%)	N/A	N/A	N/A	N/A	N/A
r)	Net profit margin (%) (refer note v)	24.36%	35.15%	5.69%	10.17%	3.19%
s)	Sector specific equivalent ratios, as applicable.					
	1) Capital Adequacy Ratio (%) (refer note vi)	27.75%	26.79%	26.16%	27.75%	26.16%
	2) Gross Stage - 3 Assets % (refer note vii; and also Note 7 above)	7.66%	11.30%	8.96%	7.66%	8.96%
	3) Net Stage - 3 Assets % (refer note viii; and also Note 7 above)	3.36%	5.63%	3.97%	3.36%	3.97%
	4) Provision Coverage Ratio for Stage - 3 assets (PCR %) (refer note ix)	58.08%	53.19%	57.93%	58.08%	57.93%

Notes :

- Certain ratios/line items marked with remark "N/A" are not applicable since the Company is a Non banking financial company registered with the RBI
- Debt equity ratio = [Debt Securities + Borrowings (Other than Debt Securities) + Deposits + Subordinated Liabilities] / [Equity Share capital + Other equity]
- Net worth = [Equity share capital + Other equity]
- Total debts to total assets = [Debt Securities + Borrowings (Other than Debt Securities) + Deposits + Subordinated Liabilities] / Total assets
- Net profit margin (%) = Profit after tax / Total income
- Capital Adequacy Ratio has been computed on a standalone basis as per relevant RBI guidelines.
- Gross Stage - 3 Assets % (as per Ind AS) = Gross Stage - 3 Assets / Gross loan assets
- Net Stage - 3 Assets % (as per Ind AS) = (Gross Stage - 3 Assets less Impairment loss allowance for Stage - 3 Assets) / (Gross loan assets less Impairment loss allowance for Stage - 3 Assets)
- Provision Coverage Ratio (PCR %) as per Ind AS = Carrying amount of Impairment loss allowance for Stage - 3 Assets / Gross Stage - 3 Assets

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



Date : 02 May 2022
Place : Mumbai

Ramesh Iyer
Vice-Chairman & Managing Director
[DIN: 00220759]

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

EXTRACT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

Rs. In Crore

Particulars	STANDALONE			CONSOLIDATED		
	Quarter ended 31 March 2022	Year ended 31 March 2022	Quarter ended 31 March 2021	Quarter ended 31 March 2022	Year ended 31 March 2022	Quarter ended 31 March 2021
	(Unaudited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)
1) Total Revenue from operations	2,442.44	9,657.97	2,606.73	2,865.08	11,317.57	3,007.26
2) Net Profit / (Loss) for the period / year (before tax, exceptional and /or extraordinary items)	834.08	1,356.91	171.33	862.38	1,483.83	241.57
3) Net Profit / (Loss) for the period / year before tax (after exceptional and /or extraordinary items)	834.08	1,356.91	171.33	868.47	1,549.42	255.65
4) Net Profit / (Loss) for the period / year after tax (after exceptional and /or extraordinary items)	600.80	988.75	149.97	628.51	1,150.34	218.84
5) Total Comprehensive Income for the period / year [comprising Profit / (Loss) for the period / year (after tax) and Other Comprehensive Income (after tax)]	594.08	1,006.42	54.45	602.06	1,155.71	124.47
6) Paid-up Equity Share Capital (face value of Rs.2/- each)	246.60	246.60	246.40	246.60	246.60	246.40
7) Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet	15,381.49	15,381.49	14,465.11	16,649.71	16,649.71	15,529.97
8) Earnings per share (face value of Rs.2/- each) (for continuing and discontinuing operations)						
Basic (Rs.)	4.87	8.02	1.22	5.06	9.23	1.76
Diluted (Rs.)	4.87	8.01	1.22	5.05	9.21	1.75

Notes :

- The above is an extract of the detailed format of Quarterly / Annual Financial Results filed with Stock Exchanges under Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations. The full format of the Quarterly/ Annual Financial Results and pertinent disclosures related to other line items referred in the regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, are available on the websites of the Stock Exchanges, <http://www.nseindia.com/corporates> and <http://www.bseindia.com/corporates> and on the website of the Company at the URL <http://www.mahindrafinance.com/financial-results.aspx>.
- The above 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"), directions/ guidelines issued by the Reserve Bank of India ('RBI') and other recognized accounting practices generally accepted in India. The above financial results are in compliance with Regulation 33 and Regulation 52 read with Regulation 63 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.



Date : 02 May 2022
Place : Mumbai

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


Ramesh Iyer
Vice-Chairman & Managing Director
[DIN: 00220759]

Mahindra & Mahindra Financial Services Limited

Quarter Result Update
March - 2022

Corporate Office:

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

Tel: +91 22 6652 6000

Fax: +91 22 2495 3608

Email: investorhelpline_mmfsl@mahindra.com

Regd. Office:

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

Tel: +91 22 2289 5500

Fax: +91 22 2287 5485

www.mahindrafinance.com

CIN - L65921MH1991PLC059642

Executive summary (1/2)

Financial Performance

- Revenue at ₹ 2,466 crore for the quarter resulting in PAT of ₹ 601 crores, an increase of 300% YoY;
- Revenue at ₹ 9,719 crore for the year resulting in PAT of ₹ 989 crores, an increase of 195% YoY;
- NIMs at 7.6% remained stable during the year

Growth Drivers

- Disbursement of ₹ 9,202 crore for the quarter, growth of 54% YoY; 15% QoQ
- Loan Assets* at ₹ 64,961 crore; Sequential improvement in AUM
- Continued with No. 1 market share position in Tractor and Mahindra Utility Vehicle segment

Executive summary (2/2)

Asset Quality

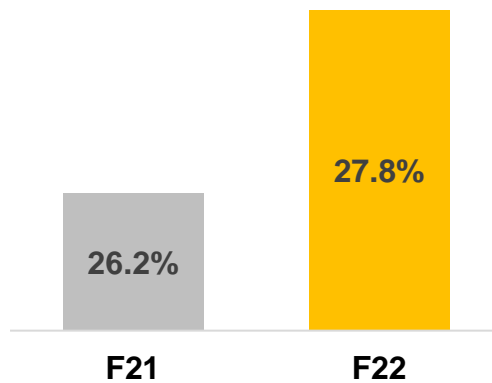
- Entire provisions made during Q1FY22 reversed by the year end (GS-3 reduction of 7.8% from Jun - 21)
- GS-3 at 7.7% as of Mar-22, down from 11.3% in Dec-21 led by Collection War Room & write-offs
- PCR @ 58.1% as of Mar-22; 100% provision coverage on 18+ ageing contracts
- Collection Efficiency at 100% for the quarter; Collection Efficiency in April reinforces our belief in this model

Capital Management

- Capital Adequacy strong at 27.8%
- Liquidity chest equivalent to 3 months maintained across the quarter

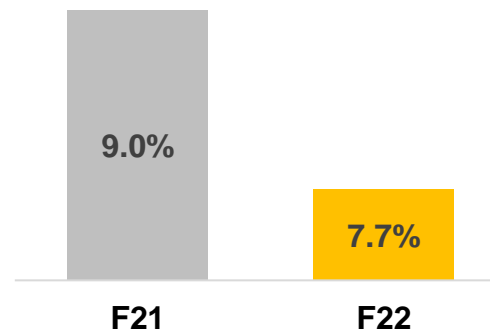
Business strength

Capital Adequacy



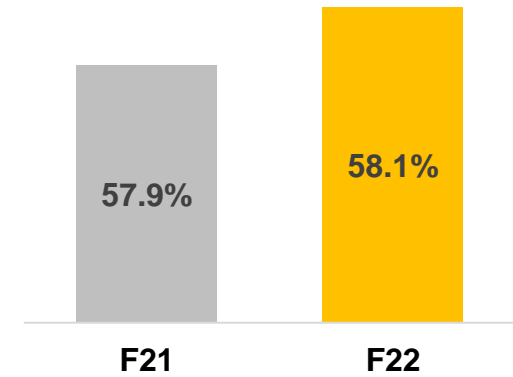
Well capitalized

Gross Stage-3



Improved Asset Quality

Stage 3 - Coverage Ratio



Prudent



***Transforming rural lives
across the country***

Executive Summary

Financial Information - Standalone

Key Subsidiaries

Company Overview

Business Strategy

Awards & CSR Initiatives

Risk Management Policies

Break down of Disbursements

on standalone basis

Asset Class	Year ended March – 22	Year ended March – 21	Year ended March – 20
Auto/ Utility vehicles	34%	34%	29%
Tractors	16%	18%	15%
Cars	19%	21%	19%
Commercial vehicles and Construction equipments	8%	5%	17%
Pre-owned vehicles	18%	12%	16%
SME and Others	5%	10%	4%

