

2 February 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 Sirs,

Sub: Outcome of the Board Meeting - Unaudited Consolidated and Standalone Financial Results of the Company for the quarter and nine months ended 31 December 2021 - Regulations 30, 33, 47 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations")

Ref: Intimation of Board Meeting vide letter dated 30 December 2021

In compliance with Regulations 30, 33, 47 and 52 and other applicable provisions of the SEBI Listing Regulations, we hereby inform you that the Board of Directors of Mahindra & Mahindra Financial Services Limited ("the Company"), at their Meeting held today i.e. Wednesday, 2 February 2022 have, inter-alia, approved the Unaudited Consolidated and Standalone Financial Results for the quarter and nine months ended 31 December 2021, subjected to Limited Review of the Joint Statutory Auditors of the Company.

In this regard, please find enclosed the following documents prepared in compliance with Regulations 30, 33, 47 and 52 of the Listing Regulations and SEBI Circulars, as applicable:

1. Unaudited Consolidated and Standalone Financial Results together with the Segment-wise Report for the quarter and nine months ended 31 December 2021 with notes thereon;
2. Unmodified Limited Review Report on the said Unaudited Consolidated and Standalone Financial Results issued by our Joint Statutory Auditors – Messrs. Mukund M. Chitale & Co. and Messrs. Deloitte Haskins & Sells;



3. Extract of the newspaper publication of the Unaudited Consolidated and Standalone Financial Results for the quarter nine months ended 31 December 2021 to be published in the print and electronic versions of the newspapers.

The Meeting of the Board of Directors of the Company commenced at 2:15 p.m. (IST) and concluded at 5:15 p.m. (IST).

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

Kindly take the same on record and acknowledge receipt.

