

15th May, 2020

The General Manager-Department of
Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

Scrip Code : 532720

The Manager-Listing Department,
National Stock Exchange of India Limited,
"Exchange Plaza", 5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.

Scrip Code : M&MFIN

Dear Sirs,

Sub: Investors / Analysts' Presentation

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"], we are enclosing herewith the presentation to be made to the Investors/Analysts on the Financial Results of the Company for the fourth quarter and financial year ended 31st March, 2020.

The presentation is also being uploaded on the website of the Company at the URL <https://mahindrafinance.com/investor-zone#Latestupdate> in accordance with Regulation 46 of the Listing Regulations.

Kindly take the same on record.

Thanking you,

Yours Faithfully,
Mahindra & Mahindra Financial Services Limited

Arnavaz M. Pardiwalla
Company Secretary & Compliance Officer

Encl: a/a

Mahindra & Mahindra Financial Services Limited

FY 2020 Result Update
March - 2020

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CIN - L65921MH1991PLC059642



Company Overview

Industry Overview

Business Strategy

Financial Information

Key Subsidiaries

Awards & Accolades

Risk Management Policies

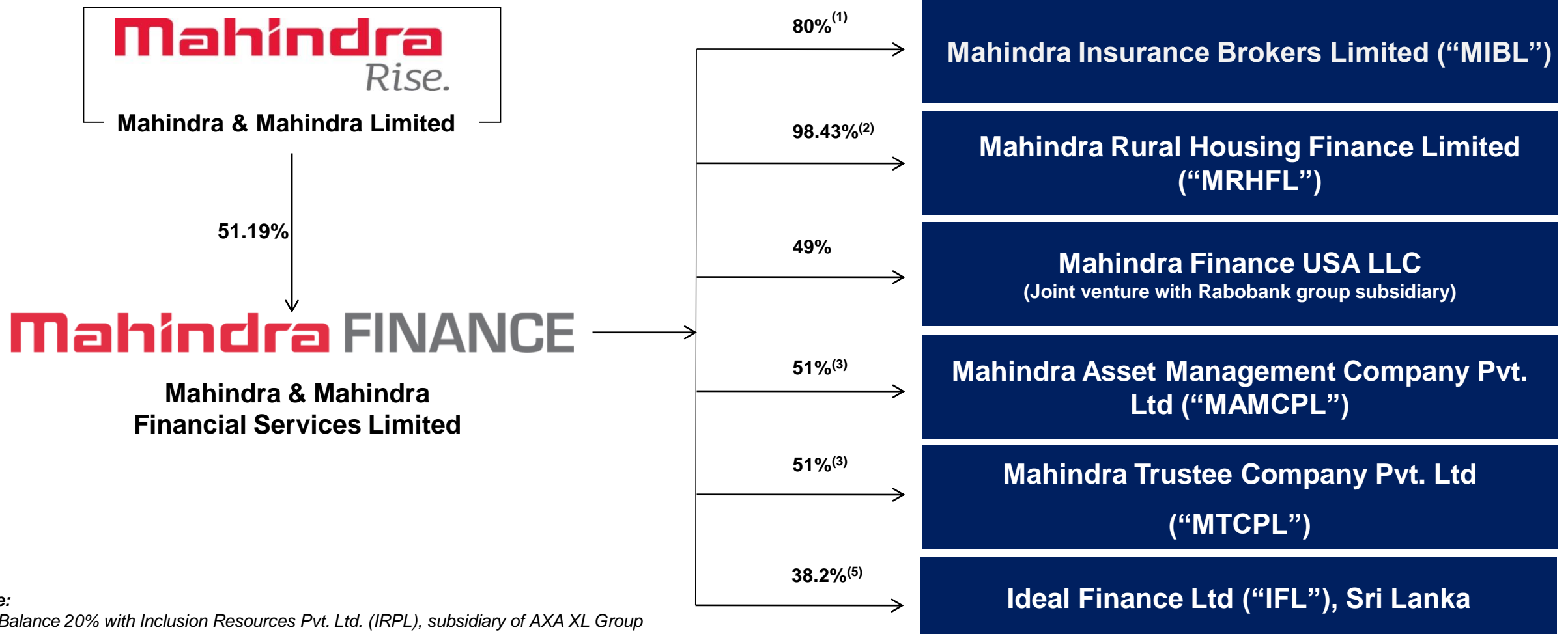
Transforming rural lives across the country

Company Background

- Parentage:** Mahindra & Mahindra Financial Services Limited (“MMFSL”) is a subsidiary of Mahindra and Mahindra Limited (*Mcap: Rs 498 billion*)*, India’s largest tractor and utility vehicle manufacturer
- About MMFSL:** MMFSL (*Mcap: Rs 104 billion*)*, one of India’s leading non-banking finance companies focused in the rural and semi-urban sector, is the largest Indian tractor financier
- Key Business Area:** Primarily in the business of financing purchase of new and pre-owned auto and utility vehicles, tractors, cars, commercial vehicles, construction equipment and SME Financing
- Vision:** MMFSL’s vision is to be a leading provider of financial services in the rural and semi-urban areas of India
- Reach:** Has 1,322 offices covering 28 states and 5 union territories in India, with over 6.85 million vehicle finance customer contracts since inception
- Credit Ratings:** India Ratings has assigned AAA/Stable, CARE Ratings has assigned AAA/Stable, Brickwork has assigned AAA/Stable and CRISIL has assigned AA+/Stable rating to the Company’s long term and subordinated debt

**Source: Market capitalisation as of May 14, 2020 from BSE website*

MMFSL Group structure



Note:

1. Balance 20% with Inclusion Resources Pvt. Ltd. (IRPL), subsidiary of AXA XL Group
2. Balance 1.57% held by MRHFL Employee Welfare Trust and employees
3. Manulife has entered into a Share Subscription Agreement with the Company and holds 49% of the shareholding of MAMCPL and MTCPL. The transaction concluded on 29th April 2020
4. The Company formed Mahindra Finance CSR Foundation as a wholly owned subsidiary on 2nd April 2019 for undertaking all CSR initiatives under one umbrella
5. The Company has entered into a subscription agreement to acquire 58.2% of IFL and has remitted an amount of Rs.440 million towards acquiring 38.2% of its equity share capital

Our Journey

Commenced housing finance business through MRHFL

Raised Rs. 4.14 Bn through Private Equity

Completed IPO, Subscribed ~ 27 times

Equity participation of 12.5% by NHB in MRHFL

Recommended Fixed Deposit Program

Crossed 1 million cumulative customer contracts

Maiden QIP Issue of Rs. 4.26 Bn

JV with Rabobank subsidiary for tractor financing in USA

Stake sale in MIBL to Inclusion Resources Pvt. Ltd.

QIP Issue of Rs. 8.67 Bn

Long term debt rating upgraded to AAA by India Ratings and Brickwork.

CARE Ratings assigned AAA rating to long term debt

Certificate of Registration received from SEBI by Mahindra Mutual Fund

Maiden Retail NCD Issue of Rs. 1000 crores. Oversubscribed over 7 times over base issue size of Rs. 250 crores

Sale of 5% of MIBL at a valuation of Rs. 1300 crores

QIP Issuance : Rs. 10.56 bn and Preferential Issue to M&M : Rs. 10.55 bn

Maiden issue of ECB undertaken. Raised over \$200 mn.

Crossed 6 million cumulative customer contracts

Partnered with Manulife for Mutual Fund business

Invested in Ideal Finance for providing financial services in Sri Lanka

FY 06

FY 08

FY 09

FY 10

FY 11

FY 13

FY 15

FY 16

FY 17

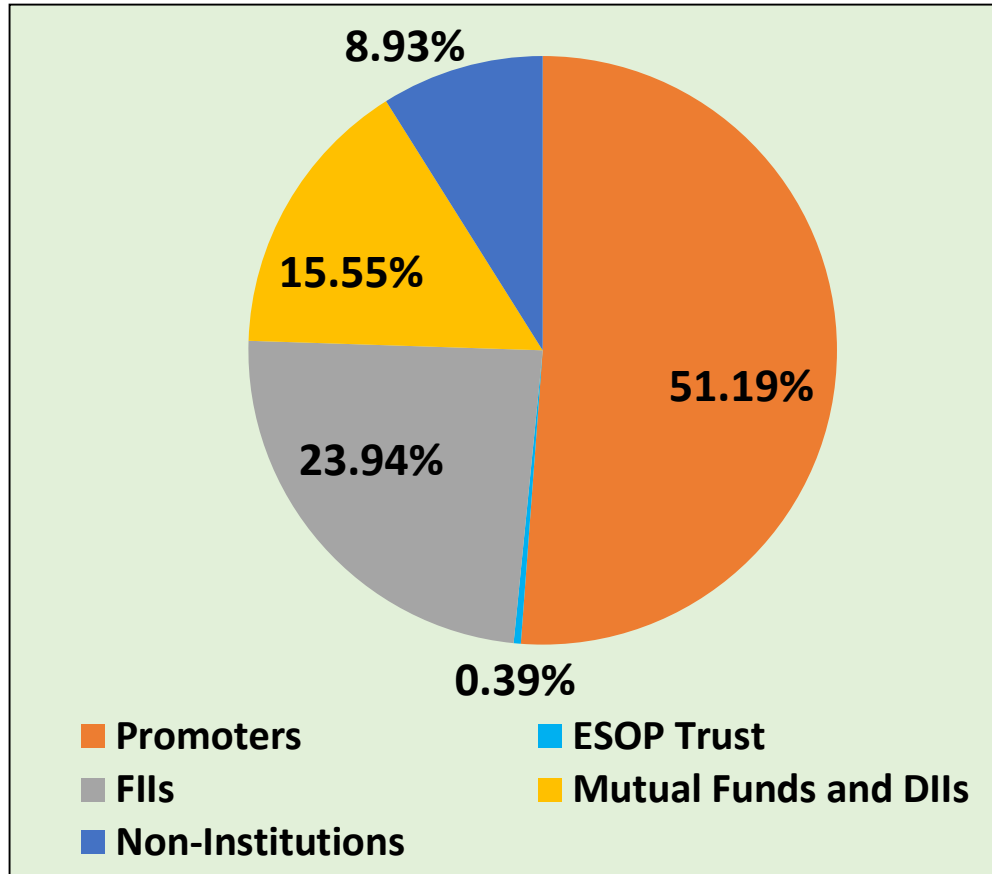
FY 18

FY 19

FY 20

Shareholding Pattern (as on 31st March, 2020)

