

28th July 2022

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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 the Board Meeting - Unaudited Standalone and Consolidated Financial Results of the Company for the first quarter ended 30th June 2022

Further to our letter dated 4th July 2022 and in compliance with Regulations 30, 33 and 52 read with Schedule III and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we hereby inform you that the Board of Directors of Mahindra & Mahindra Financial Services Limited at their Meeting held today i.e. Thursday, 28th July 2022 have, inter-alia, approved the Unaudited Standalone and Consolidated Financial Results for the first quarter ended 30th June 2022.

Please find enclosed the following documents:

1. Unaudited Standalone and Consolidated Financial Results for the first quarter ended 30th June 2022 along with Limited Review Report thereon, issued by the Joint Statutory Auditors of the Company viz. M/s. Deloitte Haskins & Sells, Chartered Accountants and M/s. Mukund M. Chitale & Co., Chartered Accountants;
2. Extract of the newspaper publication of the Unaudited Standalone and Consolidated Financial Results for the first quarter ended 30th June 2022, in the prescribed format, to be published in the print and electronic versions of the newspapers.

The Meeting of the Board of Directors of the Company commenced at 11.30 a.m. (IST) and concluded at 2.03 p.m. (IST).



This intimation is also being uploaded on the website of the Company at:

<https://www.mahindrafinance.com/investor-zone/>

Kindly take the same on record.

Thanking you,

For **Mahindra & Mahindra Financial Services Limited**



Brijbala Batwal

Company Secretary & Compliance Officer

Enclosure: As above

**Mukund
M. Chitale
& Co.**

2nd Floor, Kapur House, Paranjape B Scheme,
Road No 1, Vile Parle (E),
Mumbai – 400 057
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**Deloitte
Haskins & Sells**

19th Floor, Shapath – V,
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**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
CONSOLIDATED FINANCIAL RESULTS**

TO THE BOARD OF DIRECTORS OF

Mahindra & Mahindra Financial Services Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Mahindra & Mahindra Financial Services Limited** (the "Parent" or the "Company") 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 ended June 30, 2022 (the "Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of Interim financial information consists of making inquiries, primarily of Parent'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 Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

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4. The Statement 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	Mahindra Ideal Finance Limited (Joint Venture upto July 7, 2021, Subsidiary w.e.f. July 8, 2021)
	Associate
7	Mahindra Finance USA, LLC
	Joint Ventures
8	Mahindra Manulife Investment Management Private Limited (erstwhile Mahindra Asset Management Company Private Limited)
9	Mahindra Manulife Trustee Private Limited (erstwhile Mahindra Trustee Company Private Limited)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors / one of the joint auditor referred to in paragraph 9 and 10 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 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.
6. We draw attention to Note 8 to the Statement in which the Group describes the continuing uncertainties arising from the COVID 19 pandemic.

Our conclusion is not modified in respect of this matter.

7. We did not review the interim financial results of a subsidiary included in the Statement, whose interim financial results reflect total revenues of Rs 328.96 Crore for the quarter ended June 30, 2022, total net profit after tax of Rs 2.44 Crore for the quarter ended June 30, 2022, and total comprehensive loss of Rs 0.8 Crore for the quarter ended June 30, 2022, as considered in the Statement. These interim

financial results have been reviewed by other auditor 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 this subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Further, the interim financial results of a subsidiary included in the Statement, whose interim financial results reflect total revenues of Rs 88.94 Crore for the quarter ended June 30, 2022, total net profit after tax of Rs 2.20 Crore for the quarter ended June 30, 2022, and total comprehensive income of Rs 1.70 Crore for the quarter ended June 30, 2022, as considered in the Statement, have been reviewed by Mukund M. Chitale & Co., one of the joint auditors of the Parent 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 this subsidiary, is based solely on the report of the one of the joint auditor and the procedures performed by us as stated in paragraph 3 above.

The Statement also includes the Group's share of loss after tax of Rs 5.47 Crore and total comprehensive loss of Rs 5.51 Crore for the quarter ended June 30, 2022, 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 in paragraph 3 above.