Thanking you,

For **Mahindra & Mahindra Financial Services Limited**



Brijbala Batwal
Company Secretary & Compliance Officer



Enclosures: As above

Mahindra & Mahindra Financial Services Limited

CIN : L65921MH1991PLC059642

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

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021

		Rs. in Crore					
	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from operations						
i)	Interest income	2,845.59	2,818.04	2,862.42	8,128.85	8,808.29	11,703.79
ii)	Dividend income	0.01	-	-	0.01	0.12	0.12
iii)	Rental income	6.73	4.05	4.90	15.50	13.09	17.11
iv)	Fees and commission income	27.71	29.42	20.85	74.44	47.61	75.59
v)	Net gain on fair value changes	16.11	16.72	5.09	48.51	40.87	50.04
vi)	Sale of services	78.13	60.47	64.70	185.18	139.62	203.61
I	Total Revenue from operations	2,974.28	2,928.70	2,957.96	8,452.49	9,049.70	12,050.26
II	Other income	11.37	21.88	34.98	50.58	82.43	120.24
III	Total Income (I+II)	2,985.65	2,950.58	2,992.94	8,503.07	9,132.13	12,170.50
	Expenses						
i)	Finance costs	1,070.72	1,142.63	1,311.77	3,364.43	4,081.46	5,307.57
ii)	Fees and commission expense	43.86	36.43	35.82	103.16	74.72	104.80
iii)	Impairment on financial instruments (refer notes 7 to 10)	(129.70)	(315.54)	1,473.99	2,560.13	3,088.66	3,998.74
iv)	Employee benefits expenses	14.61	382.22	336.00	1,161.89	986.19	1,384.01
v)	Depreciation, amortization and impairment	35.37	34.21	36.51	102.34	113.96	150.51
vi)	Other expenses	227.20	214.53	136.14	589.67	362.65	558.81
IV	Total expenses	1,662.06	1,494.48	3,330.23	7,881.62	8,707.64	11,504.44
V	Profit / (Loss) before exceptional items, Share of profit / (loss) of associate & joint ventures and tax (III-IV)	1,323.59	1,456.10	(337.29)	621.45	424.49	666.06
VI	Exceptional item (refer note 6)	-	20.57	-	20.57	228.54	228.54
VII	Share of profit / (loss) of associate & joint ventures	10.57	11.47	24.43	38.93	25.46	39.54
VIII	Profit / (Loss) before tax (V+VI+VII)	1,334.16	1,488.14	(312.86)	680.95	678.49	934.14
IX	Tax expense :						
i)	Current tax	150.21	4.74	(55.27)	156.38	154.80	512.28
ii)	Deferred tax	191.66	380.46	(34.41)	2.34	(37.75)	(340.86)
iii)	(Excess) / Short provision for Income Tax - earlier years	-	-	-	0.40	-	(17.50)
		341.87	385.20	(89.68)	159.12	117.05	153.86
X	Profit / (Loss) for the period / year (VIII-IX)	992.29	1,102.94	(223.18)	521.83	561.44	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	(1.89)	(0.90)	(2.79)	(2.50)	(3.62)	(2.36)
	- Net gain/(loss) on equity instruments through OCI	-	-	-	-	7.99	(4.56)
	(ii) Income tax relating to the above items	0.46	0.30	0.61	0.56	(1.00)	1.82
	Subtotal (A)	(1.43)	(0.60)	(2.18)	(1.94)	3.37	(5.10)
B)	(i) Items that will be reclassified to profit or loss						
	- Exchange differences in translating the financial statements of foreign operations	0.24	3.48	(4.38)	8.71	(16.33)	(15.27)
	- Net gain/(loss) on debt instruments through OCI	(32.67)	33.12	33.65	33.47	23.38	(92.82)
	(ii) Income tax relating to the above items	8.23	(8.34)	(8.47)	(8.42)	(5.88)	23.36
	Subtotal (B)	(24.20)	28.26	20.80	33.76	1.17	(84.73)
	Other Comprehensive Income / (Loss) (A + B)	(25.63)	27.66	18.62	31.82	4.54	(89.83)
XII	Total Comprehensive Income / (Loss) for the period / year (X+XI)	966.66	1,130.60	(204.56)	553.65	565.98	690.45
	Profit / (Loss) for the period attributable to:						
	Owners of the Company	987.03	1,099.78	(226.20)	513.09	556.87	773.21
	Non-controlling interests	5.26	3.16	3.02	6.74	4.57	7.07
		992.29	1,102.94	(223.18)	521.83	561.44	780.28
	Other Comprehensive Income / (Loss) for the period / year attributable to:						
	Owners of the Company	(26.03)	27.64	18.63	31.50	4.41	(89.89)
	Non-controlling interests	0.40	0.02	(0.01)	0.32	0.13	0.06
		(25.63)	27.66	18.62	31.82	4.54	(89.83)
	Total Comprehensive Income / (Loss) for the period / year attributable to:						
	Owners of the Company	961.00	1,127.42	(207.57)	544.59	561.28	683.32
	Non-controlling interests	5.66	3.18	3.01	9.06	4.70	7.13
		966.66	1,130.60	(204.56)	553.65	565.98	690.45
XIII	Earnings per equity share (face value of Rs.2/- each) #						
	Basic (Rupees)	8.01	8.93	(1.84)	4.16	5.23	6.99
	Diluted (Rupees)	8.00	8.91	(1.84)	4.16	5.22	6.98

Earnings per share for the interim period is not annualized.



Notes:

- 1) 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 Consolidated financial results together with the Consolidated financial 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'), 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 February 2022.
- 3) The Consolidated financial results for the quarter and nine months ended 31 December 2021 include the following entities of the group -
 - i) 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 (99.31%), 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.
 - ii) 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, 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
 - iii) 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) 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 Consolidated financial results for the quarter and nine months ended 31 December 2021 has been carried out by Joint Statutory Auditors of the Company.
- 5) The Segment Reporting in respect of the Consolidated Financial Results is given in Appendix 1.
- 6) **Exceptional Items:**
 - a) For the nine months ended 31 December 2020 and year ended 31 March 2021 -

The amount shown as exceptional item for the nine months ended 31 December 2020 and 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 and the same is carried forward in the results for the nine months ended 31 December 2020 and year ended 31 March 2021.
 - b) For the quarter ended 30 September 2021 and nine months ended 31 December 2021 -