Shareholding Pattern



Mahindra & Mahindra Limited holds a stake of 51.19% in the Company

Top 10 Public Shareholders

- HDFC Life Insurance Company Limited
- Life Insurance Corporation Of India
- Kotak Funds - India Midcap Fund
- Valiant Mauritius Partners Offshore Limited
- Government Pension Fund Global
- Life Insurance Corporation Of India P & GS Fund
- SBI Blue Chip Fund
- BlackRock Global Funds Asian Dragon Fund
- ICICI Prudential Banking And Financial Services Fu
- Vanguard Total International Stock Index Fund



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Transforming rural lives across the country

Auto Industry Volume

Domestic Sales (Volume in '000)	FY20 (Nos.)	FY19 (Nos.)	Y-o-Y Growth (%)	FY18 (Nos.)
Passenger Vehicles (PVs)				
Passenger Cars / Vans	1,698	2,219	(23%)	2,174
UV's	1,075	1,159	(7%)	1,115
Commercial Vehicles (CVs)				
M&HCVs	225	391	(42%)	341
LCVs	493	617	(20%)	516
Three Wheelers	637	701	(9%)	636
Tractors	709	787	(10%)	728

Automobile Finance Market: 5 years Projected Growth

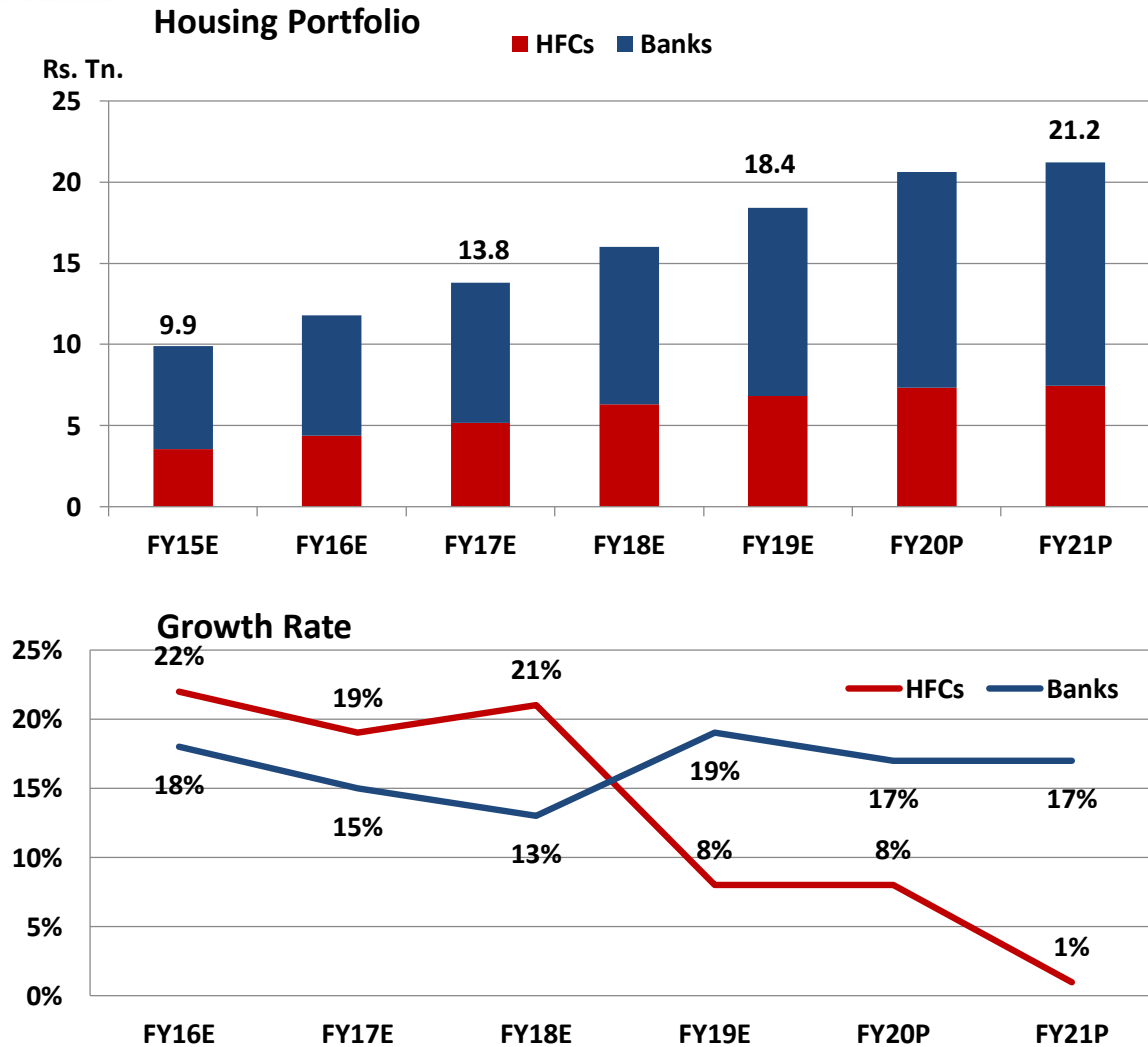
Segment-wise growth in disbursement							
	FY 14 (Rs. Bn.)	CAGR FY 14 – FY 19	FY 19 (Rs. Bn.)	FY 20 (P) (Rs. Bn.)	FY 21 (P) (Rs. Bn.)	CAGR FY 19 – FY 24 (P)	FY 24 (P) (Rs. Bn.)
Passenger vehicle	696	8%	1,012	873	633	(2%) - 0%	959
Commercial vehicle	351	19%	830	508	320	(3%) – (1%)	772
Two wheelers	140	17%	302	292	223	3% - 5%	372
Three wheelers	64	11%	104	102	80	5% - 7%	139

Source: CRISIL Research, Retail Finance - Auto, May 2020

Car & UV Loan Portfolio	Top 20 Cities	Other Cities
Outstanding Loan Composition	58%	42%
Finance Penetration Ratio	80.0%	65.0%

- By FY 2024P, penetration levels are projected to increase to 79.5% for cars and 76.5% for utility vehicles from 77.5% and 74.0% respectively (FY 2019) as a result of a moderation in interest rates and better availability of credit information
- Loan-to-value (LTVs) expected to increase post FY 20
- Finance penetration in cities (excluding top 20) expected to grow with availability of credit information and more customers coming under the purview of formal financial services

Housing Finance Growth



- Housing credit growth expected to slow down post Covid-19. Expect credit outstanding to grow by 3% in FY 21
- Share of loans from Banks to increase further with liquidity constraints restricting growth of HFCs
- Multiple steps taken by Government to ease liquidity and asset quality is a positive
- Housing loan to grow at a faster pace compared to other asset segments like LAP, wholesale loans
- Yields to remain under pressure due to competition from banks and credit cost to increase, resulting in profitability pressure
- Securitisation to remain key avenue to manage liquidity
- Rise in finance penetration to drive growth. Deeper mortgage penetration and increased demand from Tier II/ smaller towns to fuel loan growth over the period
- Mortgage penetration in India is 9 – 11 years behind other regional emerging markets like China and Thailand.



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Transforming rural lives across the country

Business Strategy

Grow in rural and semi urban markets for vehicle and automobile financing

Expand Branch Network

Leverage existing customers base through Direct Marketing Initiatives

Diversify Product Portfolio

Broad base Liability Mix

Continuing to attract, train and retain talented employees

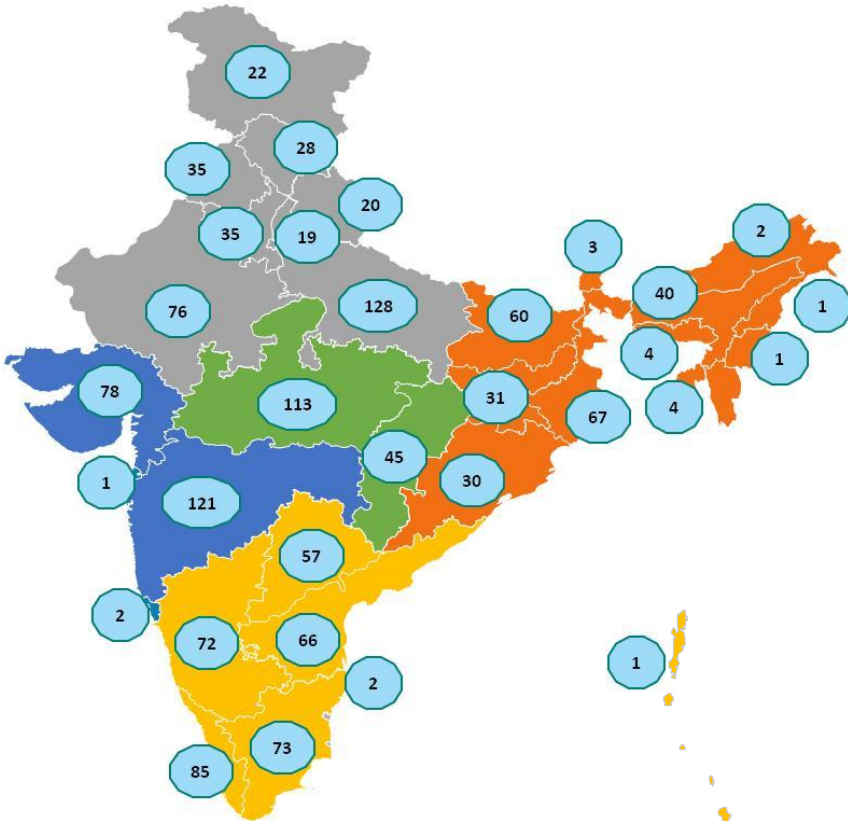
Effective use of technology to improve productivity