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

8. The Statement includes the interim financial results of 4 subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. 9.48 Crore for the quarter ended June 30, 2022, total profit (net) after tax of Rs. 0.46 Crore and total comprehensive income (net) of Rs. 0.46 Crore for the quarter ended June 30, 2022, as considered in the Statement. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

The Statement also includes the Group's share of profit / after tax of Rs. 17.16 Crore and total comprehensive income of Rs. 17.16 Crore for the quarter ended June 30, 2022, in respect of an Associate, based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion is not modified in respect of our reliance on the interim financial results certified by the Management.



**Mukund
M. Chitale
& Co.**

**Deloitte
Haskins & Sells**

9. The Statement includes comparative financial figures of the Group for the quarter ended June 30, 2021 which have been reviewed by the predecessor audit firm, where in they have expressed an unmodified conclusion vide report dated July 26, 2021.

Our conclusion is not modified in respect of this matter.

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



M. M. Chitale
Partner
(Membership No. 14054)
(UDIN: 22014054ANTJJQ9045)
Place: Mumbai
Date: July 28, 2022

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



Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 22046930ANTGWA9155)
Place: Mumbai
Date: July 28, 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_mmfs@mahindra.com

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2022

		Rs. in Crore			
	Particulars	Quarter ended			Year ended
		30 June 2022	31 March 2022	30 June 2021	31 March 2022
		(Unaudited)	(Unaudited) Refer note 5	(Unaudited)	(Audited)
	Revenue from operations				
i)	Interest income	2,765.92	2,729.23	2,465.22	10,858.08
ii)	Dividend income	-	0.01	-	0.02
iii)	Rental income	14.50	10.81	4.72	26.31
iv)	Fees and commission income	33.84	35.44	17.31	109.88
v)	Net gain on fair value changes	10.41	2.83	26.43	51.34
vi)	Sale of services	77.45	86.76	46.58	271.94
I	Total Revenue from operations	2,902.12	2,865.08	2,560.26	11,317.57
II	Other income	11.83	32.36	6.58	82.94
III	Total Income (I+II)	2,913.95	2,897.44	2,566.84	11,400.51
	Expenses				
i)	Finance costs	1,052.12	1,052.94	1,151.08	4,417.37
ii)	Fees and commission expense	48.87	52.95	22.87	156.11
iii)	Impairment on financial instruments (refer notes 8 to 10)	708.80	130.25	3,005.37	2,690.38
iv)	Employee benefits expenses	475.50	451.23	365.06	1,613.12
v)	Depreciation, amortization and impairment	43.37	49.65	32.76	151.99
vi)	Other expenses	278.55	298.04	147.94	887.71
IV	Total expenses	2,607.21	2,035.06	4,725.08	9,916.68
V	Profit / (Loss) before exceptional items, Share of profit / (loss) of associate & joint ventures and tax (III-IV)	306.74	862.38	(2,158.24)	1,483.83
VI	Exceptional item (refer note 7)	-	-	-	20.57
VII	Share of profit / (loss) of associate & joint ventures	11.70	6.09	16.89	45.02
VIII	Profit / (Loss) before tax (V+VI+VII)	318.44	868.47	(2,141.35)	1,549.42
IX	Tax expense :				
i)	Current tax	122.73	254.60	1.83	411.38
ii)	Deferred tax	(44.15)	(14.64)	(569.78)	(12.30)
		78.58	239.96	(567.95)	399.08
X	Profit / (Loss) for the period / year (VIII-IX)	239.86	628.51	(1,573.40)	1,150.34
XI	Other Comprehensive Income (OCI)				
A)	(i) Items that will not be reclassified to profit or loss				
	- Remeasurement gain / (loss) on defined benefit plans	(14.71)	(1.63)	0.29	(4.13)
	- Net gain/(loss) on equity instruments through OCI	-	26.01	-	26.01
	- Share of other comprehensive income / (loss) of equity accounted investees	(0.04)	(0.07)	-	(0.07)
	(ii) Income tax relating to the above items	3.58	(6.06)	(0.20)	(5.50)
	Subtotal (A)	(11.17)	18.25	0.09	16.31
B)	(i) Items that will be reclassified to profit or loss				
	- Exchange differences in translating the financial statements of foreign operations	(10.61)	(36.10)	4.99	(27.39)
	- Net gain/(loss) on debt instruments through OCI	(140.80)	(33.63)	33.02	(0.16)
	- Share of other comprehensive income / (loss) of equity accounted investees	26.43	16.57	-	16.57
	(ii) Income tax relating to the above items	35.44	8.46	(8.31)	0.04
	Subtotal (B)	(89.55)	(44.70)	29.70	(10.94)
	Other Comprehensive Income / (Loss) (A + B)	(100.72)	(26.45)	29.79	5.37
XII	Total Comprehensive Income / (Loss) for the period / year (X+XI)	139.14	602.06	(1,543.61)	1,155.71



STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2022 (Continued ...)

