

25<sup>th</sup> January, 2019

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", 5<sup>th</sup> Floor,  
Plot No.C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (East), Mumbai - 400 051.

Scrip Code : M&MFIN

Dear Sir,

**Sub: Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Unaudited Standalone Financial Results of the Company for the third quarter and nine months ended 31<sup>st</sup> December, 2018**

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"], we wish to inform you that the Board of Directors at its Meeting held today i.e. 25<sup>th</sup> January, 2019 has *inter alia*, approved the Unaudited Standalone Financial Results of the Company for the third quarter and nine months ended 31<sup>st</sup> December, 2018.

Accordingly we are enclosing:

- i. The Unaudited Standalone Financial Results for the third quarter and nine months ended 31<sup>st</sup> December, 2018 together with a copy of the Press Release.
- ii. Limited Review Report of the Statutory Auditors, Messrs. B S R & Co. LLP, on the Unaudited Standalone Financial Results of the Company for the third quarter and nine months ended 31<sup>st</sup> December, 2018, as required under Regulation 33 of the Listing Regulations.

The Results have been uploaded on the Stock Exchange websites at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and are also being simultaneously posted on the website of the Company at <http://www.mahindrafinance.com>.



The Meeting of the Board of Directors commenced at 2.30 p.m. and concluded at 4.30 p.m.

Kindly take the same on record.

Thanking you,

Yours Faithfully,

For Mahindra & Mahindra Financial Services Limited

*Arnavaz*

Arnavaz M. Pardiwalla

Company Secretary & Compliance Officer



Encl: a/a

# B S R & Co. LLP

Chartered Accountants

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India

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To

## Board of Directors of Mahindra & Mahindra Financial Services Limited

We have reviewed the accompanying statement of unaudited standalone financial results of Mahindra & Mahindra Financial Services Limited (the 'Company') for the quarter ended 31 December 2018 and the year-to-date results for the period from 1 April 2018 to 31 December 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), as modified by the circular no. CIR/CFD/FAC/62/2016 dated 5 July 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations as modified by the circular no. CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.101248W/W-100022



**Venkataraman Vishwanath**

*Partner*

Membership No. 113156

Place: Mumbai

Date: 25 January 2019





## PRESS RELEASE

**Mahindra Finance****Standalone Results December 2018****Income up by 30% YoY, at Rs.6,334 Crores****PAT up by 36% YoY, at Rs.969 Crores****Disbursement up 33% YoY, at Rs.34,485 Crores****AUM up by 30% YoY, crosses Rs.63,000 Crores**

**Mumbai, January 25, 2019:** The Board of Directors of Mahindra & Mahindra Financial Services Limited (Mahindra Finance), a leading provider of financial services in the rural and semi-urban markets announced today the standalone unaudited financial results for the third quarter and nine-month period ended December 31, 2018.

In line with direction from Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2018. Results for the quarter and nine-month period ended are prepared and reported in compliance with Ind AS requirements. The figures for the same quarter and period previous year have also been restated as per Ind AS.

**F-2019 YTD Dec 18 Results**

The **Total Income increased by 30%** at **Rs.6,334 Crores** during the nine-month period ended December 31, 2018, as against Rs.4,879 Crores in the corresponding period last year. The **Profit After Tax (PAT)** stood at **Rs.969 Crores** during the nine-month period ended December 31, 2018, as against Rs.762 Crores during the corresponding period last year. The PAT for the period nine-month ended December 31, 2017 included an exceptional item on account of sale of shares in the subsidiary company, Mahindra Insurance Brokers Ltd. of Rs.50 Crores (Post Tax). The PAT without considering the exceptional item registered a **growth of 36%** over the same period previous year.

**F-2019 Q3 Results**

The **Total Income increased by 23%** at **Rs.2,246 Crores** during the quarter ended December 31, 2018, as against Rs.1,831 Crores in the corresponding period last year. The **Profit After Tax (PAT)** stood at **Rs.319 Crores** during the quarter ended December 31, 2018, as against Rs.396 Crores during the corresponding period last year. The PAT for the quarter ended December 31, 2017 included an exceptional item on account of sale of shares in the subsidiary company, Mahindra Insurance Brokers Ltd. of Rs.50 Crores (Post Tax). The PAT without considering the exceptional item was **down by 8%** over the same period previous year.

## Operations

During the period ended December 31, 2018, the Company's customer base has crossed **5.9 Million**.

**The Total value of assets financed** for the nine-month period ended December 31, 2018, was **Rs.34,485 Crores** as against Rs.25,912 Crores during the same period previous year, registering a **growth of 33%**.