Leverage the “Mahindra” Ecosystem

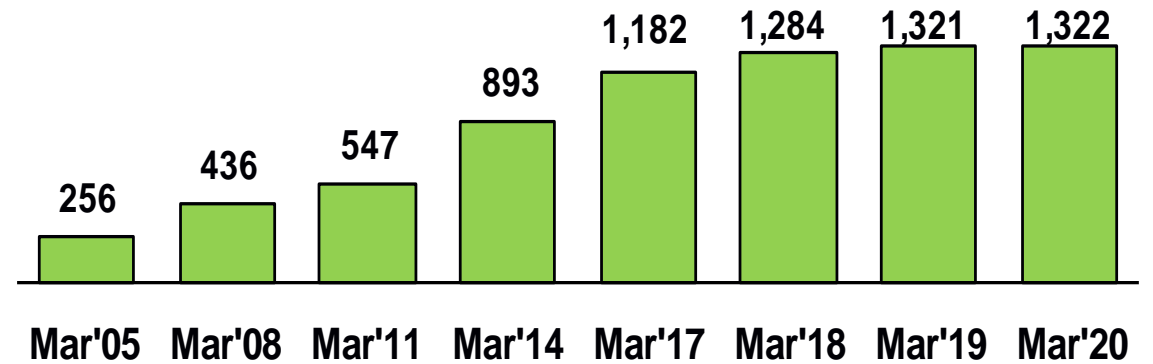
Extensive Branch Network

- Extensive branch network with presence in 28 states and 5 union territories in India through 1,322 offices
- Branches have authority to approve loans within prescribed guidelines

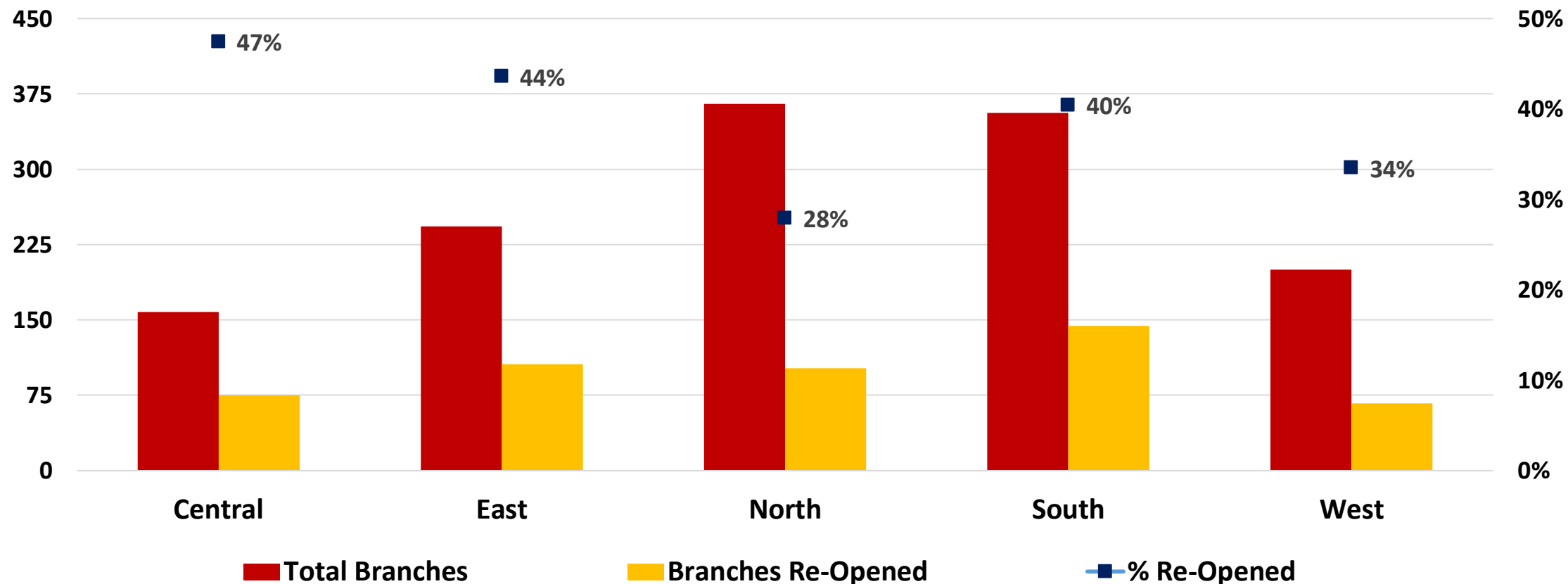
Coverage



Branch Network as of



Branches Operating (as of May 13, 2020)



- Approximately 500 branches are operating and is widely spread pan-India
- We expect to re-open over 200 further branches after receiving requisite permissions/ approvals

** post ease of lockdown*

Diversified Product Portfolio

Vehicle Financing

- Loans for auto and utility vehicles, tractors, cars, commercial vehicles and construction equipments



Pre-Owned Vehicles

- Loans for pre-owned cars, multi-utility vehicles, tractors and commercial vehicles



SME Financing

- Loans for varied purposes like project finance, equipment finance and working capital finance



Personal Loans

- Offers personal loans typically for weddings, children's education, medical treatment and working capital



Mutual Fund Distribution

- Advises clients on investing money through AMFI certified professionals under the brand "MAHINDRA FINANCE FINSMART"



Insurance Broking

- Insurance solutions to retail customers as well as corporations through our subsidiary MIBL



Housing Finance

- Loans for buying, renovating, extending and improving homes in rural and semi-urban India through our subsidiary MRHFL



Mutual Fund & AMC

- Asset Management Company/ Investment Manager to 'Mahindra Mutual Fund', which received certificate of registration from SEBI



Employee Management and Technology Initiatives

Employee engagement & training

- Training programs for employees on regular basis
- 5 days induction program on product knowledge, business processes and aptitude training
- Mahindra Finance Academy training programs for prospective and existing employees at 5 locations
- Assessment & Development Centre for promising employees
- Employee recognition programs such as– Dhruv Tara, Annual Convention Award and Achievement Box
- Participation in Mahindra Group's Talent Management and Retention program

Technology initiatives

- All our offices are connected to the centralised data centre in Mumbai through Lease line/HHD
- Through hand held devices connected by GPRS to the central server, we transfer data which provides
 - Prompt intimation by SMS to customers
 - Complete information to handle customer queries with transaction security
 - On-line collection of MIS on management's dashboard
 - Recording customer commitments
 - Enables better internal checks & controls
- Continues to enhance digital capabilities and use of technology to improve efficiency and function normally in current scenario
 - Providing computers and tabs to employees to operate from home
 - On-line training and learning sessions to improve capabilities
 - Promoting digital/ non-cash collections

Break down of estimated value of Assets Financed

on standalone basis

Asset Class	Year ended March – 20	Year ended March – 19	Year ended March – 18
Auto/ Utility vehicles	28%	25%	26%
Tractors	17%	18%	18%
Cars	19%	20%	20%
Commercial vehicles and Construction equipments	15%	19%	13%
Pre-owned vehicles	18%	14%	14%
SME and Others	3%	4%	9%