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. These accounting effects have been carried forward in the financial statements for the nine months ended 31 December 2021.
- 7) 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 and its subsidiary in the housing finance business have 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 and its subsidiary in the housing finance business, in the previous year, continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period did not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The impact of COVID-19 on the global economy and how governments, businesses and consumers respond is uncertain. This uncertainty is reflected in the Group's assessment of impairment loss allowance on its loans which are subject to a number of management judgements and estimates. In relation to COVID-19, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the global economy. The Company and its subsidiary in the housing finance business have separately incorporated estimates, assumptions and judgements specific to the impact of the COVID-19 pandemic and the associated support packages in the measurement of impairment loss allowance. The Group has been duly servicing its debt obligations, maintains a healthy capital adequacy ratio (as applicable) and has adequate capital and financial resources to run its business. Taking into consideration the impact arising from the COVID-19 pandemic on the economic environment, the Company and its subsidiary in the housing finance business have, during the quarter, continued to undertake a risk assessment of its credit exposures and in addition to the model determined ECL provision, it has recorded a total additional ECL overlay (including on assets restructured in accordance with the guidelines issued by the RBI vide its circulars dated 6 August 2020 and 5 May 2021) of Rs. 2,118.27 crore (as on 31 March 2021: Rs. 2,413.81 crore) in the Consolidated Balance sheet as at 31 December 2021, to reflect deterioration in the macroeconomic outlook and uncertainty in credit evaluations. The final impact of this pandemic is very uncertain and the actual impact may be different than that estimated based on the conditions prevailing as at the date of approval of these Consolidated financial results. The management of the Company and its subsidiary in the housing finance business will continue to closely monitor the material changes in the macro-economic factors impacting the operations of respective entities.
- 8) a) The Reserve Bank of India (RBI) vide its circular no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22, dated 12 November 2021 on "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications", had clarified / harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Company and its subsidiary in the housing finance business have since taken necessary steps to implement the provisions of this circular under IRACP norms effective from 12 November 2021.

The aforementioned circular has no impact on the financial results for the quarter and nine months ended 31 December 2021 as the Company and its subsidiary in the housing finance business continues to prepare financial statements in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and the RBI circular dated 13 March 2020 on 'Implementation of Indian Accounting Standards'.

As at 31 December 2021, the Company and its subsidiary in the housing finance business carry adequate ECL provisions under Ind AS which covers the provisioning requirements in accordance with revised IRACP norms.
- b) As at 31 December 2021, the value of gross advances and net Stage - 3 assets ratio of the Parent amounted to Rs.63,944.04 crore and 5.63% respectively. The RBI has advised the Parent to reach the net NPA ratio below 4.0% by 31 March 2022. The Parent shall ensure such compliance.
- 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 and its subsidiary in the housing finance business exceeds the total provision required under IRACP (including standard asset provisioning), as at 31 December 2021 and accordingly, no amount is required to be transferred to impairment reserve.



- 10) During the current period, to relieve COVID-19 pandemic related stress, the Company 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 on Resolution Framework 2.0 dated 5 May 2021.

- i) Disclosure on Resolution Framework 2.0 implemented in terms of RBI circular no. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 (Resolution of Covid-19 related stress of Individuals and Small Businesses) as at 31 December 2021.

Description	Rs. in crore		
	Individual Borrowers		Small Business
	Personal Loans	Business Loans	
A) Number of requests received for invoking resolution process under Part A	45,328	53,764	1,278
B) Number of accounts where resolution plan has been implemented under this window	45,328	53,764	1,278
C) Exposure to accounts mentioned at (B) before implementation of the plan	1,448.58	2,283.35	111.19
D) Of (C), aggregate amount of debt that was converted into other securities	-	-	-
E) Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
F) Increase in provisions on account of the implementation of the resolution plan	103.42	154.63	9.29

- 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) *
2126	252.41

* represents the closing balance of loan accounts as at 31 December 2021

- iii) During the nine months period ended 31 December 2021, the Company's housing finance subsidiary has implemented resolution plans to relieve COVID19 pandemic related stress of eligible borrowers in 2,64,234 loan accounts with a total outstanding of Rs 2,517.89 Crore as on 31 December 2021. Of these, total loan accounts which were restructured during the nine months period, for 2,29,711 cases, having an outstanding amount of Rs. 2,344.26 Crore, basls their credit assessment and the terms of restructuring, the Company has classified such loan accounts as non-impaired (Stage 2 under Ind AS 109, Financial Instruments). the housing finance subsidiary has evaluated the same basls life time repayment history of the borrowers and other qualitative factors, which have been approved by the Audit Committee of the Company in line with RBI circular no. RBI/2019-20/170DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020. An incremental provision of Rs. 63.56 Crore has been made during the nine months period ended December 31, 2021 towards these restructured loan contracts.
- 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 31 December 2021 in respect of listed secured debt securities for the Parent Company is 1.09 and on unsecured debt is 1.55 and for the subsidiary company in the housing finance business are 1.22 and on unsecured debt is 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 classification.