Historical Disbursements (INR crores)	Q1	Q2	Q3	Q4	Full Year
FY 2022	3,872	6,475	8,032	9,202	27,581
FY 2021	2,733	4,028	6,270	5,970	19,001
FY 2020	8,074	7,487	9,778	7,041	32,380

Break down of Business Assets

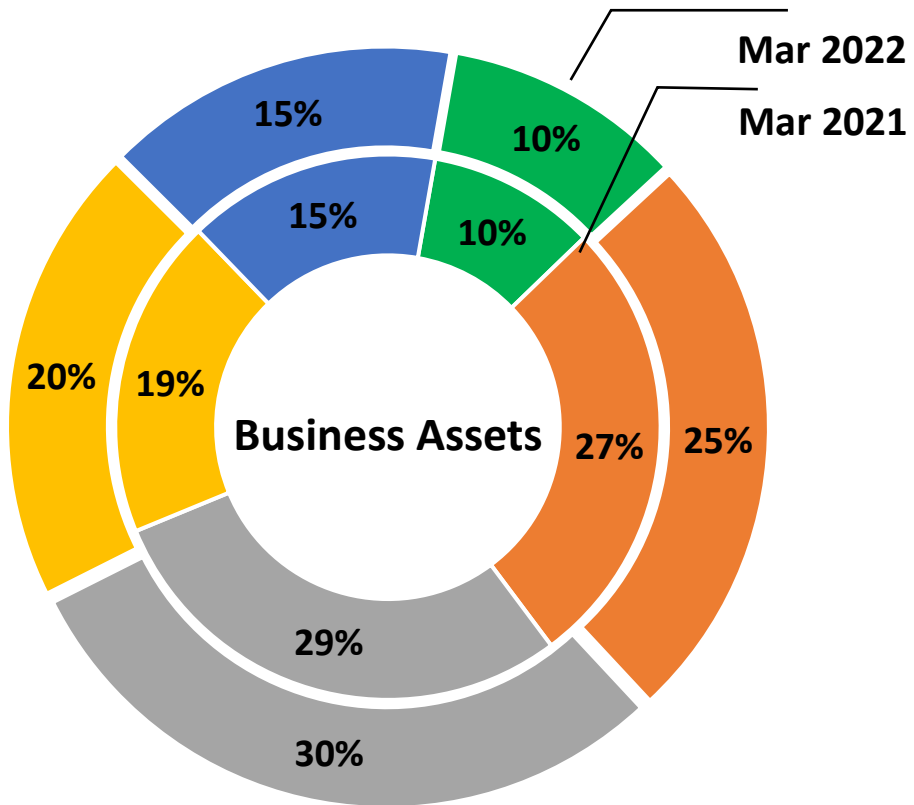
on standalone basis

Asset Class	Year ended March – 22	Year ended March – 21	Year ended March – 20
Auto/ Utility vehicles	32%	30%	27%
Tractors	16%	17%	17%
Cars	22%	22%	21%
Commercial vehicles and Construction equipments	12%	16%	19%
Pre-owned vehicles	11%	9%	10%
SME and Others	7%	6%	6%
Contribution of M&M assets in AUM	46%	45%	43%

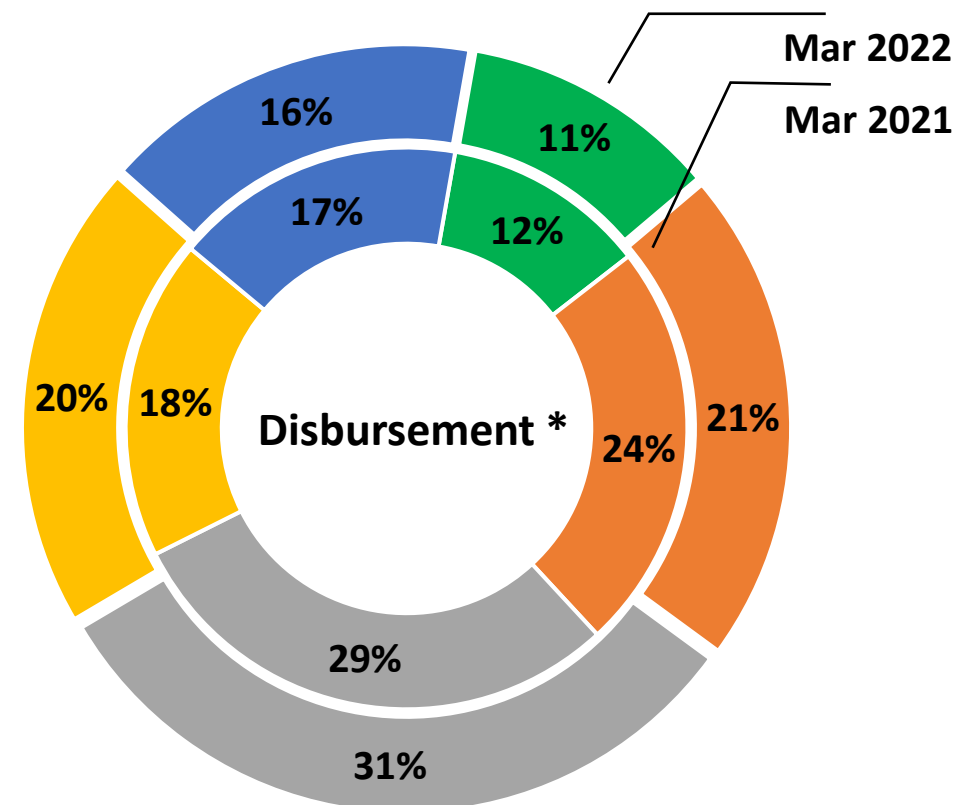
* Share of SME: 3%

Break down by Geography

on standalone basis



■ CENTRAL ■ EAST ■ NORTH ■ SOUTH ■ WEST



■ CENTRAL ■ EAST ■ NORTH ■ SOUTH ■ WEST

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

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

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

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

CENTRAL: Chhattisgarh, Madhya Pradesh;

Broad Based Liability Mix

on standalone basis

All figures in INR crores

Funding Mix by Investor Category			
Investor Type	Mar'22		Mar'21
	Amount	% Share	% Share
Banks / Dev. Institutions	27,111	48.4%	50.5%
Mutual Funds	5,102	9.1%	7.6%
Insurance & Pension Funds	10,161	18.2%	16.3%
FIIs & Corporates	5,524	9.9%	8.7%
Others	8,064	14.4%	16.9%
Total	55,962	100%	100.0%

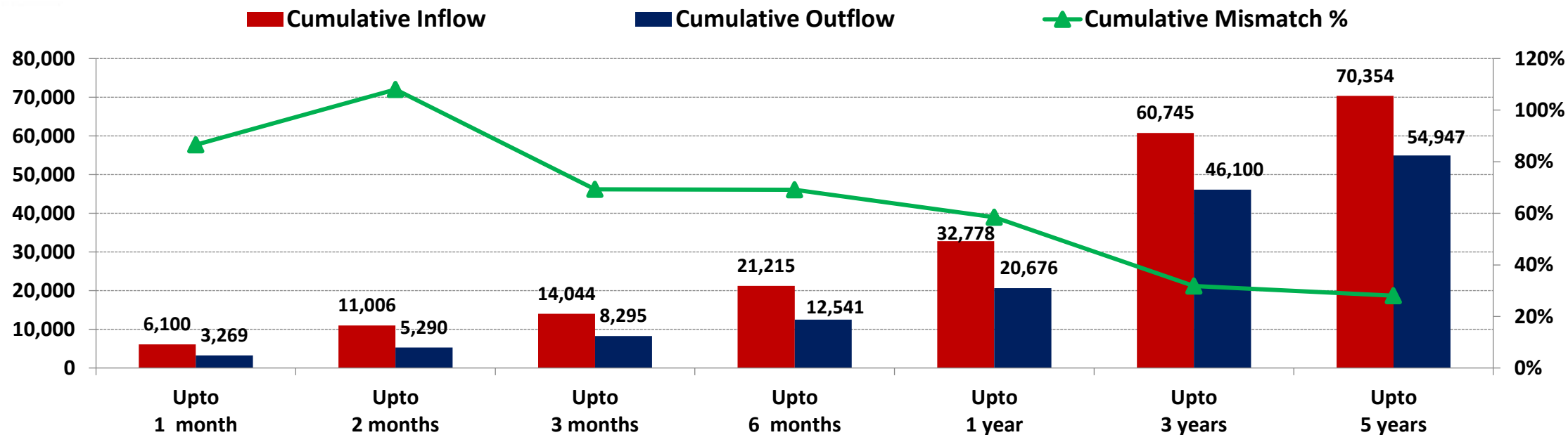
Funding Mix by type of Instrument			
Instrument Type	Mar'22		Mar'21
	Amount	% Share	% Share
NCDs	16,350	29.2%	25.4%
Retail NCDs	4,243	7.6%	7.3%
Bank Loans	15,390	27.5%	24.5%
Offshore Borrowings	2,595	4.6%	6.9%
Fixed Deposits	8,447	15.1%	16.2%
CP, ICD, TREPS	848	1.5%	2.0%
Securitisation/ Assignment	8,089	14.5%	17.7%
Total	55,962	100.0%	100.0%