Break down of Business Assets

on standalone basis

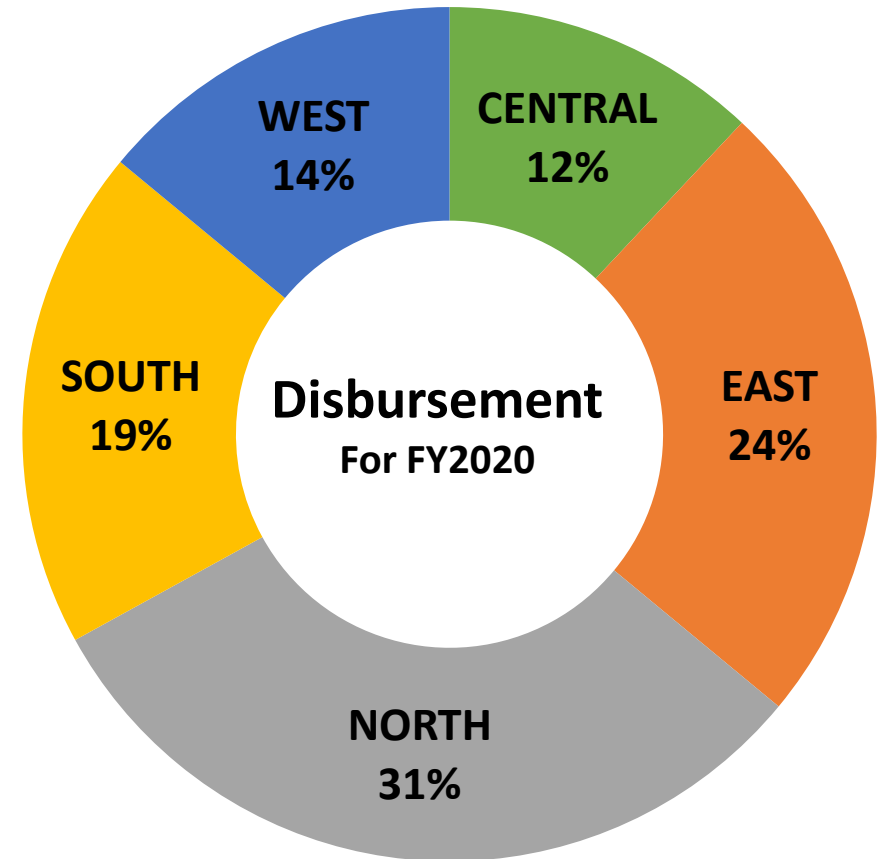
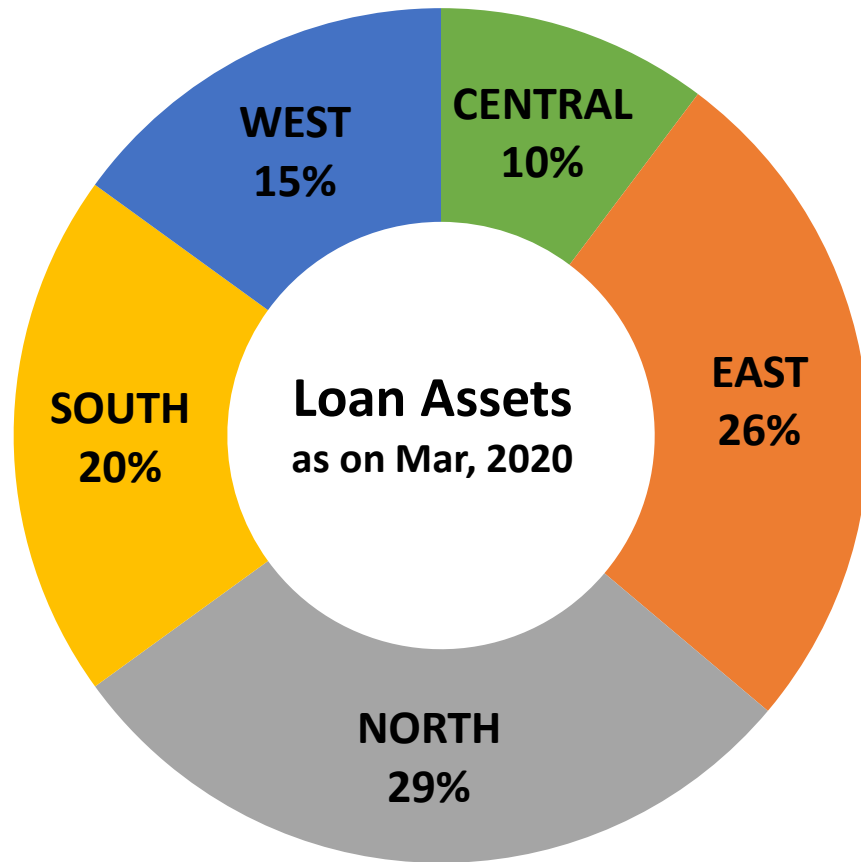
Asset Class	As on March – 20	As on March – 19	As on March – 18
Auto/ Utility vehicles	27%	26%	27%
Tractors	17%	17%	17%
Cars	21%	21%	22%
Commercial vehicles and Construction equipments	19%	18%	14%
Pre-owned vehicles	10%	9%	8%
SME and Others	6%*	9%	12%

As on 31st March 20, ~43% of the AUM was from M&M assets

* Share of SME: 4%

Break down by Geography

on standalone basis



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

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

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

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

CENTRAL: Chhattisgarh, Madhya Pradesh;

Credit Rating

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

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

Broad Based Liability Mix

on standalone basis

Working Capital Consortium Facility at Rs. 20,000 mn. comprising several banks

Funding Mix by Investor profile (Mar'20)

Investor Type	Amount (INR mn.)	% Share
Banks/ Dev. Institutions	306,365	51.4%
Mutual Fund	40,404	6.8%
Insurance & Pension Funds	105,716	17.7%
FIs & Corporates	47,189	7.9%
Others	96,466	16.2%
Total	596,140	100.0%

* Based on holding as on 31st March, 2020

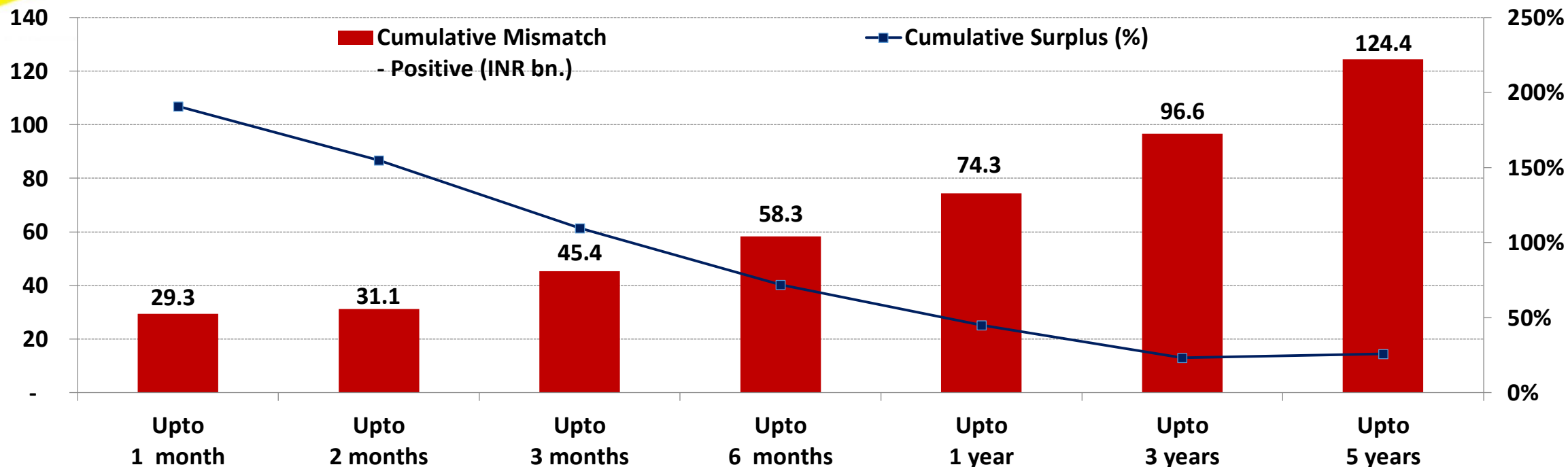
Funding Mix by type of Instrument (Mar'20)

Instrument Type	Amount (INR mn.)	% Share
NCDs	166,048	27.9%
Retail NCDs	42,975	7.2%
Bank Loans	177,236	29.7%
Offshore Borrowings	31,124	5.2%
Fixed Deposits	88,540	14.9%
ICD (CP – Nil)	1,400	0.2%
Securitisation/ Assignment	88,817	14.9%
Total	596,140	100.0%

^ For purpose of presentation, Borrowings are recognised at Face Value (NCD, ZCB)

ALM Position and Liability Maturity

All figures in INR billion



*ALM based on provisional data as on 31st March, 2020

Liability Maturity [^] (as on May 14, 2020)	May-20	Jun-20	Q1-FY21	Jul-20	Aug-20	Sep-20	Q2-FY 21	H1-FY 21
Bank Loans	1.0	6.6	7.7	2.5	7.3	4.4	14.2	21.9
Market Instruments (NCDs)	0.5	11.2	11.7	8.9	1.8	4.6	15.3	27.0
Others (including Fixed Deposits)	0.6	1.3	1.9	1.3	1.6	1.3	4.1	6.0
Total	2.1	19.1	21.3	12.7	10.7	10.3	33.6	54.9

The Company's currently has liquid investments of over INR 45 billion in addition to undrawn sanctioned lines

[^] excl. WCGL and Securitisation



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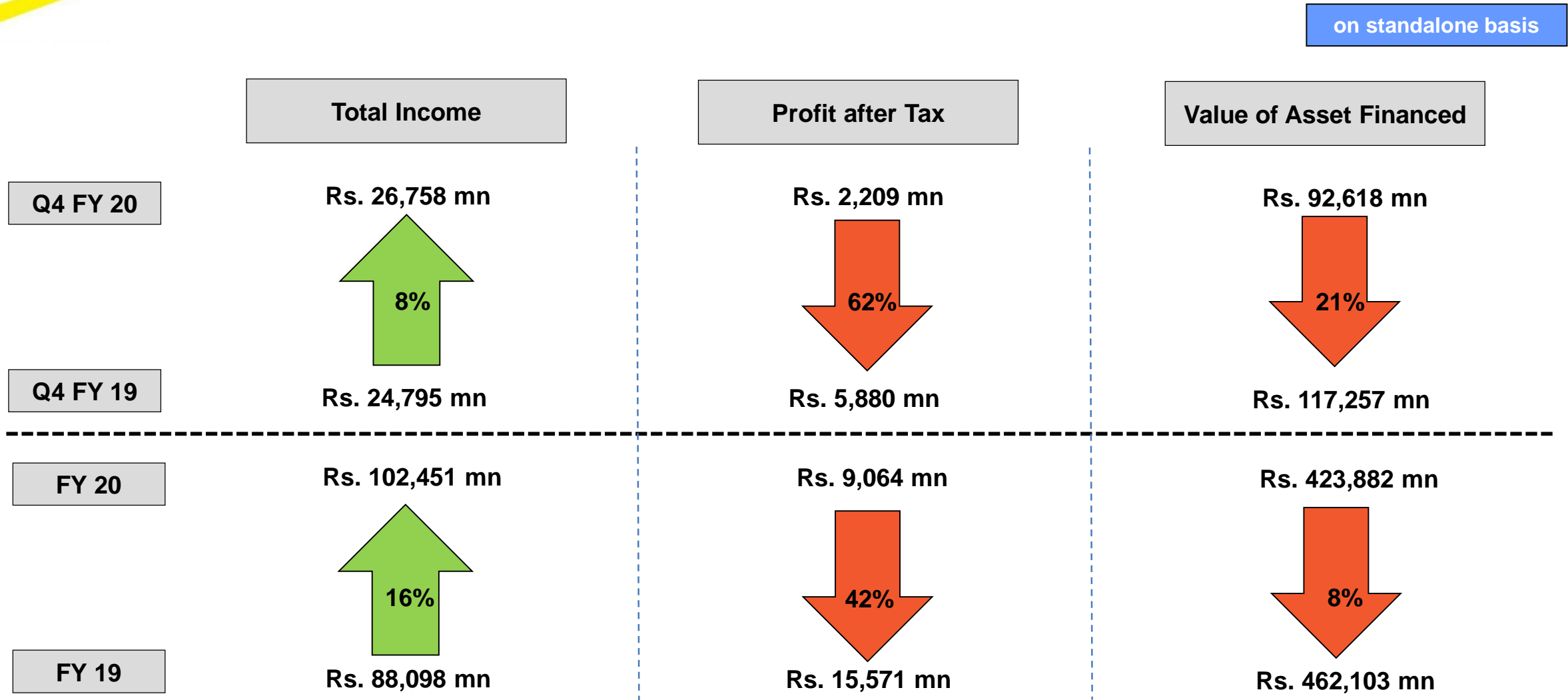
Awards & Accolades