Date : 02 February 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			Nine months ended		Year ended
	31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(a) Segment Revenue						
- Financing activities	2,908.35	2,893.58	2,929.31	8,323.10	8,996.16	11,971.46
- Others	97.25	77.66	81.62	235.48	183.87	281.11
Total	3,005.60	2,971.24	3,010.93	8,558.58	9,180.03	12,252.57
Less : Inter-segment revenue	19.95	20.66	17.99	55.51	47.90	82.07
Net revenue	2,985.65	2,950.58	2,992.94	8,503.07	9,132.13	12,170.50
(b) Segment Results (Profit / (Loss) before tax) :						
- Financing activities	1,314.04	1,488.31	(329.19)	658.35	658.50	893.35
- Others	20.12	(0.17)	16.33	22.60	19.99	40.79
Total	1,334.16	1,488.14	(312.86)	680.95	678.49	934.14
Add : Other unallocable income net of unallocable expenditure	-	-	-	-	-	-
Net Profit / (Loss) before tax	1,334.16	1,488.14	(312.86)	680.95	678.49	934.14
(c) Segment Assets :						
- Financing activities	81,628.98	79,333.56	84,709.84	81,628.98	84,709.84	83,600.55
- Others	679.66	663.17	629.23	679.66	629.23	658.96
- Other unallocable assets	1,554.48	1,790.62	1,162.41	1,554.48	1,162.41	1,341.48
Total	83,863.12	81,787.34	86,501.48	83,863.12	86,501.48	85,600.99
(d) Segment Liabilities :						
- Financing activities	67,338.07	66,230.87	70,646.82	67,338.07	70,646.82	69,576.81
- Others	131.44	134.39	126.17	131.44	128.17	134.75
- Other unallocable liabilities	16.21	15.83	17.38	16.21	17.38	13.91
Total	67,485.72	66,381.09	70,790.37	67,485.72	70,790.37	69,725.47

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+B287:

Rs. in Crore, unless indicated otherwise

Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
a) Debt equity ratio (no. of times) (refer note ii)	3.90	4.10	4.25	3.90	4.25	4.13
b) Debt service coverage ratio	N/A	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	N/A
d) Outstanding redeemable preference shares (quantity and value)	-	-	-	-	-	-
e) Capital redemption reserve	50.00	50.00	50.00	50.00	50.00	50.00
f) Debenture redemption reserve	N/A	N/A	N/A	N/A	N/A	N/A
g) Net worth (refer note iii)	16,229.12	15,264.31	15,616.33	16,229.12	15,616.33	15,776.37
h) Net profit (loss) after tax	992.29	1,102.94	(223.18)	521.83	561.44	780.28
i) Earnings per share (face value of Rs.2/- each) (not annualized for the interim period)						
- Basic (Rupees)	8.01	8.93	(1.84)	4.18	5.23	6.99
- Diluted (Rupees)	8.00	8.91	(1.84)	4.16	5.22	6.98
j) Current ratio	N/A	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	N/A
l) Bad debts to Account receivable ratio	N/A	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/A
n) Total debts to total assets (refer note iv)	75.38%	76.45%	76.66%	75.38%	76.66%	76.05%
o) Debtors turnover	N/A	N/A	N/A	N/A	N/A	N/A
p) Inventory turnover	N/A	N/A	N/A	N/A	N/A	N/A
q) Operating margin (%)	N/A	N/A	N/A	N/A	N/A	N/A
r) Net profit margin (%) (refer note v)	33.24%	37.38%	-7.46%	6.14%	6.15%	6.41%

Notes :

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

For and on behalf of the Board of Directors
Mahindra & Mahindra Financial Services LimitedDate : 02 February 2022
Place : MumbaiRameesh Iyer
Vice-Chairman & Managing Director
(DIN:00220759)

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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 Consolidated Unaudited 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 and nine months ended December 31, 2021 (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.

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	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) (subsidiary upto April 28, 2020 and joint venture w.e.f. April 29, 2020)
9	Mahindra Manulife Trustee Private Limited (erstwhile Mahindra Trustee Company Private Limited) (subsidiary upto April 28, 2020 and joint venture w.e.f. April 29, 2020)

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 7 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 draw attention to Note 8(b) of the Statement, which states that, the RBI has advised the Company to reach the net NPA ratio to below 4% by March 31, 2022.