Computed based on FV/ Principal value

^ Based on holding as at respective period ends

ALM Position and Liability Maturity

All figures in INR crores



Liability Maturity^	Apr-22	May-22	Jun-22	Q1 FY 23	Jul-22	Aug-22	Sep-22	Q2 FY 23	H1 FY23
Bank Loans	35	338	1,090	1,463	393	616	1,712	2,721	4,184
Market Instruments (NCD/ CP)	645	500	1,228	2,373	-	-	450	450	2,823
Others (FD/ ICD)	366	388	444	1,198	493	545	469	1,507	2,705
Total	1,046	1,226	2,762	5,034	886	1,161	2,631	4,678	9,712

In addition to undrawn sanctioned lines, the Company held Cash/ Liquid investments of ~ INR 9,000 crores

* Based on provisional ALM as on Mar 31, 2022

^ excl. Securitisation and as on Mar 31, 2022

Key Financials

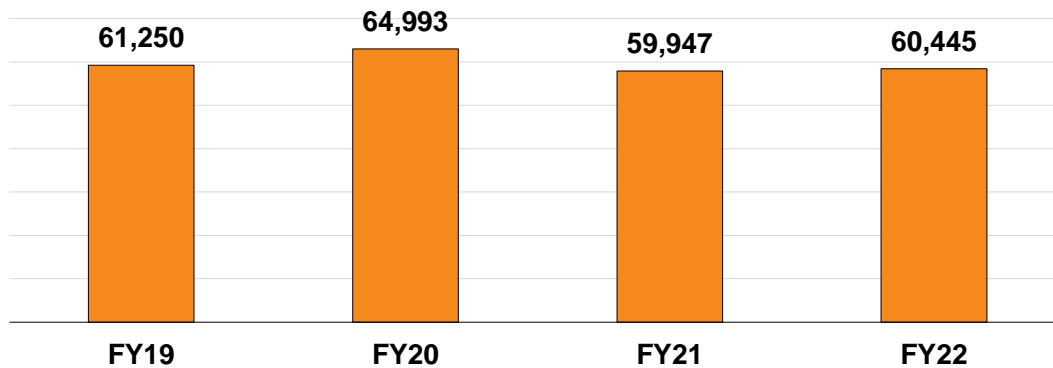
on standalone basis

	Disbursement	Total Income	Profit after Tax
Q4 FY 22	Rs. 9,202 crores	Rs. 2,466 crores	Rs. 601 crores
	↑ 54%	↓ 6%	↑ 300%
Q4 FY 21	Rs. 5,970 crores	Rs. 2,638 crores	Rs. 150 crores
FY 22	Rs. 27,581 crores	Rs. 9,719 crores	Rs. 989 crores
	↑ 45%	↓ 8%	↑ 195%
FY 21	Rs. 19,001 crores	Rs. 10,517 crores	Rs. 335 crores

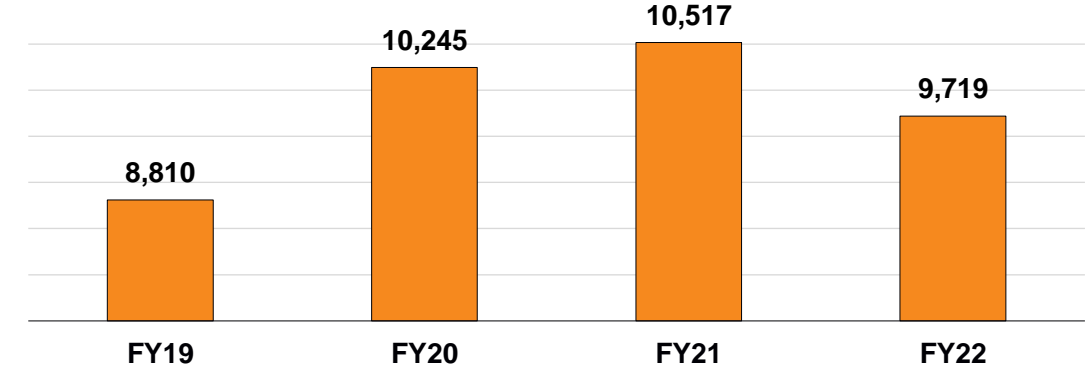
Growth Trajectory

on standalone basis

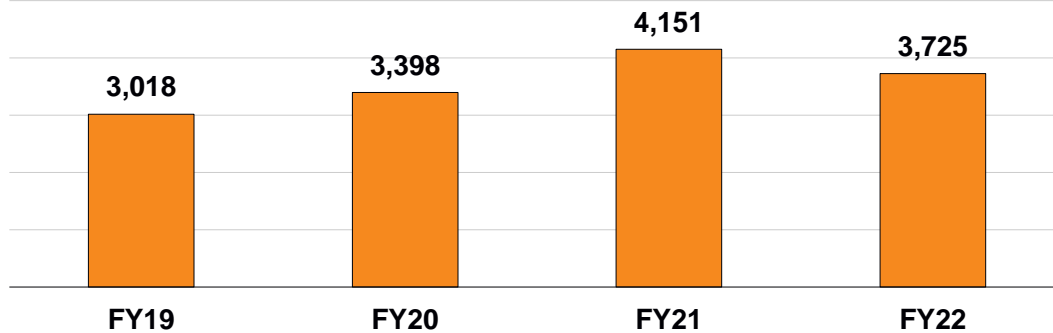
Loan Book ⁽¹⁾ (Rs. crores)



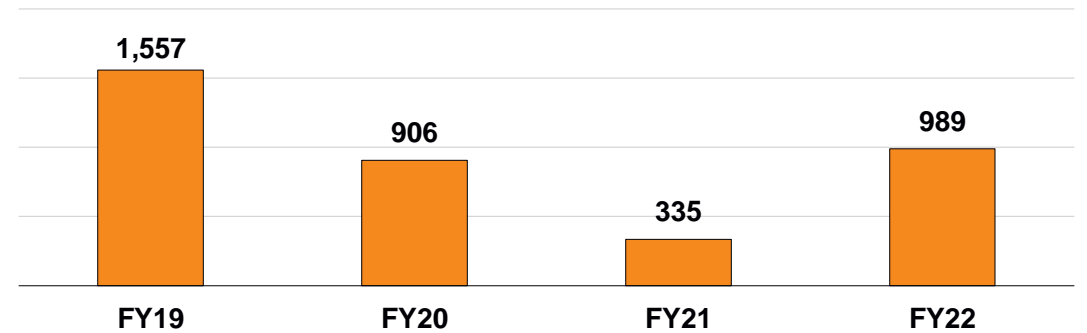
Revenues (Rs. crores)



Pre-Provisioning Operating Profit (Rs. crores)



Profit after Tax ⁽²⁾ (Rs. crores)



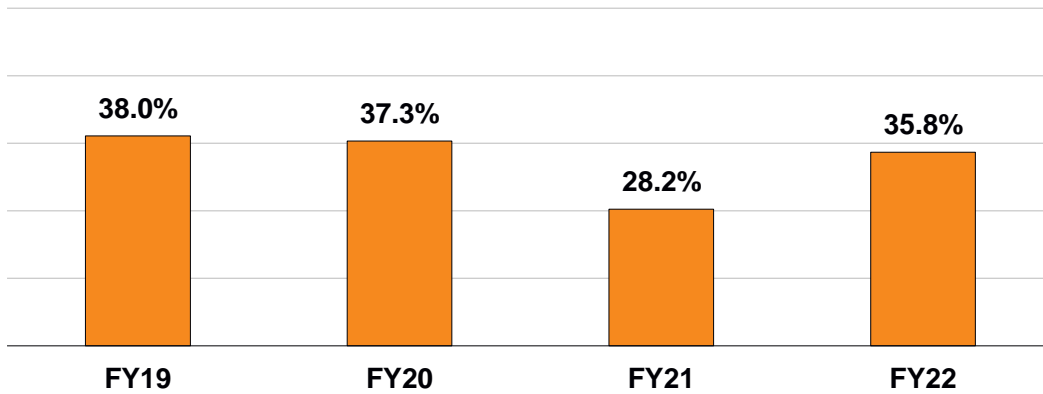
Note : ⁽¹⁾ Loan Book net of provisions.