Risk Management Policies

Transforming rural lives across the country

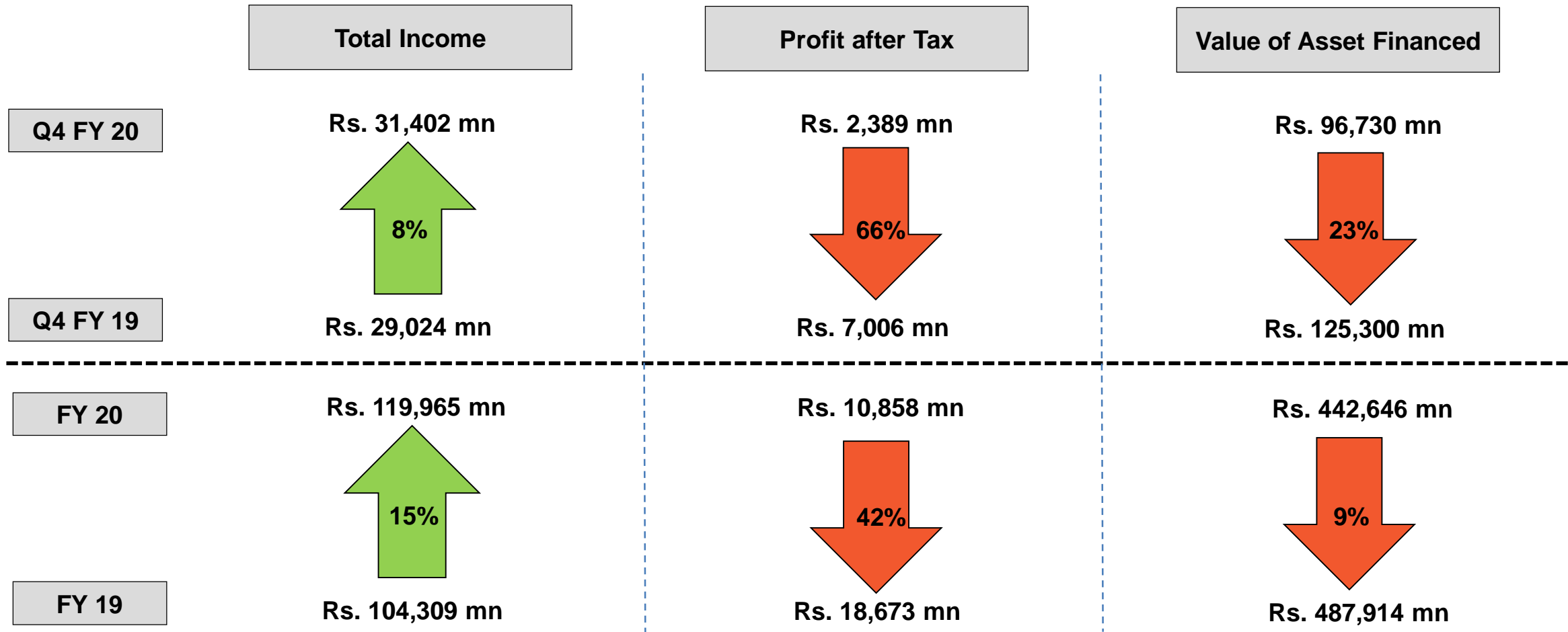
Key Financials

on standalone basis



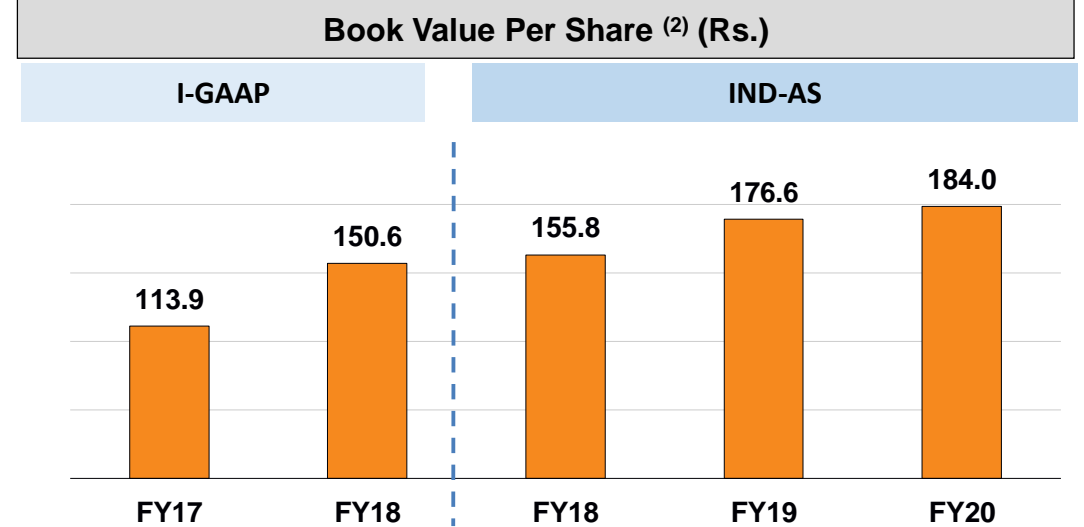
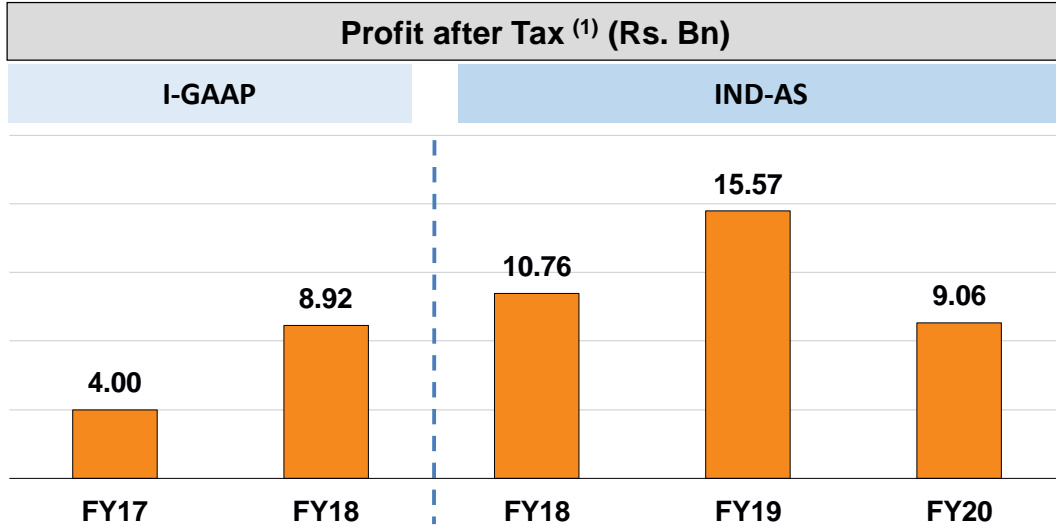
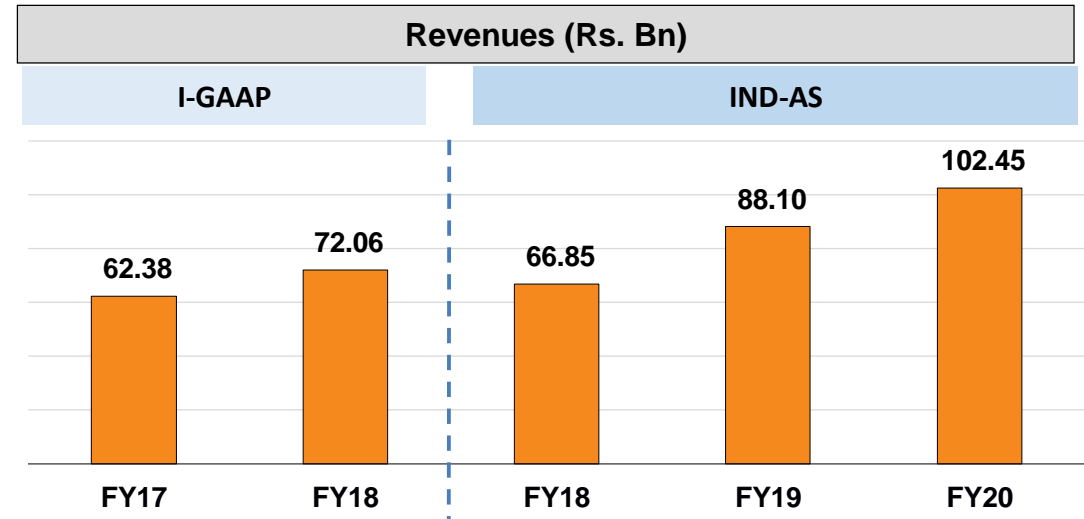
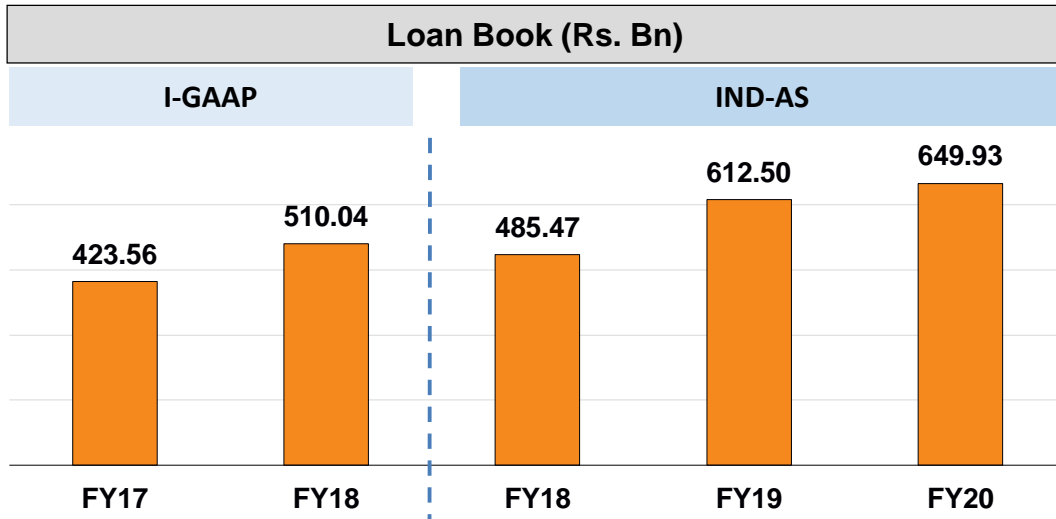
Key Financials (Consolidated)