Our conclusion is not modified in respect of this matter.

8. We draw attention to Note 10 (iii) to the Statement which states that a housing finance subsidiary of the Parent has restructured borrower accounts in accordance with the "Resolution framework-2.0: Resolution of Covid -19 related stress of Individual and Small Businesses" announced by the Reserve Bank of India vide notification dated May 5, 2021 and based on the terms of restructuring and management's credit evaluation, the housing finance subsidiary has classified certain restructured borrower accounts as non-impaired (under Ind AS 109, Financial Instruments) at December 31, 2021.

Our conclusion is not modified in respect of this matter.

9. We did not review the interim financial results of a subsidiary included in the Statement, whose interim financial results reflect total revenues of Rs. 352.64 crore and Rs. 1,047.37 crore for the quarter and nine months ended December 31, 2021, respectively, total net profit after tax of Rs. 66.89 crore and Rs. 48.27 crore for the quarter and nine months ended December 31, 2021, respectively and total comprehensive income of Rs. 65.83 crore and Rs. 47.21 crore for the quarter and nine months ended December 31, 2021 respectively, 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. 96.93 crore and Rs. 233.80 crore for the quarter and nine months ended December 31, 2021, respectively, total net profit after tax of Rs. 18.06 crore and Rs. 31.34 crore for the quarter and nine months ended December 31, 2021, respectively and total comprehensive income of Rs. 18.42 crore and Rs. 31.43 crore for the quarter and nine months ended December 31, 2021, respectively, 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. 4.56 crore and Rs. 12.62 crore and total comprehensive loss of Rs. 4.62 crore and Rs. 12.72 for the quarter and nine months ended December 31, 2021, 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 in paragraph 3 above.

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

10. 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. 13.05 crore and Rs. 24.95 crore for the quarter and nine months ended December 31, 2021, respectively, total profit after tax (net) of Rs. 2.97 crore and

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**Mukund
M. Chitale
& Co.**

total loss after tax (net) of Rs. 2.49 crore and total comprehensive income (net) of Rs. 2.97 crore and total comprehensive loss (net) of Rs. 2.49 crore for the quarter and nine months ended December 31, 2021, respectively, 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. 15.96 crore and Rs. 51.55 crore and Total comprehensive income of Rs. 15.96 crore and Rs. 51.55 crore for the quarter and nine months ended December 31, 2021, respectively 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.

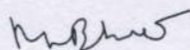
11. The year-to-date figures of the Group for the period April 1, 2021 to December 31, 2021 includes the period from April 1, 2021 to September 30, 2021 and figures for quarter ended 30th September 2021 which were reviewed by the predecessor audit firm, where they have expressed an unmodified conclusion vide report dated October 28, 2021.

The Statement includes comparative financial figures of the Group for the quarter and nine months ended December 31, 2020 which have been reviewed by the predecessor audit firm, where they have expressed an unmodified conclusion vide report dated January 28, 2021.

The Statement also includes figures of the Group for the year ended March 31, 2021, audited by the predecessor audit firm where they have expressed an unmodified opinion on such financial statements/results vide their report dated April 23, 2021.

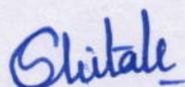
Our conclusion is not modified in respect of this matter.

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



Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 22046930AAAAAU7266)
Place: Mumbai
Date: February 2, 2022