Rs. in Crore

	Particulars	Quarter ended			Year ended
		30 June 2022	31 March 2022	30 June 2021	31 March 2022
		(Unaudited)	(Unaudited) Refer note 5	(Unaudited)	(Audited)
	Profit / (Loss) for the period attributable to:				
	Owners of the Company	239.26	623.78	(1,573.72)	1,136.87
	Non-controlling interests	0.60	4.73	0.32	13.47
		239.86	628.51	(1,573.40)	1,150.34
	Other Comprehensive Income / (Loss) for the period / year attributable to:				
	Owners of the Company	(96.16)	(13.27)	29.89	18.23
	Non-controlling interests	(4.56)	(13.18)	(0.10)	(12.86)
		(100.72)	(26.45)	29.79	5.37
	Total Comprehensive Income / (Loss) for the period / year attributable to:				
	Owners of the Company	143.10	610.51	(1,543.83)	1,155.10
	Non-controlling interests	(3.96)	(8.45)	0.22	0.61
		139.14	602.06	(1,543.61)	1,155.71
XIII	Earnings per equity share (face value of Rs.2/- each) #				
	Basic (Rupees)	1.94	5.06	(12.77)	9.23
	Diluted (Rupees)	1.94	5.05	(12.77)	9.21

Earnings per share for the interim period is not annualized.

Notes:

- The above Consolidated financial results of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), 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.
- 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 28 July 2022.
- The Consolidated financial results for the quarter ended 30 June 2022 comprise the following entities of the group -
 - The unaudited 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%), 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 unaudited financial results of the Parent, subsidiaries and joint ventures have been subjected to limited review by the Statutory Auditors of respective entities. The joint ventures, MMIMPL and MMTPL have been consolidated under equity method of accounting;
 - The Management certified financial results of subsidiaries, 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, Mahindra Ideal Finance Limited (58.20%), in Sri Lanka. The standalone financial results of these entities do not constitute a material component of the consolidated financial results; and
 - 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.
- The Consolidated financial results of the Company for the quarter ended 30 June 2021 were subject to limited review by the previous auditors, BSR & Co. LLP, who have expressed an unqualified opinion vide report dated 26 July 2021.
- The figures for the last quarter of the previous year are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to the end of third quarter of the previous financial year.
- The Segment Reporting in respect of the Consolidated Financial Results is given in Appendix 1.



7) Exceptional items:

For the year ended 31 March 2022 -

Pursuant to the Share Subscription, Share Purchase and Shareholders' Agreement dated 20 August, 2019 with Mahindra Ideal Finance Limited (erstwhile Ideal Finance Limited), Sri Lanka ("Mahindra Ideal Finance") and its existing shareholders for investment of the third and final tranche for acquisition of shares of Mahindra 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 Mahindra Ideal Finance from 38.20% to 58.20%. Consequent to this investment, Mahindra 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 Mahindra 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.

- 8) 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 2022. 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 and continued the same during the current quarter, 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 30 June 2022 aggregating Rs.5,230.53 crore (as at 31 March 2022 Rs. 5,097.26 crore) which includes potential impact on account of the pandemic.

- 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 Parent and its subsidiary in the housing finance business will implement the updated norms under IRACP w.e.f. 1 October 2022.
- 10) 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 30 June 2022 and accordingly, no amount is required to be transferred to impairment reserve.
- 11) 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.
- 12) The asset cover available as on 30 June 2022 in respect of listed secured debt securities for the Parent is 1.10 and on unsecured debt is to the extent of 1.56 and for the subsidiary company in the housing finance business are 1.04 and on unsecured debt is to the extent of 1.16 respectively.
- 13) 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.
- 14) Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period / year classification.