on consolidated basis



Growth Trajectory

on standalone basis

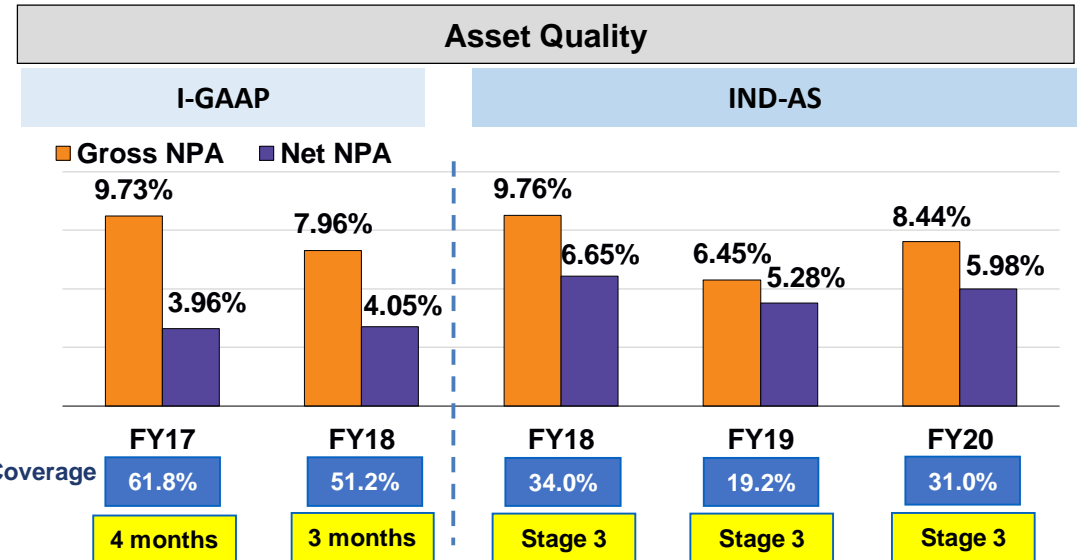
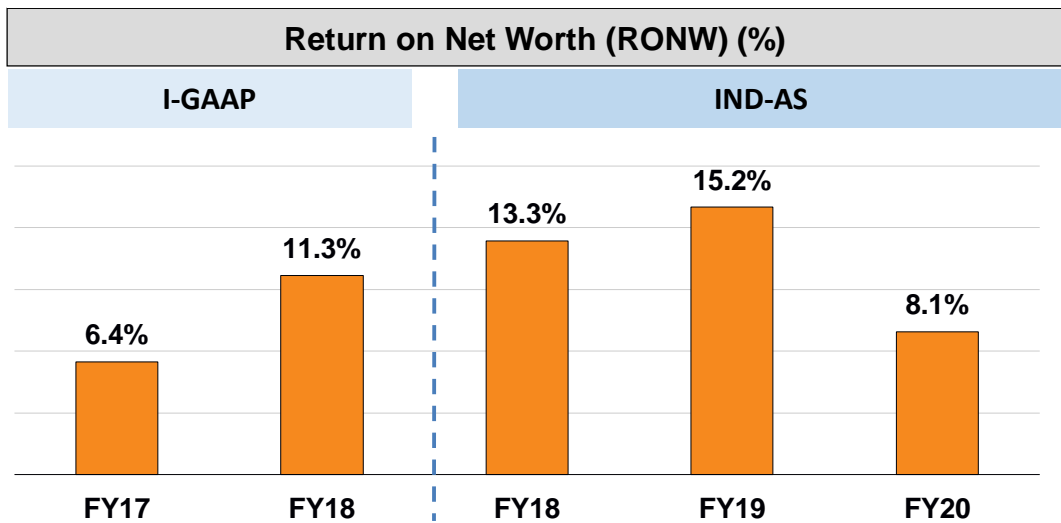
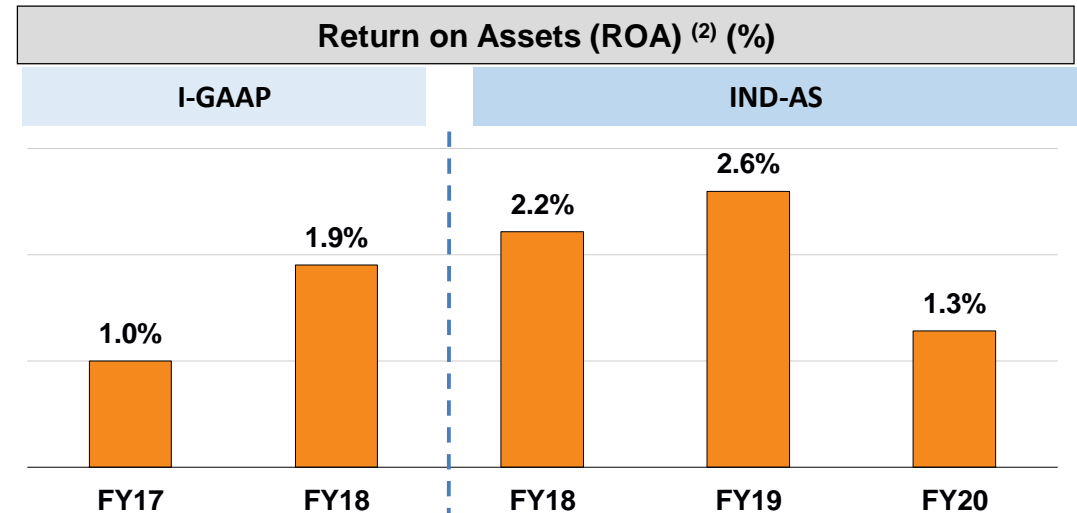
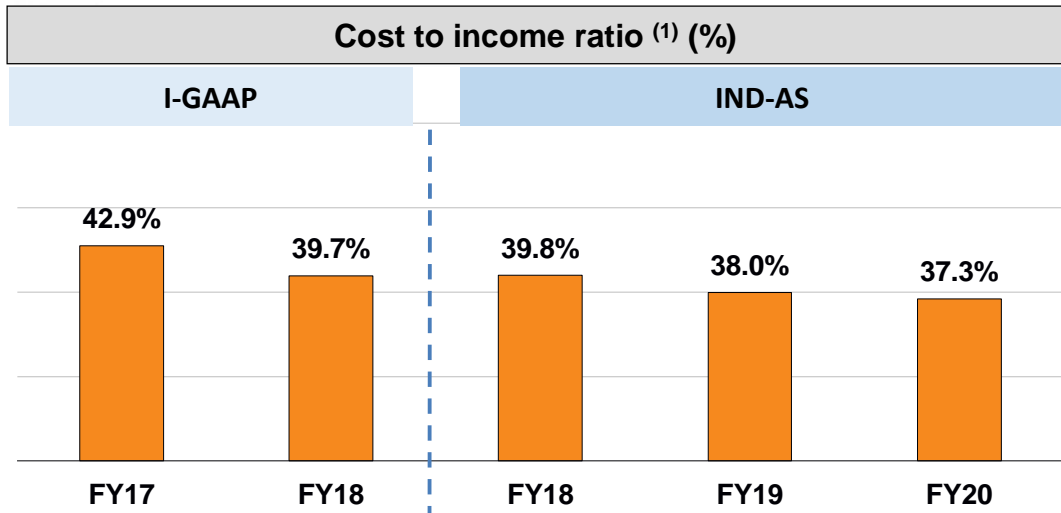


Note :⁽¹⁾ PAT post exceptional items.