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



S. M. Chitale
Partner
(Membership No. 111383)
(UDIN: 22111383AAAACJ8041)
Place: Mumbai
Date: February 2, 2022

Mahindra & Mahindra Financial Services Limited

CIN : L65921MH1991PLC059642

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021

		Quarter ended			Nine months ended		Rs. In Crore
Particulars		31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations							
I	i) Interest income	2,486.71	2,457.67	2,512.12	7,083.92	7,703.40	10,266.95
	ii) Dividend income	-	-	-	-	0.02	0.02
	iii) Rental income	6.73	4.05	4.90	15.50	13.09	17.11
	iv) Fees and commission income	27.10	28.56	20.85	72.51	43.30	70.73
	v) Net gain on fair value changes	11.11	17.62	3.92	43.60	35.36	40.39
	Total Revenue from operations	2,531.65	2,507.90	2,541.79	7,215.53	7,795.17	10,395.20
II	Other income	11.34	14.49	33.06	36.91	84.13	121.61
III	Total Income (I+II)	2,542.99	2,522.39	2,574.85	7,252.44	7,879.30	10,516.81
Expenses							
	i) Finance costs	951.41	1,015.09	1,158.33	2,984.44	3,644.51	4,733.19
	ii) Fees and commission expense	11.97	13.48	11.12	31.19	24.61	31.14
	iii) Impairment on financial instruments (refer notes 6 to 9)	(147.36)	(366.78)	1,386.72	2,304.45	2,848.82	3,734.82
	iv) Employee benefits expenses	302.73	278.80	247.29	851.36	733.25	1,015.23
	v) Depreciation, amortization and impairment	29.42	28.26	30.57	84.78	95.40	125.88
	vi) Other expenses	185.25	170.47	109.52	473.39	287.71	460.22
	Total expenses	1,333.42	1,339.32	2,943.55	6,729.61	7,634.30	10,100.48
IV	Profit / (Loss) before exceptional items and tax (III-IV)	1,209.57	1,383.07	(368.70)	522.83	245.00	416.33
V	Exceptional item (refer note 5)	-	-	-	-	6.10	6.10
VI	Profit / (Loss) before tax (V+VI)	1,209.57	1,383.07	(368.70)	522.83	251.10	422.43
VII	Tax expense :						
VIII	i) Current tax	142.06	-	(79.64)	142.06	123.28	450.30
	ii) Deferred tax	173.70	360.17	(14.92)	(7.58)	(57.36)	(347.52)
	iii) (Excess) / Short provision for Income Tax - earlier years	-	-	-	0.40	-	(15.50)
		315.76	360.17	(94.56)	134.88	65.92	87.28
IX	Profit / (Loss) for the period / year (VII-VIII)	893.81	1,022.90	(274.14)	387.95	185.18	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	(1.13)	(0.47)	(2.74)	(1.52)	(3.90)	(2.82)
	- Net gain / (loss) on equity instruments through OCI	-	-	-	-	7.98	(4.56)
	(ii) Income tax relating to the above items	0.28	0.12	0.69	0.38	(1.03)	1.86
	Subtotal (A)	(0.85)	(0.35)	(2.05)	(1.14)	3.05	(5.52)
	B) (i) Items that will be reclassified to profit or loss						
	- Net gain / (loss) on debt instruments through OCI	(32.28)	33.37	33.63	34.11	23.37	(92.82)
	(ii) Income tax relating to the above items	8.13	(8.40)	(8.46)	(8.58)	(5.88)	23.36
	Subtotal (B)	(24.15)	24.97	25.17	25.53	17.49	(69.46)
	Other Comprehensive Income / (Loss) (A + B)	(25.00)	24.62	23.12	24.39	20.54	(74.98)
XI	Total Comprehensive Income / (Loss) for the period / year (IX+X)	868.81	1,047.52	(251.02)	412.34	205.72	260.17
XII	Earnings per equity share (face value of Rs.2/- each) #						
	Basic (Rupees)	7.25	8.30	(2.23)	3.15	1.74	3.03
	Diluted (Rupees)	7.24	8.29	(2.23)	3.14	1.74	3.02

Earnings per share for the interim period is not annualized.

Notes:

- 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"), 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 February 2022.
- 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 and nine months ended 31 December 2021 has been carried out by Joint Statutory Auditors of the Company.
- 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 the nine months ended 31 December 2020 and year ended 31 March 2021:

The amount shown as exceptional item for the nine months ended 31 December 2020 and 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 and the same has been carried forward in the results for the nine months ended 31 December 2020 and year ended 31 March 2021.