⁽²⁾ PAT post exceptional items.

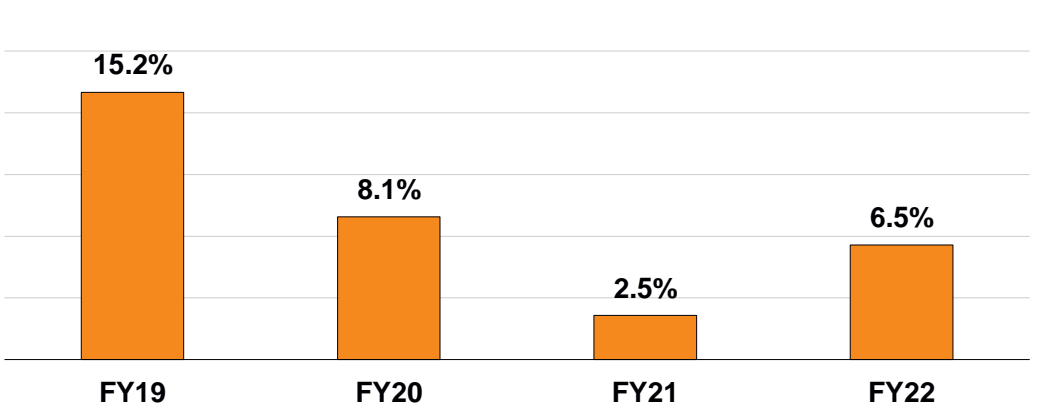
Financial Performance

on standalone basis

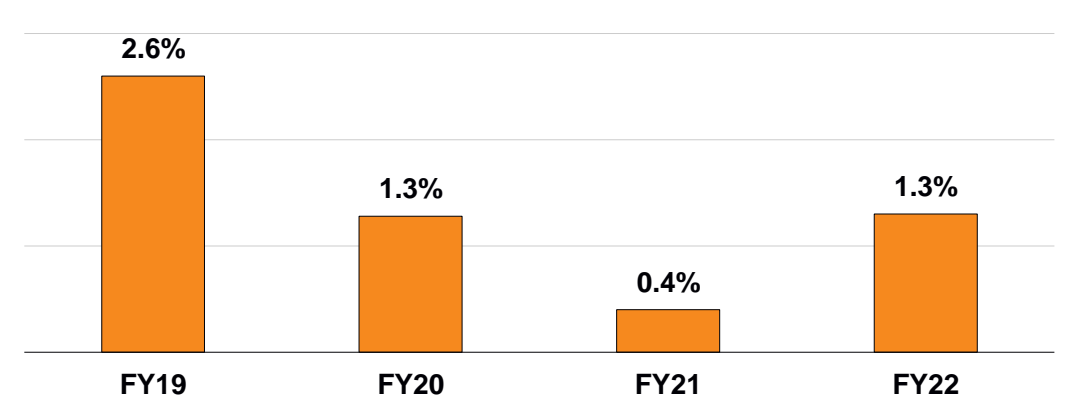
Cost to income ratio ⁽¹⁾ (%)



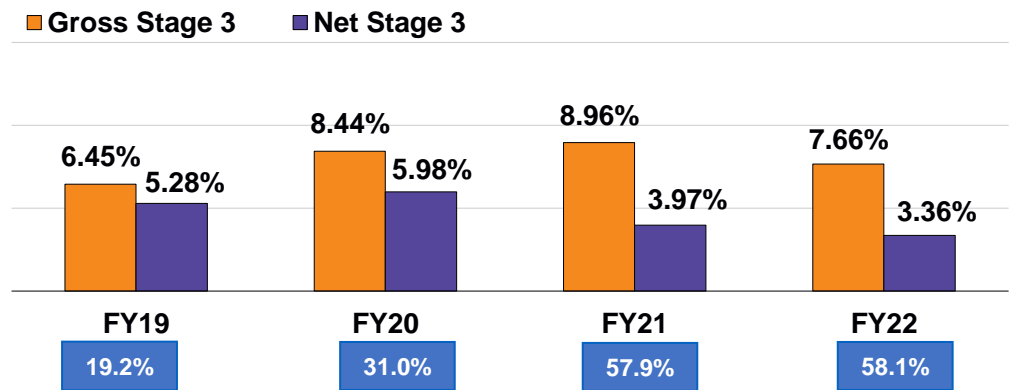
Return on Net Worth (RONW) ⁽²⁾ (%)



Return on Assets (ROA) ⁽²⁾ (%)



Asset Quality (%)



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

* Stage 3 information provided as a percentage of Total Business Assets

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

Standalone Profit & Loss Account

Particulars (Rs. in crores)	Q4FY22	Q3FY22	Q-o-Q	Q4FY21	Y-o-Y
Revenue from operations (A)	2,442	2,531	-4%	2,607	-6%
Less: Finance cost (B)	935	951	-2%	1,089	-14%
NII (C= A+B)	1,507	1,580	-5%	1,518	-1%
Other Income (D)	24	11	111%	31	-22%
Total Income (E=C+D)	1,531	1,591	-4%	1,549	-1%
Employee benefits expense (F)	320	303	6%	282	13%
Other expenses (G)	271	197	37%	179	51%
Depreciation and amortization (H)	42	29	43%	31	38%
Total Expenses (I=F+G+H)	633	529	19%	492	29%
Pre-Provisioning Operating Profit (J=E-I)	898	1,062	-16%	1,057	-15%
Provisions and write-offs (K) ^	64	(148)	-	886	-93%
Profit before Exceptional items (L=J-K)	834	1,210	-31%	171	386%
Exceptional Items (M)	-	-	-	-	-
Profit before Tax (N=L+M)	834	1,210	-31%	171	386%
Tax expense (O)	233	316	-26%	21	991%
Net Profit after Taxes (P=N-O)	601	894	-33%	150	300%

Standalone Profit & Loss Account

Particulars (Rs. in crores)	FY22	FY21	Y-o-Y	FY20
Revenue from operations (A)	9,658	10,456	-8%	10,098
Less: Finance cost (B)	3,920	4,733	-17%	4,829
NII (C= A+B)	5,738	5,723	-	5,269
Other Income (D)	61	61	-	147
Total Income (E=C+D)	5,799	5,784	-	5,416
Employee benefits expense (F)	1,172	1,015	15%	1,149
Other expenses (G)	775	492	58%	751
Depreciation and amortization (H)	127	126	1%	118
Total Expenses (I=F+G+H)	2,074	1,633	27%	2,018
Pre-Provisioning Operating Profit (J=E-I)	3,725	4,151	-10%	3,398
Provisions and write-offs (K) ^	2,368	3,735	-37%	2,054
Profit before Exceptional items (L=J-K)	1,357	416	226%	1,344
Exceptional Items (M)	-	6	-	-
Profit before Tax (N=L+M)	1,357	422	221%	1,344
Tax expense (O)	368	87	322%	438
Net Profit after Taxes (P=N-O)	989	335	195%	906

Standalone Balance Sheet

Particulars (Rs. in crores)	As on Mar 31, 2022	As on Mar 31, 2021	As on Mar 31, 2020
ASSETS			
Financial Asset			
a) Cash and cash equivalents	328	571	677
b) Bank balance other than (a) above	3,823	2,751	749
c) Derivative financial instruments	27	26	93
d) Trade Receivables	9	8	8
e) Loans	60,445	59,947	64,993
f) Investments	8,440	11,705	5,911
g) Other Financial Assets	223	364	477
Financial Asset	73,295	75,372	72,908
Non-Financial Asset			
a) Current tax assets (Net)	563	402	240
b) Deferred tax assets (Net)	837	862	490
c) Property, plant and equipment	383	311	338
d) Capital work-in-progress	-	10	-
e) Intangible assets	9	19	25
f) Other non-financial assets	202	60	70
Non-Financial Assets	1,994	1,664	1,163
Total Assets	75,289	77,036	74,071

Figures re-grouped and rounded where found relevant

Standalone Balance Sheet (Contd.)