⁽²⁾ Calculated as Shareholders funds/ Number of shares.

Financial Performance

on standalone basis



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

* NPA information provided as a percentage of Total Business Assets

Standalone Profit & Loss Account

Particulars (Rs. in Million)	Q4FY20	Q3FY20	Q-o-Q	Q4FY19	Y-o-Y
Revenue from operations (A)	26,369	25,806	2%	24,552	7%
Less: Finance cost (B)	12,895	12,088	7%	11,443	13%
NII (C= A+B)	13,474	13,718	-2%	13,109	3%
Other Income (D)	389	354	10%	243	60%
Total Income (E=C+D)	13,863	14,072	-1%	13,352	4%
Employee benefits expense (F)	2,135	2,889	-26%	3,141	-32%
Other expenses (G)	1,944	1,938	0%	2,235	-13%
Depreciation and amortization (H)	118	362	-67%	173	-32%
Total Expenses (I=F+G+H)	4,197	5,189	-19%	5,549	-24%
Pre-Provisioning Operating Profit (J=E-I)	9,666	8,883	9%	7,803	24%
Provisions and write-offs (K)	6,741 [^]	4,001	68%	-1,145	-689%
Profit before Tax (L=I-J)	2,925	4,882	-40%	8,948	-67%
Tax expense (M)	716	1,229	-42%	3,068	-77%
Net Profit after Taxes (N=L-M)	2,209	3,653	-40%	5,880	-62%

[^] On account of COVID -19, an additional charge on of Rs. 5,740 million has been provided based on management overlay

Figures re-grouped and rounded where found relevant

Standalone Profit & Loss Account

Particulars (Rs. in Million)	FY 20	FY 19	Y-o-Y	FY 18
Revenue from operations (A)	100,979	87,229	16%	66,334
Less: Finance cost (B)	48,288	39,445	22%	30,816
NII (C= A+B)	52,691	47,784	10%	35,518
Other Income (D)	1,473	869	69%	517
Total Income (E=C+D)	54,164	48,653	11%	36,035
Employee benefits expense (F)	11,484	10,901	5%	8,325
Other expenses (G)	7,514	6,973	8%	5,569
Depreciation and amortization (H)	1,183	602	96%	442
Total Expenses (I=F+G+H)	20,181	18,476	9%	14,336
Pre-Provisioning Operating Profit (J=E-I)	33,983	30,177	13%	21,699
Provisions and write-offs (K)	20,545 [^]	6,352	223%	5,681
Profit before Tax (L=I-J)	13,438	23,825	-44%	16,668[#]
Tax expense (M)	4,374 [*]	8,254	-47%	5,907
Net Profit after Taxes (N=L-M)	9,064	15,571	-42%	10,761

[^] On account of COVID -19, **an additional charge on of Rs. 5,740 million has been provided based on management overlay**

^{*} Opening net deferred tax asset has been re-measured at lower rate with a **one-time impact of Rs.1,040 million** recognised in the statement of P&L for year ended 31 March 2020

[#] includes exceptional income of INR 650 million on account of sale of 5% equity of MIBL in FY18

Figures re-grouped and rounded where found relevant

Standalone Balance Sheet

Particulars (Rs. in Million)	As on Mar 31, 2020	As on Mar 31, 2019	As on Mar 31, 2018
ASSETS			
Financial Asset			
a) Cash and cash equivalents	6,768	5,017	2,719
b) Bank balance other than (a) above	7,490	4,568	1,392
c) Derivative financial instruments	929	100	4
d) Trade Receivables	86	52	37
e) Loans	649,935	612,496	485,470
e) Investments	59,110	37,917	27,341
g) Other Financial Assets	4,766	1,690	945
Financial Asset	729,084	661,840	517,908
Non-Financial Asset			
a) Current tax assets (Net)	2,400	3,021	2,168
b) Deferred tax Assets (Net)	4,896	3,717	6,275
c) Property, plant and equipment	3,379	1,325	1,124
d) Other Intangible assets	256	306	72
e) Other non-financial assets	697	571	380
Non-Financial Assets	11,628	8,940	10,019
Total Assets	740,712	670,780	527,927

Figures re-grouped and rounded where found relevant

Standalone Balance Sheet (Contd.)

Particulars (Rs. in Million)	As on Mar 31, 2020	As on Mar 31, 2019	As on Mar 31, 2018
LIABILITIES AND EQUITY			
Financial Liabilities			
a) Derivative financial instruments	402	770	261
b) Payables			
i) Trade payables	6,063	9,795	10,554
ii) Other payables	294	342	-
c) Debt Securities	177,449	223,194	203,451
d) Borrowings (Other than Debt Securities)	294,873	213,015	133,892
e) Deposits	88,121	56,672	31,248
f) Subordinated Liabilities	34,179	35,589	32,341
g) Other financial liabilities	23,140	19,266	17,593
Financial Liabilities	624,521	558,643	429,340
Non-Financial liabilities			
a) Current tax liabilities (Net)	139	139	356
b) Provisions	1,432	2,065	1,359
c) Other non-financial liabilities	981	853	653
Non-Financial Liabilities	2,552	3,057	2,368
Equity			
a) Equity Share capital	1,231	1,230	1,229
b) Other Equity	112,408	107,850	94,990
Equity	113,639	109,080	96,219
Total Equities and Liabilities	740,712	670,780	527,927

Figures re-grouped and rounded where found relevant

Consolidated Profit & Loss Account

Particulars (Rs. in Million)	FY20	FY19	Y-o-Y	FY18
Revenue from operations (A)	118,830	103,717	15%	78,839
Less: Finance cost (B)	53,906	44,323	22%	34,362
NII (C= A+B)	64,924	59,394	9%	44,477
Other Income (D)	1,135	592	92%	283
Total Income (E=C+D)	66,059	59,986	10%	44,760
Employee benefits expense (F)	16,098	14,779	9%	11,366
Other expenses (G)	9,741	9,342	4%	7,332
Depreciation and amortization (H)	1,469	755	94%	552
Total Expenses (I=F+G+H)	27,308	24,876	10%	19,250
Pre-Provisioning Operating Profit (J=E-I)	38,751	35,110	10%	25,510
Provisions and write-offs (K)	23,190 [^]	7,171	223%	6,769
Profit before Tax (L=I-J)	15,561	27,939	-44%	18,741
Share of Profit of Associates (M)	459	469	-2%	307
Tax expense (N)	5,162 [*]	9,735	-47%	6,885
Net Profit after Taxes (O=L+M-N)	10,858	18,673	-42%	12,163

[^] On account of COVID -19, an additional charge on of Rs. 7,285 million has been provided based on management overlay

^{*} Opening net deferred tax asset has been re-measured at lower rate with a one-time impact of Rs.1,252 million recognised in the statement of P&L for year ended 31 March 2020

Figures re-grouped and rounded where found relevant

Consolidated Balance Sheet

Particulars (Rs. in Million)	As on Mar 31, 2020	As on Mar 31, 2019	As on Mar 31, 2018
ASSETS			
Financial Asset			
a) Cash and cash equivalents	7,826	5,372	3,387
b) Bank balance other than (a) above	7,490	4,568	1,392
c) Derivative financial instruments	929	100	4
d) Trade Receivables	529	536	564
e) Loans	728,638	689,390	545,497
f) Investments	53,404	33,274	23,779
g) Other Financial Assets	5,198	2,121	1,328
Financial Asset	804,014	735,361	575,951
Non-Financial Asset			
a) Current tax assets (Net)	2,578	3,121	2,138
b) Deferred tax Assets (Net)	5,788	4,497	7,185
c) Property, plant and equipment	4,278	1,682	1,374
d) Intangible assets under development	6	8	5
e) Other Intangible assets	276	333	93
f) Other non-financial assets	986	758	555
Non-Financial Assets	13,912	10,399	11,350
Total Assets	817,926	745,760	587,301

Figures re-grouped and rounded where found relevant

Consolidated Balance Sheet (Contd.)

Particulars (Rs. in Million)	As on Mar 31, 2020	As on Mar 31, 2019	As on Mar 31, 2018
LIABILITIES AND EQUITY			
Financial Liabilities			
a) Derivative financial instruments	402	770	261
b) Payables			
i) Trade payables	6,932	11,143	11,314
ii) Other payables	296	342	68
c) Debt Securities	197,446	247,159	219,444
d) Borrowings (Other than Debt Securities)	333,271	246,327	165,272
e) Deposits	87,814	56,309	30,520
f) Subordinated Liabilities	37,811	38,221	34,625
g) Other financial liabilities	29,942	28,408	22,667
Financial Liabilities	693,914	628,679	484,171
Non-Financial liabilities			
a) Current tax liabilities (Net)	174	139	357
b) Provisions	2,114	2,550	1,954
c) Other non-financial liabilities	1,137	917	818
Non-Financial Liabilities	3,425	3,606	3,129
Equity			
a) Equity Share capital	1,231	1,230	1,229
b) Other Equity	118,459	111,460	97,321
c) Non-controlling interests	897	785	1,451
Equity (incl attributable to minority investors)	120,587	113,475	100,001
Total Equities and Liabilities	817,926	745,760	587,301

Figures re-grouped and rounded where found relevant

Summary & Key Ratios

on standalone basis

Particulars	As per IND-AS		
	Year ended March – 20	Year ended March – 19	Year ended March – 18
RONW (Avg. Net Worth)	8.1%	15.2%	13.3%
Debt / Equity	5.23:1	4.84:1	4.17:1
Capital Adequacy^{\$}	19.6%	20.3%	22.7%
Tier I	15.4%	15.5%	17.0%
Tier II	4.2%	4.8%	5.7%
EPS (Basic) (Rs.)	14.74	25.33	18.52
Book Value (Rs.)	184.0	176.6	155.8
Dividend %	--	325%	200%
New Contracts During the period (Nos.)	757,463	761,381	626,172
No. of employees	21,862	21,789	18,733