- 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 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 Company, in the previous year, continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period did not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The impact of COVID-19 on the global economy and how governments, businesses and consumers respond is uncertain. This uncertainty is reflected in the Company's assessment of impairment loss allowance on its loans which are subject to a number of management judgements and estimates. In relation to COVID-19, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the global economy. The Company has separately incorporated estimates, assumptions and judgements specific to the impact of the COVID-19 pandemic and the associated support packages in the measurement of impairment loss allowance. The Company has been duly servicing its debt obligations, maintains a healthy capital adequacy ratio and has adequate capital and financial resources to run its business. Taking into consideration the impact arising from the COVID-19 pandemic on the economic environment, the Company has, during the quarter, continued to undertake a risk assessment of its credit exposures and in addition to the model determined ECL provision, it has recorded a total additional ECL overlay (including on assets restructured in accordance with the guidelines issued by the RBI vide its circulars dated 6 August 2020 and 5 May 2021) of Rs. 2,038.06 crore as on 31 December 2021 (as on 31 March 2021: Rs. 2,316.36 crore) in the Standalone Balance sheet, to reflect deterioration in the macroeconomic outlook and uncertainty in credit evaluations. The final impact of this pandemic is very uncertain and the actual impact may be different than that estimated based on the conditions prevailing as at the date of approval of these financial results. The management will continue to closely monitor the material changes in the macro-economic factors impacting the operations of the Company.



- 7) a) The Reserve Bank of India (RBI) vide its circular no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22, dated 12 November 2021 on "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications", had clarified / harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Company has since taken necessary steps to implement the provisions of this circular under IRACP norms effective from 12 November 2021.

The aforementioned circular has no impact on the financial results for the quarter and nine months ended 31 December 2021 as the Company continues to prepare financial statements in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and the RBI circular dated 13 March 2020 on "Implementation of Indian Accounting Standards".

As at 31 December 2021, the Gross Stage - 3 assets under Ind AS stood at Rs. 7,222.70 Crore, while the Gross NPA as per revised IRACP norms stood at Rs.10,897.16 Crore. As at 31 December 2021, the Company carries adequate ECL provisions under Ind AS which covers the provisioning requirements under revised IRACP norms.

- b) As at 31 December 2021, the value of gross advances and net Stage - 3 assets ratio amounted to Rs 63,944.04 crore and 5.63% respectively. The RBI has advised the Company to reach the net NPA ratio below 4.0% by 31 March 2022. The Company shall ensure such compliance.
- 8) 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 December 2021 and accordingly, no amount is required to be transferred to impairment reserve.
- 9) During the current period, 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 on Resolution Framework 2.0 dated 5 May 2021.
- i) Disclosure on Resolution Framework 2.0 implemented in terms of RBI circular no. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 (Resolution of Covid-19 related stress of Individuals and Small Businesses) as at 31 December 2021.

Description	Rs. in crore		
	Individual Borrowers		
	Personal	Business	Small Business
A) Number of requests received for invoking resolution process under Part A	45,328	53,764	1,278
B) Number of accounts where resolution plan has been implemented under this window	45,328	53,764	1,278
C) Exposure to accounts mentioned at (B) before implementation of the plan	1,448.58	2,283.35	111.19
D) Of (C), aggregate amount of debt that was converted into other securities	-	-	-
E) Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
F) Increase in provisions on account of the implementation of the resolution plan	103.42	154.63	9.29

- 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) *
2126	252.41

* represents the closing balance of loan accounts as at 31 December 2021

- 10) All secured NCDs issued by the Company are secured by part-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.
- 11) The asset cover available as on 31 December 2021 in respect of listed secured debt securities is 1.09 and on unsecured debt is 1.55.
- 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 classification.

Date : 02 February 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

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:

Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
a) Debt equity ratio (no. of times) (refer note II)	3.80	3.95	4.04	3.80	4.04	3.98
b) Debt service coverage ratio	N/A	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	N/A
d) Outstanding redeemable preference shares (quantity and value)	-	-	-	-	-	-
e) Capital redemption reserve	50.00	50.00	50.00	50.00	50.00	50.00
f) Debenture redemption reserve	N/A	N/A	N/A	N/A	N/A	N/A
g) Net worth (refer note III)	15,032.51	14,161.47	14,653.87	15,032.51	14,653.87	14,711.51
h) Net profit (loss) after tax	893.81	1,022.90	(274.14)	387.95	185.18	335.15
i) Earnings per share (face value of Rs.2/- each) (not annualized for the Interim period)						
- Basic (Rupees)	7.25	8.30	(2.23)	3.15	1.74	3.03
- Diluted (Rupees)	7.24	8.29	(2.23)	3.14	1.74	3.02
j) Current ratio	N/A	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	N/A
l) Bad debts to Account receivable ratio	N/A	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/A
n) Total debts to total assets (refer note iv)	75.51%	76.39%	76.43%	75.51%	76.43%	76.04%
o) Debtors turnover	N/A	N/A	N/A	N/A	N/A	N/A
p) Inventory turnover	N/A	N/A	N/A	N/A	N/A	N/A
q) Operating margin (%)	N/A	N/A	N/A	N/A	N/A	N/A
r) Net profit margin (%) (refer note v)	35.15%	40.55%	-10.65%	5.35%	2.35%	3.19%
s) Sector specific equivalent ratios, as applicable.						
1) Capital Adequacy Ratio (%) (refer note vi)	28.79%	26.13%	26.36%	28.79%	28.36%	25.98%
2) Gross Stage - 3 Assets % (refer note vii; and also Note 7 above)	11.30%	12.68%	9.99%	11.30%	9.99%	8.96%
3) Net Stage - 3 Assets % (refer note viii; and also Note 7 above)	5.63%	6.39%	6.57%	5.63%	6.57%	3.97%
4) Provision Coverage Ratio for Stage - 3 assets (PCR %) (refer note ix)	53.19%	53.02%	36.60%	53.19%	36.60%	57.93%