Particulars (Rs. in crores)	As on Mar 31, 2022	As on Mar 31, 2021	As on Mar 31, 2020
LIABILITIES AND EQUITY			
Financial Liabilities			
a) Derivative financial instruments	182	173	40
b) Payables			
i) Trade payables	955	596	606
ii) Other payables	50	47	30
c) Debt Securities	18,253	16,835	17,745
d) Borrowings (Other than Debt Securities)	26,006	29,142	29,487
e) Deposits	8,426	9,451	8,812
f) Subordinated Liabilities	3,130	3,149	3,418
g) Other financial liabilities	2,316	2,604	2,314
Financial Liabilities	59,318	61,997	62,452
Non-Financial liabilities			
a) Current tax liabilities (Net)	14	14	14
b) Provisions	221	215	143
c) Other non-financial liabilities	108	99	98
Non-Financial Liabilities	343	328	255
Equity			
a) Equity Share capital	247	246	123
b) Other Equity	15,381	14,465	11,241
Equity	15,628	14,711	11,364
Total Equities and Liabilities	75,289	77,036	74,071

Figures re-grouped and rounded where found relevant

Summary & Key Ratios

on standalone basis

Particulars	Year ended March – 22	Year ended March – 21	Year ended March – 20
RONW (Avg. Net Worth) - annualised	6.5%	2.5%	8.1%
Debt / Equity	3.57:1	3.98:1	5.23:1
Capital Adequacy	27.8%	26.2%	19.6%
Tier I	24.3%	22.4%	15.4%
Tier II	3.5%	3.8%	4.2%
EPS (Basic) (Rs.)*	8.02	3.03	10.09
Book Value (Rs.)	126.5	119.1	184.0
Dividend %	180%	40%	--
New Contracts during the period (Nos.)	647,222	453,593	757,463
No. of employees	19,998	19,952	21,862

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

Spread Analysis

on standalone basis

Particulars	Year ended March – 22	Year ended March – 21	Year ended March – 20
Total Loan Income / Average Business Assets	13.8%	14.8%	14.9%
Total Income / Average Assets	12.8%	13.9%	14.5%
Interest cost / Average Assets	5.2%	6.2%	6.8%
Gross Spread	7.6%	7.7%	7.7%
Overheads / Average Assets	2.7%	2.2%	2.9%
Write offs & provisions / Average Assets	3.1%	4.9%	2.9%
Net Spread before Tax	1.8%	0.6%	1.9%
Net Spread after Tax	1.3%	0.4%	1.3%

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

Collection Efficiency and Restructuring

on standalone basis

Collection Efficiency^	Jan	Feb	Mar	Q4 FY22	Q3 FY22
FY 2022	96%	98%	109%	100%	95%
FY 2021	94%	98%	109%	100%	88%

^ Computed as (Current month demand collected + Overdues collected)/(Current month demand due for the month)
Without considering restructured contracts

Restructuring*	Number of Contracts		Amount (INR crores)	
	LR 2.0	LR 1.0	LR 2.0	LR 1.0
Restructuring	97,463	175	3,968	51

* Cumulative as on Mar 31, 2022

Stage 3 - Analysis

on standalone basis

Particulars (Rs. in crores) except figures in %	As on Mar 31, 2022	As on Dec 31, 2021	As on Mar 31, 2021	As on Mar 31, 2020
Business Assets (including Provisions)	64,961	63,944	64,608	68,089
Gross Stage 3	4,976	7,223	5,786	5,747
Less: Stage 3 ECL Provisions	2,890	3,842	3,352	1,780
Net Stage 3	2,086	3,381	2,434	3,967
Gross Stage 3 as % of Business Assets	7.66%	11.30%	8.96%	8.44%
Net Stage 3 as % of Business Assets	3.36%	5.63%	3.97%	5.98%
Coverage Ratio (%) – based on Stage 3 ECL	58.1%	53.2%	57.9%	31.0%
Stage 1 & 2 provision to Business Assets (%)	2.5%	2.8%	2.0%	1.9%
Coverage Ratio (%) – including Stage 1 & 2 provision	90.6%	78.4%	80.4%	53.8%

Particulars (in units) except figures in %	As on Mar 31, 2022	As on Dec 31, 2021	As on Mar 31, 2021	As on Mar 31, 2020
Contracts under Stage 3 (90 dpd)	119,202	184,743	139,038	131,597
% of Live Cases under Stage 3	4.6%	7.1%	5.4%	5.0%
Reposessed Assets (out of above Stage 3 contracts)	9,059	15,064	8,556	14,382

Figures re-grouped and rounded where found relevant

Credit Charge and Overlays

on standalone basis

	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q4FY21	FY22	FY21
Stage-1 Provisions	(33)	27	(39)	67	(333)	22	(127)
Stage-2 Provisions	621	212	(270)	(267)	(331)	295	119
Stage-3 Provisions	1,929	(1,002)	(437)	(951)	921	(462)	1,572
Provisions – P&L Charge	2,517	(763)	(746)	(1,151)	257	(145)	1,564
Write-Offs	302	396	599	1,215	629	2,513	2,171
Total	2,819	(367)	(147)	64	886	2,368	3,735

- Reversals of upwards of 100% of the Q1FY22 provisions during the year
- **Realigned Management Overlays:** Overlays at Rs. 1,014 crores as of year end
 - 100% provisions coverage on 18+ ageing portfolio
 - Overlays reflect the excess over model provisions on this portfolio

Figures re-grouped and rounded where found relevant

Stage Wise Provisioning

on standalone basis

Stage-Wise Assets and Provisioning												
Rs. in crores	As on 31 st Mar 2022				As on 31 st Dec 2021				As on 31 st Mar 2021			
	Business Assets (Amount and %)		Provisions & Coverage		Business Assets (Amount and %)		Provisions & Coverage		Business Assets (Amount and %)		Provisions & Coverage	
Stage - 1 Assets	50,727	78.09%	444	0.9%	45,350	70.92%	377	0.8%	50,713	78.49%	423	0.8%
Stage - 2 Assets	9,257	14.25%	1,174	12.7%	11,371	17.78%	1,441	12.7%	8,109	12.55%	879	10.8%
Stage - 3 Assets	4,976	7.66%	2,890	58.1%	7223	11.30%	3,842	53.2%	5,786	8.96%	3,352	57.9%
Total	64,961		4,508		63,944		5,660	8.9%	64,608		4,654	7.2%

Stage 2 includes restructured assets of Rs. 3,626 crores as of Q4 FY22; Out of these, assets of Rs. 1,470 crores (2.3% of the Business Assets) have Nil overdues

Stage 3 includes restructured assets of Rs. 393 crores as of Q4 FY22

Comparison of IRACP and IND-AS Provisioning requirement			
Rs. in crores	IRACP (A)	IND-AS (B)	Difference (B-A)
Stage 1 and Stage 2	588	1,618	1.030
Stage 3	2,126	2,890	764
Total	2,714	4,508	1,794

Figures re-grouped and rounded where found relevant



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Key Financials (Consolidated)

on consolidated basis

	Disbursement	Total Income	Profit after Tax
Q4 FY 22	Rs. 9,853 crores	Rs. 2,897 crores	Rs. 629 crores
	↑ 54%	↓ 5%	↑ 187%
Q4 FY 21	Rs. 6,394 crores	Rs. 3,038 crores	Rs. 219 crores
FY 22	Rs. 29,183 crores	Rs. 11,401 crores	Rs. 1,150 crores
	↑ 47%	↓ 6%	↑ 47%
FY 21	Rs. 19,798 crores	Rs. 12,171 crores	Rs. 780 crores

Consolidated Profit & Loss Account

Particulars (Rs. in crores)	Q4FY22	Q3FY22	Q-o-Q	Q4FY21	Y-o-Y
Revenue from operations (A)	2,865	2,974	-4%	3,007	-5%
Less: Finance cost (B)	1,053	1,070	-2%	1,226	-14%
NII (C= A+B)	1,812	1,904	-5%	1,781	2%
Other Income (D)	33	11	185%	31	4%
Total Income (E=C+D)	1,845	1,915	-4%	1,812	2%
Employee benefits expense (F)	451	415	9%	398	13%
Other expenses (G)	351	271	29%	226	55%
Depreciation and amortization (H)	50	35	40%	36	36%
Total Expenses (I=F+G+H)	852	721	18%	660	29%
Pre-Provisioning Operating Profit (J=E-I)	993	1,194	-17%	1,152	-14%
Provisions and write-offs (K)	130	(130)	-200%	910	-86%
Profit before Exceptional items (L=J-K)	863	1,324	-35%	242	257%
Exceptional Items (M)	-	-	-	-	-
Share of Profit of Associates (N)	6	10	-42%	14	-57%
Profit before taxes (O= L+M+N)	869	1,334	-35%	256	240%
Tax expense (P)	240	342	-30%	37	551%
Net Profit after Taxes (Q=O-P)	629	992	-37%	219	187%

* On account of recognition of capital gain, based on fair valuation, due to consolidation of Ideal Finance as a subsidiary of the Company