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



Date : 28 July 2022
Place : Mumbai

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
	30 June 2022	31 March 2022	30 June 2021	31 March 2022
	(Unaudited)	(Unaudited) Refer note 5	(Unaudited)	(Audited)
(a) Segment Revenue				
- Financing activities	2,837.00	2,811.59	2,521.70	11,136.28
- Others	88.86	114.11	60.04	348.00
Total	2,925.86	2,925.70	2,581.74	11,484.28
Less : Inter-segment revenue	11.91	28.26	14.90	83.77
Net revenue	2,913.95	2,897.44	2,566.84	11,400.51
(b) Segment Results (Profit / (Loss) before tax) :				
- Financing activities	315.48	840.46	(2,146.08)	1,487.49
- Others	2.96	28.01	4.73	61.93
Net Profit / (Loss) before tax	318.44	868.47	(2,141.35)	1,549.42
(c) Segment Assets :				
- Financing activities	84,097.18	81,645.14	77,971.20	81,645.14
- Others	606.05	625.50	590.48	625.50
- Other unallocable assets	1,622.70	1,538.01	1,999.41	1,538.01
Total	86,325.93	83,808.65	80,561.09	83,808.65
(d) Segment Liabilities :				
- Financing activities	69,016.38	66,618.17	66,086.36	66,618.17
- Others	114.48	125.12	125.81	125.12
- Other unallocable liabilities	16.12	27.59	13.92	27.59
Total	69,146.98	66,770.88	66,226.09	66,770.88

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



Date : 28 July 2022
Place : Mumbai

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

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
	30 June 2022	31 March 2022	30 June 2021	31 March 2022
	(Unaudited)	(Unaudited) Refer note 5	(Unaudited)	(Audited)
a) Debt equity ratio (no. of times) (refer note ii)	3.83	3.68	4.39	3.68
b) Debt service coverage ratio	N/A	N/A	N/A	N/A
c) Interest service coverage ratio	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
f) Debenture redemption reserve	N/A	N/A	N/A	N/A
g) Net worth (refer note iii)	17,041.44	16,896.31	14,235.51	16,896.31
h) Net profit (loss) after tax	239.86	628.51	(1,573.40)	1,150.34
i) Earnings per share (face value of Rs.2/- each) (not annualized for the interim period)				
- Basic (Rupees)	1.94	5.06	(12.77)	9.23
- Diluted (Rupees)	1.94	5.05	(12.77)	9.21
j) Current ratio	N/A	N/A	N/A	N/A
k) Long term debt to working capital	N/A	N/A	N/A	N/A
l) Bad debts to Account receivable ratio	N/A	N/A	N/A	N/A
m) Current liability ratio	N/A	N/A	N/A	N/A
n) Total debts to total assets (refer note iv)	75.57%	74.13%	77.49%	74.13%
o) Debtors turnover	N/A	N/A	N/A	N/A
p) Inventory turnover	N/A	N/A	N/A	N/A
q) Operating margin (%)	N/A	N/A	N/A	N/A
r) Net profit margin (%) (refer note v)	8.23%	21.69%	-61.30%	10.09%

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 : 28 July 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]

**Mukund
M. Chitale
& Co.**

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**Deloitte
Haskins & Sells**

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE
FINANCIAL RESULTS**

TO THE BOARD OF DIRECTORS OF

Mahindra & Mahindra Financial Services Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Mahindra & Mahindra Financial Services Limited (the "Company"), for the quarter ended June 30, 2022 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (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 Standards on Auditing specified under section 143(10) of the Companies Act, 2013 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.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 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.
5. We draw attention to Note 7 of the Statement in which the Company describes the continuing uncertainties arising from the COVID 19 pandemic.

Our conclusion is not modified in respect of this matter.

**Mukund
M. Chitale
& Co.**

**Deloitte
Haskins & Sells**

6. The Statement includes comparative financial figures for the quarter ended June 30, 2021, which have been reviewed by the predecessor audit firm, where they have expressed an unmodified conclusion vide report dated July 26, 2021.

Our conclusion is not modified in respect of this matter.