Notes :

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

Date : 02 February 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**

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Ahmedabad – 380 015
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**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 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 and nine months ended December 31, 2021 (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 and in compliance with Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. 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.

**Deloitte
Haskins & Sells**

**Mukund
M. Chitale
& Co.**

5. We draw attention to Note 6 to 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.

6. We draw attention to Note 7(b) of the Statement, which states that, the RBI has advised the Company to reach the net NPA ratio to below 4% by March 31, 2022.

Our conclusion is not modified in respect of this matter.

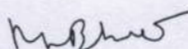
7. The year-to-date figures for the period April 1, 2021 to December 31, 2021 includes the period from April 1, 2021 to September 30, 2021 and figures for quarter ended September 30, 2021 which were reviewed by the predecessor audit firm, where they have expressed an unmodified conclusion vide report dated October 28, 2021.

The Statement includes comparative financial figures of the Company for the quarter and nine months ended December 31, 2020 which have been reviewed by the predecessor audit firm, where they have expressed an unmodified conclusion vide report dated January 28, 2021.

The Statement also includes figures of the Company for the year ended March 31, 2021, audited by the predecessor audit firm where they have expressed an unmodified opinion on such financial statements/results vide their report dated April 23, 2021.

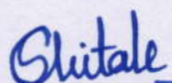
Our conclusion is not modified in respect of this matter.

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



Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 22046930AAAAAT3328)
Place: Mumbai
Date: February 2, 2022

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



S. M. Chitale
Partner
(Membership No. 111383)
(UDIN: 22111383AAAACI2806)
Place: Mumbai
Date: February 2, 2022

Mahindra & Mahindra Financial Services Limited

Registered Office: Gateway Building, Apollo Bunder, Mumbai 400 001.

EXTRACT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021

Rs. In Crore

	Particulars	STANDALONE			CONSOLIDATED		
		Quarter ended 31 December 2021	Nine months ended 31 December 2021	Quarter ended 31 December 2020	Quarter ended 31 December 2021	Nine months ended 31 December 2021	Quarter ended 31 December 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1)	Total Revenue from operations	2,531.65	7,215.53	2,541.79	2,974.28	8,452.49	2,957.96
2)	Net Profit / (Loss) for the period / year (before tax, exceptional and /or extraordinary items)	1,209.57	522.83	(368.70)	1,323.59	621.45	(337.29)
3)	Net Profit / (Loss) for the period / year before tax (after exceptional and /or extraordinary items)	1,209.57	522.83	(368.70)	1,334.16	680.95	(312.86)
4)	Net Profit / (Loss) for the period / year after tax (after exceptional and /or extraordinary items)	893.81	387.95	(274.14)	992.29	521.83	(223.18)
5)	Total Comprehensive Income for the period / year [comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	868.81	412.34	(251.02)	966.86	553.65	(204.56)
6)	Paid-up Equity Share Capital (face value of Rs.2/- each)	246.52	246.52	246.36	246.52	246.52	246.36
7)	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of previous year	14,465.11	14,465.11	11,240.79	15,529.97	15,529.97	11,845.94
8)	Earnings per share (face value of Rs.2/- each) (for continuing and discontinuing operations)						
	Basic (Rs.)	7.25	3.15	(2.23)	8.01	4.16	(1.84)
	Diluted (Rs.)	7.24	3.14	(2.23)	8.00	4.16	(1.84)

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"), 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 February 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)