Consolidated Profit & Loss Account

Particulars (Rs. in crores)	FY22	FY21	Y-o-Y	FY20
Revenue from operations (A)	11,318	12,111	-7%	11,883
Less: Finance cost (B)	4,418	5,307	-17%	5,391
NII (C= A+B)	6,900	6,804	1%	6,492
Other Income (D)	83	59	40%	114
Total Income (E=C+D)	6,983	6,863	2%	6,606
Employee benefits expense (F)	1,613	1,384	17%	1,610
Other expenses (G)	1,044	663	57%	974
Depreciation and amortization (H)	152	151	1%	147
Total Expenses (I=F+G+H)	2,809	2,198	28%	2,731
Pre-Provisioning Operating Profit (J=E-I)	4,174	4,665	-11%	3,875
Provisions and write-offs (K)	2,691	3,999	-33%	2,319
Profit before Share of associates(L=J-K)	1,483	666	123%	1,556
Exceptional items (M)	21	229	-91%	-
Share of Profit of Associates (N)	45	39	14%	46
Profit before taxes (O= L+M+N)	1,549	934	66%	1,602
Tax expense (P)	399	154	159%	516
Net Profit after Taxes (Q=O-P)	1,150	780	47%	1,086

Figures re-grouped and rounded where found relevant

Consolidated Balance Sheet

Particulars (Rs. in crores)	As on Mar 31, 2022	As on Mar 31, 2021	As on Mar 31, 2020
ASSETS			
Financial Asset			
a) Cash and cash equivalents	765	808	782
b) Bank balance other than (a) above	4,062	3,229	749
c) Derivative financial instruments	27	26	93
d) Trade Receivables	65	54	53
e) Loans	67,660	67,076	72,864
f) Investments	8,654	12,126	5,340
g) Other Financial Assets	271	399	520
Financial Asset	81,504	83,718	80,401
Non-Financial Asset			
a) Current tax assets (Net)	587	414	258
b) Deferred tax Assets (Net)	952	945	579
c) Property, plant and equipment	461	379	428
d) Capital Work-in-progress	-	10	-
e) Intangible assets under development	2	2	1
f) Goodwill	43		
g) Other Intangible assets	11	20	28
h) Other non-financial assets	249	113	98
Non-Financial Assets	2,305	1,883	1,392
Total Assets	83,809	85,601	81,793

Figures re-grouped and rounded where found relevant

Consolidated Balance Sheet (Contd.)

Particulars (Rs. in crores)	As on Mar 31, 2022	As on Mar 31, 2021	As on Mar 31, 2020
LIABILITIES AND EQUITY			
Financial Liabilities			
a) Derivative financial instruments	182	173	40
b) Payables			
i) Trade payables	1,113	732	693
ii) Other payables	51	47	30
c) Debt Securities	21,597	19,671	19,745
d) Borrowings (Other than Debt Securities)	28,653	32,454	33,327
e) Deposits	8,286	9,366	8,781
f) Subordinated Liabilities	3,590	3,610	3,781
g) Other financial liabilities	2,875	3,283	2,994
Financial Liabilities	66,347	69,336	69,391
Non-Financial liabilities			
a) Current tax liabilities (Net)	28	14	17
b) Provisions	276	271	212
c) Other non-financial liabilities	121	104	114
Non-Financial Liabilities	425	389	343
Equity			
a) Equity Share capital	247	246	123
b) Other Equity	16,649	15,530	11,846
c) Non-controlling interests	141	99	90
Equity (incl attributable to minority investors)	17,037	15,876	12,059
Total Equities and Liabilities	83,809	85,601	81,793

Figures re-grouped and rounded where found relevant



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Mahindra Rural Housing Finance Limited

Particulars (Rs. in crores)	Q4FY22	Q3FY22	Q4FY21	Year ended March – 22	Year ended March – 21
Loans disbursed	651	488	424	1,602	797
No. of Customer Contracts (nos.)	29,915	23,806	19,937	75,327	34,559
Loans & Advances (net)	7,029	7,030	7,128	7,029	7,128
Total income	330	353	338	1,377	1,455
PBT	(1)	85	45	58	195
PAT	(1)	67	34	48	151
Net-worth	1,455	1,454	1,403	1,455	1,403
Gross Stage 3 %	11.33%	16.19%	13.16%	11.33%	13.16%
Net Stage 3 %	8.47%	11.75%	9.87%	8.47%	9.87%

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

^ The Company has cumulative management overlay of Rs. 145 crores as at 31 March 2022

Mahindra Insurance Brokers Limited

Particulars (Rs. in crores)	Q4FY22	Q3FY22	Q4FY21	Year ended March – 22	Year ended March – 21
No. of Policies for the Period (nos.)	5,80,701	525,623	460,580	18,63,160	1,439,023
Net Premium	826	610	584	2,360	1,794
Total income	114	97	86	348	269
PBT	28	24	16	70	44
PAT	21	18	12	52	32
No. of employees (nos.)	1,027	1,047	1,117	1,027	1,117

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



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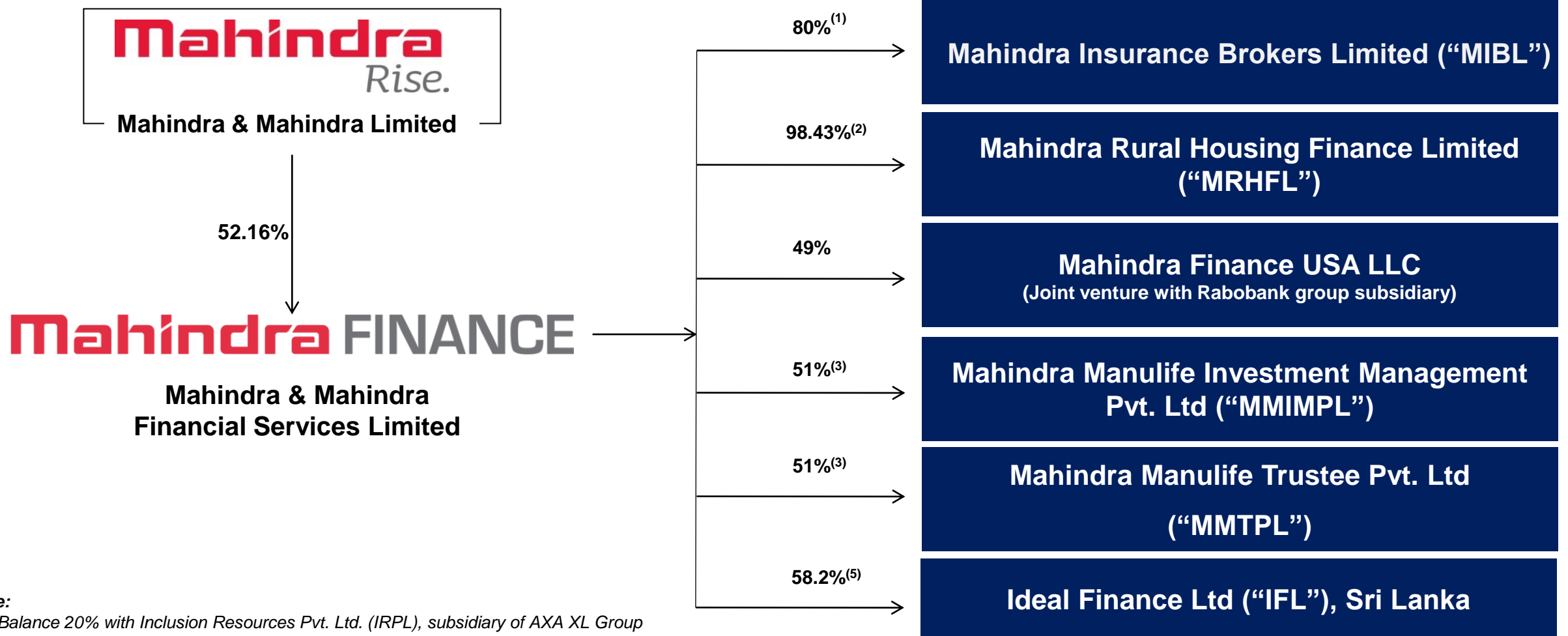
Risk Management Policies

Company Background

Parentage:	Mahindra & Mahindra Financial Services Limited (“MMFSL”) is a subsidiary of Mahindra and Mahindra Limited (<i>Mcap: Rs 1.15 trillion</i>)*
About MMFSL:	MMFSL (<i>Mcap: Rs 226 billion</i>)*, one of India’s leading non-banking finance companies focused in the rural and semi-urban sector
Key Business Area:	Primarily in the business of financing purchase of new and pre-owned auto and utility vehicles, tractors, cars, commercial vehicles, construction equipment and SME Financing
Vision:	MMFSL’s vision is to be a leading provider of financial services in the rural and semi-urban areas of India
Reach:	Has 1,384 offices covering 27 states and 7 union territories in India, with over 7.9 million customer contracts since inception
Credit Ratings:	India Ratings has assigned AAA/Stable, CARE Ratings has assigned AAA/Stable, Brickwork has assigned AAA/Stable and CRISIL has assigned AA+/Stable rating to the Company’s long term and subordinated debt