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: 22014054ANTJFY3981)
Place: Mumbai
Date: July 28, 2022



Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 22046930ANTGSU9943)
Place: Mumbai,
Date: July 28, 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
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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2022

		Rs. In Crore			
	Particulars	Quarter ended			Year ended
		30 June 2022	31 March 2022	30 June 2021	31 March 2022
		(Unaudited)	(Unaudited) Refer note 5	(Unaudited)	(Audited)
	Revenue from operations				
i)	Interest income	2,437.20	2,391.69	2,139.54	9,475.61
ii)	Dividend income	-	-	-	-
iii)	Rental income	14.50	10.81	4.72	26.31
iv)	Fees and commission Income	28.51	32.78	16.85	105.29
v)	Net gain on fair value changes	6.10	7.16	17.97	50.76
I	Total Revenue from operations	2,486.31	2,442.44	2,179.08	9,667.97
II	Other income	12.24	23.92	7.98	60.83
III	Total income (I+II)	2,498.55	2,466.36	2,187.06	9,718.80
	Expenses				
i)	Finance costs	931.96	935.74	1,017.94	3,920.18
ii)	Fees and commission expense	9.97	13.72	5.74	44.91
iii)	Impairment on financial instruments (refer notes 7 to 9)	645.27	63.85	2,818.59	2,368.30
iv)	Employee benefits expenses	353.21	320.04	269.83	1,171.40
v)	Depreciation, amortization and impairment	35.88	42.05	27.10	126.83
vi)	Other expenses	221.77	256.88	117.67	730.27
IV	Total expenses	2,198.06	1,632.28	4,256.87	8,361.89
V	Profit / (Loss) before exceptional items and tax (III-IV)	300.49	834.08	(2,069.81)	1,356.91
VI	Exceptional item	-	-	-	-
VII	Profit / (Loss) before tax (V+VI)	300.49	834.08	(2,069.81)	1,356.91
VIII	Tax expense :				
i)	Current tax	117.05	205.70	0.40	348.16
ii)	Deferred tax	(39.48)	27.58	(541.45)	20.00
		77.57	233.28	(541.05)	368.16
IX	Profit / (Loss) for the period / year (VII-VIII)	222.92	600.80	(1,528.76)	988.75
X	Other Comprehensive Income (OCI)				
A)	(i) Items that will not be reclassified to profit or loss				
	- Remeasurement gain / (loss) on defined benefit plans	(12.97)	(1.58)	0.08	(3.10)
	- Net gain / (loss) on equity instruments through OCI	-	26.01	-	26.01
	(ii) Income tax relating to the above items	3.26	(6.15)	(0.02)	(5.77)
	Subtotal (A)	(9.70)	18.28	0.06	17.14
B)	(i) Items that will be reclassified to profit or loss				
	- Net gain / (loss) on debt instruments through OCI	(137.69)	(33.41)	33.02	0.70
	(ii) Income tax relating to the above items	34.65	8.41	(8.31)	(0.18)
	Subtotal (B)	(103.04)	(25.00)	24.71	0.52
	Other Comprehensive Income / (Loss) (A + B)	(112.74)	(6.72)	24.77	17.67
XI	Total Comprehensive Income / (Loss) for the period / year (IX+X)	110.18	594.08	(1,503.99)	1,006.42
XII	Earnings per equity share (face value of Rs.2/- each) #				
	Basic (Rupees)	1.81	4.87	(12.41)	8.02
	Diluted (Rupees)	1.81	4.87	(12.41)	8.01

Earnings per share for the interim period is not annualized.



Notes:

- 1) The above financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), 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.
- 2) The above financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 28 July 2022.
- 3) In compliance with Regulation 33 and Regulation 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of financial results for the quarter ended 30 June 2022 has been carried out by Joint Statutory Auditors of the Company.
- 4) The financial results of the Company for the quarter ended 30 June 2021 were subject to limited review by the previous auditors, BSR & Co. LLP, who have expressed an unqualified opinion vide report dated 26 July 2021.
- 5) The figures for the last quarter of the previous year are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to the end of third quarter of the previous financial year.
- 6) The Company is engaged primarily in the business of financing and accordingly there is no separate reportable segment as per Ind AS 108 'Operating Segments'.
- 7) 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 2022. The Company has been updating the ECL model with the latest set of data on reasonable periodic intervals and continued the same during the current quarter, 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 30 June 2022 aggregating Rs.4,583.49 crore (as at 31 March 2022: Rs. 4,508.83 crore) which includes potential impact on account of the pandemic.
- 8) 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.
- 9) 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 30 June 2022 and accordingly, no amount is required to be transferred to impairment reserve.
- 10) 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 termsheets of outstanding secured NCDs.
- 11) The asset cover available as on 30 June 2022 in respect of listed secured debt securities is 1.10 and on unsecured debt is to the extent of 1.56.
- 12) 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.
- 13) Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period / year classification.