^{\$} as per IND-AS after considering proposed dividend

Figures re-grouped and rounded where found relevant

Spread Analysis

on standalone basis

Particulars	As per IND-AS		
	Year ended March – 20	Year ended March – 19	Year ended March – 18
Total Income / Average Assets	14.5%	14.7%	13.9%
Interest / Average Assets	6.8%	6.6%	6.4%
Gross Spread	7.7%	8.1%	7.5%
Overheads / Average Assets	2.9%	3.1%	2.9%
Write offs & NPA provisions / Average Assets	2.9%	1.0%	1.2%
Net Spread	1.9%	4.0%	3.4%
Net Spread after Tax	1.3%	2.6%	2.2%

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

NPA Analysis (on Business Assets)

on standalone basis

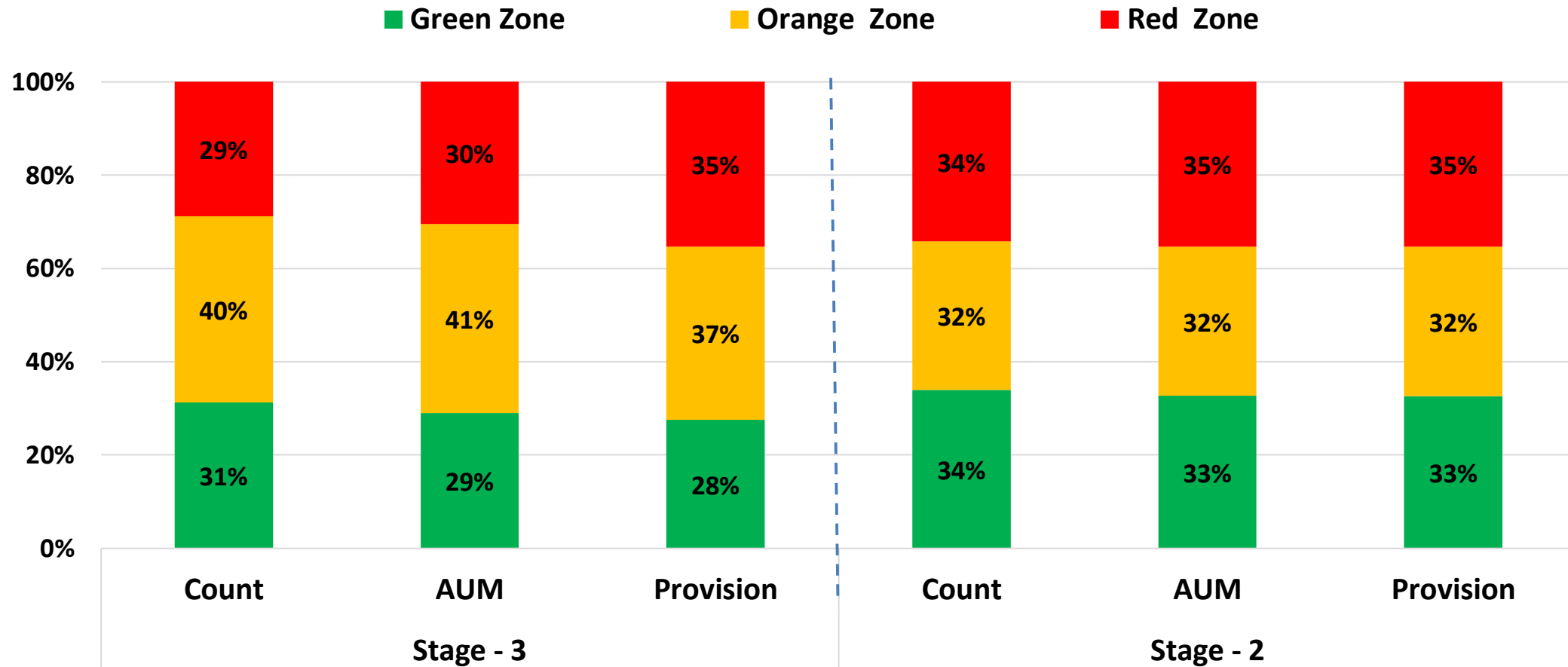
Particulars (Rs. in Million) except figures in %	Mar 31, 2020	Mar 31, 2019	Mar 31, 2018
Business Assets (including Provisions)	680,890	631,216	515,276
Gross NPA (Stage 3)	57,467	40,706	50,270
Less: ECL Provisions (Stage 3)	17,802	7,799	17,161
Net NPA (Stage 3)	39,665	32,907	33,109
Gross NPA as % of Business Assets (Stage 3)	8.44%	6.45%	9.76%
Net NPA as % of Business Assets (Stage 3)	5.98%	5.28%	6.65%
Coverage Ratio (%) – based on Stage 3 ECL	31.0%	19.2%	34.1%
Stage 1 & 2 provision to Business Assets (%)	1.9%	1.7%	2.5%
Coverage Ratio (%) – including Stage 1 & 2 provision	53.8%	46.0%	59.7%
Particulars (in units) except figures in %	As on Mar 31, 2020	As on Mar 31, 2019	As on Mar 31, 2018
Contracts under NPA (90 dpd)	131,597	95,391	132,947
% of Live Cases under NPA	5.0%	4.1%	6.4%
Repossessed Assets (out of above NPA)	14,382	9,832	11,596
Comparison of IRACP and IND-AS Provisioning requirement			
Provisioning (as on 31 st March 2020)	IRACP (A)	IND-AS (B)	Difference (B-A)
Stage 1 and Stage 2	2,911	13,093	10,182
Stage 3	21,514	17,802	-3,712
Total	24,425	30,895	6,470

Figures re-grouped and rounded where found relevant

NPA Analysis – Covid-19 Zone classification

on standalone basis

Stage-Wise Covid-19 zone mapping of Customer count, Business Assets and Provisions



A higher provision has been created for Stage-3 assets based in the Red Zone



Company Overview

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Mahindra Rural Housing Finance Limited

Accounting Basis	As per IND-AS		
	Particulars (Rs. million) except figures in %	Year ended March – 20	Year ended March – 19
Loans disbursed	18,764	25,811	27,892
No. of Customer Contracts (nos.)	95,523	171,187	218,572
Outstanding loan book	78,701	76,892	60,025
Total income	15,276	13,839	10,348
PBT	2,056	3,662	2,412
PAT	1,486	2,505	1,739
Net-worth	12,481	11,271	7,454
GNPA % – IND-AS I-GAAP	15.13% 11.06%	13.02% 9.65%	13.63% 10.53%
NNPA % – IND-AS I-GAAP	10.75% 6.57%	10.77% 6.81%	11.51% 7.85%
NNPA % – IND-AS I-GAAP (Net of Total Provisions)	8.89% 6.20%	8.87% 6.53%	8.98% 7.54%

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

[^] On account of COVID -19, an additional charge on of Rs. 1,545 million has been provided based on management overlay

*Opening net deferred tax asset has been re-measured at lower rate with a one-time impact of Rs.207 million recognised in the statement of P&L for year ended 31 March 2020

Figures re-grouped and rounded where found relevant

Mahindra Insurance Brokers Limited

Accounting Basis	As per IND-AS		
	Particulars (Rs. million)	Year ended March – 20	Year ended March – 19
No. of Policies for the Period (nos.)	2,233,711	2,265,146	2,058,613
Net Premium	20,791	19,238	17,490
Total income	3,369	3,234	2451
PBT	739	1,029	812*
PAT	534	715	522
No. of employees (nos.)	1,180	1,097	987

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



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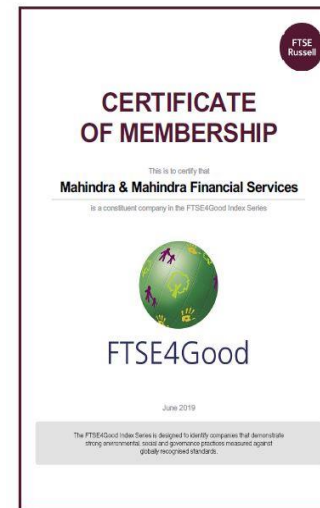
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Awards and Accolades

- Ranked **6th Best Large Workplaces** in the **Asia's Best Workplaces 2020** and **India's 25 Best Workplaces in BFSI -2020** by The Great Place to Work Institute®
- **Global Corporate Sustainability Award** in the award category: Reporting, Emerging Market at Taipei, Taiwan
- Recognized as the only Financial Institute from India to be in the **DJSI Sustainability Index for Emerging Markets category**, for 7th year in a row.
- 8th India CSR Awards – Recognition for Excellence in Corporate Social Responsibility for the category; Livelihood Creation: Project Hunner.
- Ranked **49th amongst Top 100** Indian companies for Sustainability & CSR under Responsible Business Rankings 2019 by Futurescape.
- Included in the renowned **FTSE4Good Index Series constituent**
- Awarded **Aon Best Employers Award 2019**



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Risk Management Policies

Provisioning Norms

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

*Fair valued at reporting date

PD – Probability of Default;

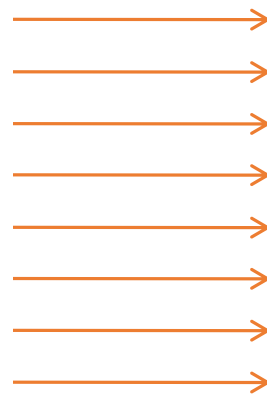
LGD – Loss given Default;

EAD – Exposure at Default

Key Risks & Management Strategies

Key Risks

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



Management Strategies

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

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