**Source: Market capitalisation as of April 29, 2022 from BSE website*

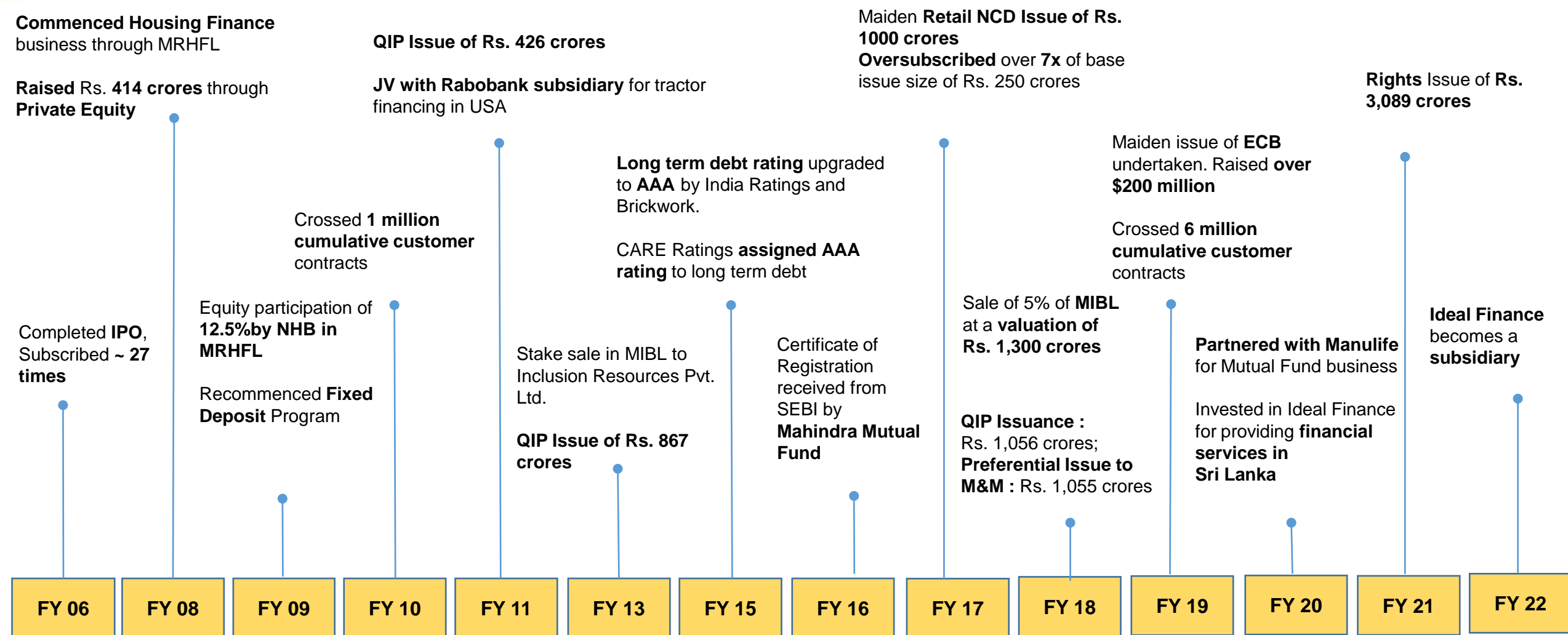
MMFSL Group structure



Note:

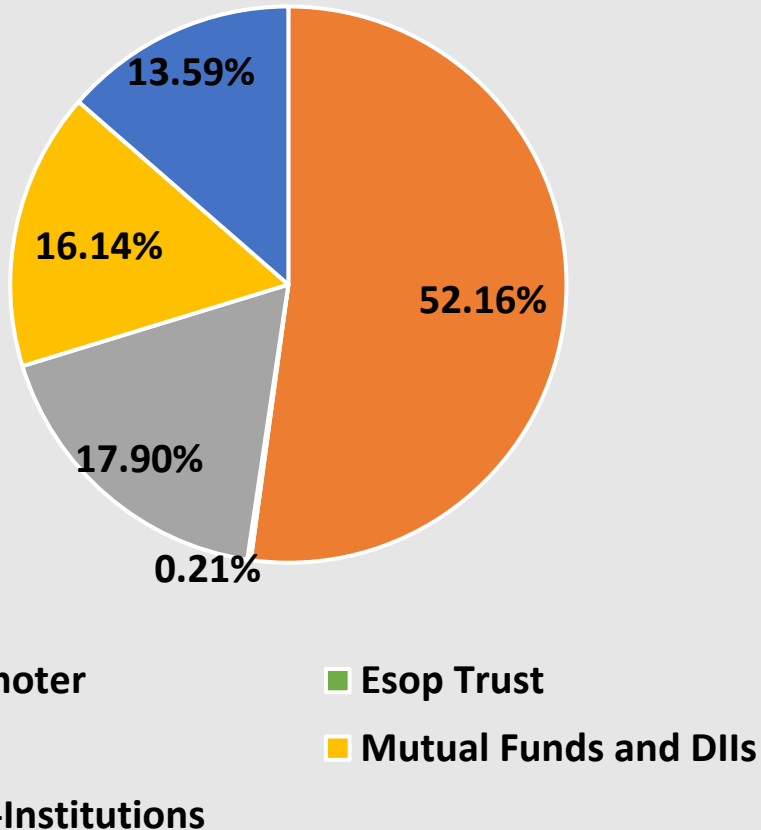
1. Balance 20% with Inclusion Resources Pvt. Ltd. (IRPL), subsidiary of AXA XL Group
2. Balance 1.58% held by MRHFL Employee Welfare Trust and employees
3. Manulife Investment Management (Singapore) Pte. Ltd. holds 49% of the shareholding of MMIMPL and MMTPL.
4. Mahindra Finance CSR Foundation is a wholly owned subsidiary to undertake all CSR initiatives under one umbrella
5. IFL wef 8th July 2021 is a subsidiary of the Company, consequent to the Company acquiring an additional 20% in IFL.

Our Journey



Shareholding Pattern (as on March 31, 2022)

Shareholding Pattern



Top 10 Public Shareholders

- Life Insurance Corporation Of India
- Wishbone Fund, Ltd.
- HDFC Life Insurance Company Limited
- Ashish Dhawan
- HDFC Trustee Company Ltd
- Valiant Mauritius Partners Offshore Limited
- Bank Muscat India Fund
- Nippon Life India Trustee Ltd.
- Kotak Emerging Equity Scheme
- Life Insurance Corporation Of India - P & Gs Fund

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

Business Strategy

Grow in rural and semi urban markets by providing financing, investment and insurance solutions

Expand Branch Network

Leverage existing customers base through Direct Marketing Initiatives

Diversify Product Portfolio: Nurture new businesses of Digital Finance and Leasing

Broad base Liability Mix

Continuing to attract, train and retain talented employees

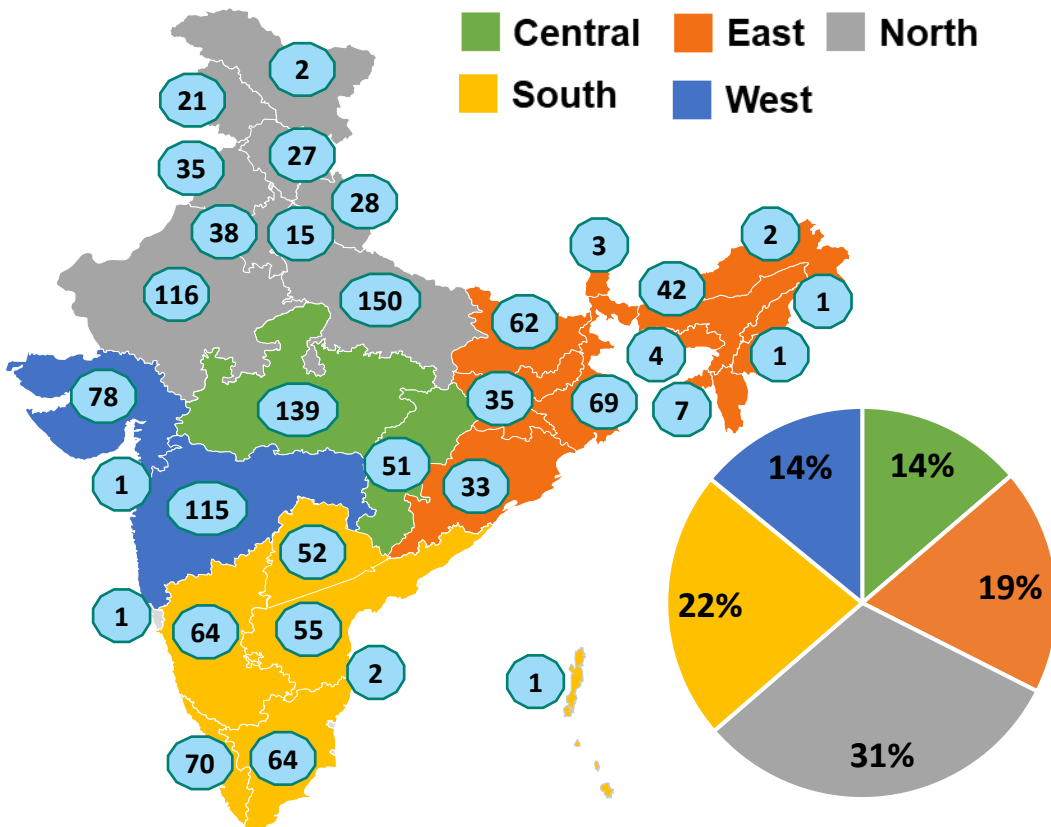
Effective use of technology to improve productivity