Date : 28 July 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

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	
	30 June 2022	31 March 2022	30 June 2021	31 March 2022
	(Unaudited)	(Unaudited) Refer note 4	(Unaudited)	(Audited)
a) Debt equity ratio (no. of times) (refer note ii)	3.75	3.57	4.21	3.57
b) Debt service coverage ratio	N/A	N/A	N/A	N/A
c) Interest service coverage ratio	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
f) Debenture redemption reserve	N/A	N/A	N/A	N/A
g) Net worth (refer note iii)	15,738.39	15,628.09	13,210.03	15,628.09
h) Net profit (loss) after tax	222.92	600.80	(1,528.76)	988.75
i) Earnings per share (face value of Rs.2/- each) (not annualized for the interim period)				
- Basic (Rupees)	1.81	4.87	(12.41)	8.02
- Diluted (Rupees)	1.81	4.87	(12.41)	8.01
j) Current ratio	N/A	N/A	N/A	N/A
k) Long term debt to working capital	N/A	N/A	N/A	N/A
l) Bad debts to Account receivable ratio	N/A	N/A	N/A	N/A
m) Current liability ratio	N/A	N/A	N/A	N/A
n) Total debts to total assets (refer note iv)	75.74%	74.13%	77.41%	74.13%
o) Debtors turnover	N/A	N/A	N/A	N/A
p) Inventory turnover	N/A	N/A	N/A	N/A
q) Operating margin (%)	N/A	N/A	N/A	N/A
r) Net profit margin (%) (refer note v)	8.92%	24.36%	-69.90%	10.17%
s) Sector specific equivalent ratios, as applicable.				
1) Capital Adequacy Ratio (%) (refer note vi)	25.91%	27.75%	23.76%	27.75%
2) Gross Stage - 3 Assets % (refer note vii)	8.03%	7.66%	15.46%	7.66%
3) Net Stage - 3 Assets % (refer note viii)	3.53%	3.36%	7.81%	3.36%
4) Provision Coverage Ratio for Stage - 3 assets (PCR %) (refer note ix)	58.08%	58.08%	53.71%	58.08%

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 : 28 July 2022
Place : Mumbai

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

Mahindra & Mahindra Financial Services Limited

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EXTRACT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2022

Rs. in Crore

Particulars	STANDALONE		CONSOLIDATED	
	Quarter ended 30 June 2022	Quarter ended 30 June 2021	Quarter ended 30 June 2022	Quarter ended 30 June 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1) Total Revenue from operations	2,486.31	2,179.08	2,902.12	2,560.26
2) Net Profit / (Loss) for the period / year (before tax, exceptional and /or extraordinary items)	300.49	(2,069.81)	306.74	(2,158.24)
3) Net Profit / (Loss) for the period / year before tax (after exceptional and /or extraordinary items)	300.49	(2,069.81)	318.44	(2,141.35)
4) Net Profit / (Loss) for the period / year after tax (after exceptional and /or extraordinary items)	222.92	(1,528.76)	239.86	(1,573.40)
5) Total Comprehensive income for the period / year [comprising Profit / (Loss) for the period / year (after tax) and Other Comprehensive income (after tax)]	110.18	(1,503.99)	139.14	(1,543.61)
6) Paid-up Equity Share Capital (face value of Rs.2/- each)	246.60	246.41	246.60	246.41
7) Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of previous year	15,381.49	14,465.11	16,649.71	15,529.97
8) Earnings per share (face value of Rs.2/- each) (for continuing and discontinuing operations)				
Basic (Rs.)	1.81	(12.41)	1.94	(12.77)
Diluted (Rs.)	1.81	(12.41)	1.94	(12.77)

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') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), 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.



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

[Signature]

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

Date : 28 July 2022
Place : Mumbai