Leverage the “Mahindra” Ecosystem

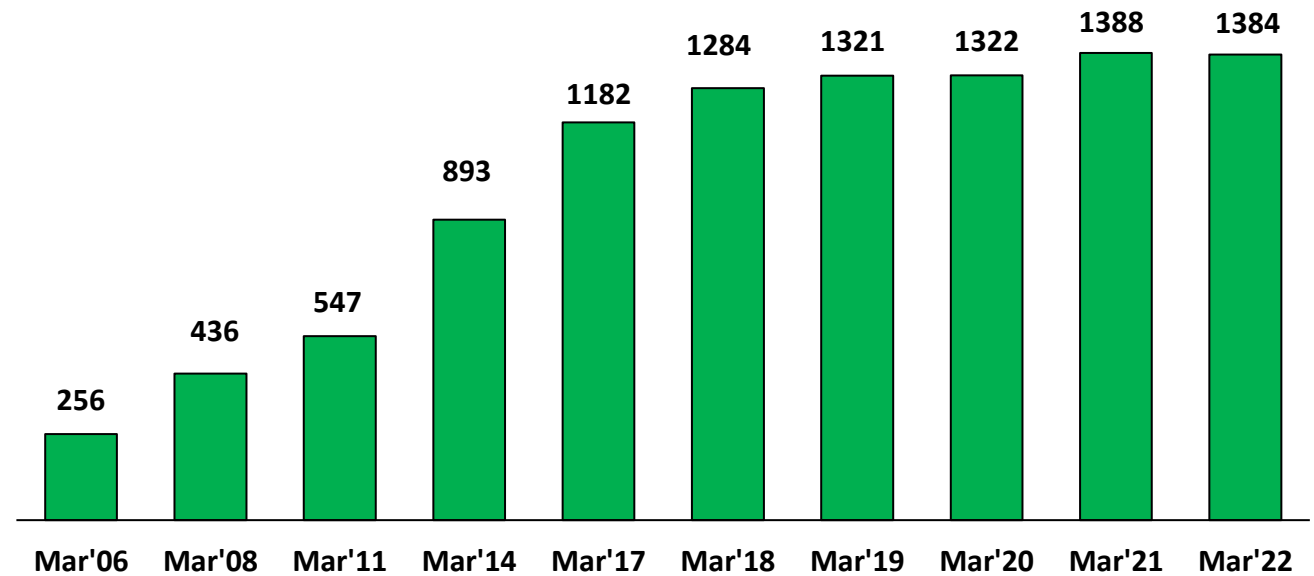
Extensive Branch Network

- Extensive branch network with presence in 27 states and 7 union territories in India through 1,384 offices
- Branches have authority to approve loans within prescribed guidelines

Coverage



Branch Network as of



Diversified Product Portfolio

Vehicle Financing	<ul style="list-style-type: none"> Loans for auto and utility vehicles, tractors, cars, commercial vehicles and construction equipments
Pre-Owned Vehicles	<ul style="list-style-type: none"> Loans for pre-owned cars, multi-utility vehicles, tractors and commercial vehicles
SME Financing	<ul style="list-style-type: none"> Loans for varied purposes like project finance, equipment finance and working capital finance
Personal Loans	<ul style="list-style-type: none"> Offers personal loans typically for weddings, children's education, medical treatment and working capital
Mutual Fund Distribution	<ul style="list-style-type: none"> Advises clients on investing money through AMFI certified professionals
Insurance Broking	<ul style="list-style-type: none"> Insurance solutions to retail customers as well as corporations through our subsidiary MIBL
Housing Finance	<ul style="list-style-type: none"> Loans for buying, renovating, extending and improving homes in rural and semi-urban India through our subsidiary MRHFL
Mutual Fund & AMC	<ul style="list-style-type: none"> Asset Management Company/ Investment Manager to 'Mahindra Manulife Mutual Fund',



Employee Management and Technology Initiatives

Employee engagement & training

- Foster a Digital Learning ecosystem that drives a culture of anytime-anywhere learning.
- Structured framework which nurtures the functional and leadership capabilities of all employees across verticals.
- In times of an unforeseen event, like the COVID-19 pandemic, psychological and financial support is provided to our employees
- Ekincare, our AI-driven health & wellness app, closely monitors employee health needs.
- Virtual engagement platform “MF-People First” has been launched to drive all celebrations & recognition activities.
- Participate in Group’s Talent Management & Retention program

Covid initiatives taken for employees

- Financial assistance to employees tested positive; monthly payout to family and reimbursement of children education for employees who have lost life
- Facilitating Covid vaccination & reimbursing hospitalization expenses through insurance policy

Technology initiatives

- Next gen API commissioned for scaling partnerships, integrating fintech ecosystem & create enterprise wide microservices layer
- Deployed digital assets on the cloud to auto scale as we grow & strengthened the resiliency for technology platforms
- Modernising applications by implementing digital processes:
 - Omnichannel communication interface (SMS/Email/WhatsApp)
 - Integrated customer service – with click of a button
 - Direct OEM integrations & lead sourcing in low bandwidth area
 - Enabling digital collections thru BBPS, Fino & CSC
- Provide outcome-based data driven visual dashboards for quicker and strategic business decisions
- Continues to harness the power of end users thru secured and digital practices and tools
 - Agile practices and workforce across various verticals
 - Moving towards DevSecOps model of software development
 - New gen device agnostic e-learning module
 - Moving towards Zero trust architecture

Credit Rating

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

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

Awards & Accolades

- Ranked **54th** among India Best Companies to Work 2021 by Great Place to Work[®] Institute
- India's **30th** Best workplaces in BFSI 2021 by Great Place to Work[®] Institute
- India's Best workplaces in NBFCs 2021 by Great Place to Work[®] Institute
- Included in the renowned FTSE4Good Index Series for ESG (Environmental, Social & Governance) performance.
- Included in '**DJSI Sustainability Yearbook 2021**'.
- Ranked 29th amongst Top 100 Indian companies for Sustainability & CSR 2021 by Futurescape



CSR Initiatives

- Launched flagship program for the holistic development of our driver community and their family members.
- This multi-year program focuses on the empowerment and generation of livelihood for our driver communities through various initiatives like:
 - ❑ Training New Drivers; Auto Mechanic Training for Women
 - ❑ Road Safety Training for Existing Drivers
 - ❑ A Financial Planning Workshop for Drivers
 - ❑ Scholarship for Drivers' Children
 - ❑ Health and Accidental Insurance for Drivers
- **Covid-19 Care Initiatives for Community**
 - Ambulance Donation
 - Setting Up Covid Care Centres; Vaccination Drives
 - Distribution Of PPE Kits
- Flood affected individuals impacted through Relief project
- Planted 42,150 plants
- 4950 girls (Nanhi Kalis) supported for Quality Education



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Risk Management Policies

Provisioning Norms

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

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

PD – Probability of Default;

LGD – Loss given Default;

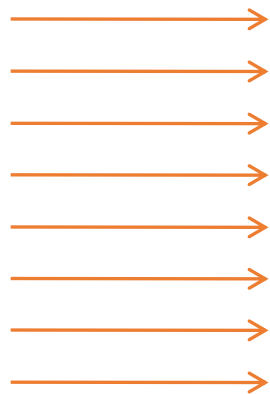
EAD – Exposure at Default

**Fair valued at reporting date*

Key Risks & Management Strategies

Key Risks

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



Management Strategies

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

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