The Total **Assets Under Management (AUM)** stood at **Rs.63,073 Crores** as on December 31, 2018, as against Rs.48,332 Crores in the corresponding period last year, registering a **growth of 30%**.

**Impairment provisioning** is done as per **Expected Credit Loss (ECL) method** prescribed in **Ind AS, which requires provisioning in three stages**. The company has considered all loan accounts with an ageing of above 90 days under Stage 3 (Impaired assets).

The **Gross Stage 3** levels have gone down to **7.7%** for the quarter ended December 31, 2018, from 12.3% during the corresponding quarter last year. The **Net Stage 3** levels have gone down to **5.8%** for the quarter ended December 31, 2018, from 8.2% during the corresponding quarter last year. The **Stage 3 provisioning coverage ratio** stood at **26.9%**.

The Company's capital and debt position is strong and the ALM position is well balanced. The Company is confident of meeting its obligations towards discharging its liabilities.

## SUBSIDIARIES

### Mahindra Insurance Brokers Limited (MIBL)

**During the quarter ended** December 31, 2018, MIBL registered income at Rs.81.8 Crores as against Rs.61.8 Crores, registering a growth of 32% over the same period previous year. The Profit After Tax (PAT) registered was Rs.18.2 Crores as against Rs.8.8 Crores, registering a growth of 106% over the same period previous year.

**During the nine-month period ended** December 31, 2018, MIBL registered Income at Rs.223.7 Crores, as against Rs.156.8 Crores, registering a growth of 43% over the same period previous year. The Profit After Tax (PAT) was Rs.44.8 Crores as against Rs.31.0 Crores, registering a growth of 45% over the same period previous year.

### **Mahindra Rural Housing Finance Limited (MRHFL)**

**During the quarter ended** December 31, 2018, MRHFL registered income at Rs.393.4 crores as against Rs.273.8 crores, a growth of 44% over the same period previous year. The Profit After Tax (PAT) registered was Rs.77.6 Crores as against Rs.53.2 Crores, registering a growth of 46% over the previous period.

**During the nine-month period ended** December 31, 2018, MRHFL registered income at Rs.1,030.2 crores as against Rs.747.0 crores, a growth of 38% over the previous period. The Profit After Tax (PAT) was Rs.168.5 Crores as against Rs.127.6 Crores, registering a growth of 32% over the previous period. MRHFL disbursed Rs.1,776.8 Crores as against Rs.1,759.9 Crores during the previous period, registering a growth of 1% over the previous year same period.

### **Mahindra Asset Management Company Private Limited (MAMCPL)**

**During the quarter ended** December 31, 2018, MAMCPL earned revenues of Rs.4.4 Crores as compared to Rs.6.4 Crores in the same period previous year. The company incurred a loss of Rs.14.08 Crores compared to a loss of Rs.6.5 Crores during the same period previous year.

**During the nine-month period ended** December 31, 2018, MAMCPL earned revenues of Rs.23.5 Crores as compared to Rs.15.5 Crores in the same period previous year. The company incurred a loss of Rs.31.8 Crores compared to a loss of Rs.23.9 Crores during the same period previous year.

The Average Assets under Management (AUM) of MAMCPL for the quarter ended December 31, 2018 was Rs. 3,756 Crores across eight schemes which showed a growth of 34% over the same period previous year. Of these assets, MAMCPL managed Rs.1,310 crores of average equity assets in the quarter ended December 31, 2018 which compared to Rs.735 Crores in the same quarter last year. The number of client accounts as on December 31, 2018, increased to 150,326 of which 43,163 were investing via Systematic Investment Plans.

### **Mahindra Finance USA, LLC (MFUSA)**

**During the quarter ended** December 31, 2018, MFUSA registered income at USD 16.9 Million as against USD 14.3 Million, registering a growth of 18 % over the same period previous year. The Profit After Tax (PAT) registered was USD 2.5 Million as against USD 1.5 Million, registering a growth of 67% over the same period previous year.

**During the nine-month period ended** December 31, 2018, MFUSA registered income at USD 50.4 Million as against USD 41.4 Million, registering a growth of 22 % over the same period previous year. The Profit After Tax (PAT) registered was USD 10.4 Million as against USD 6.7 Million, registering a growth of 55 % over the same period previous year.



## About Mahindra & Mahindra Financial Services Limited

Mahindra & Mahindra Financial Services Limited (Mahindra Finance), part of the Mahindra Group, is one of India's leading non-banking finance companies. Focused on the rural and semi-urban sector, the Company has over 5.9 Million customers and has an AUM of over USD 9 Billion. The Company is a leading vehicle and tractor financier and also offers fixed deposits and loans to SMEs. The Company has 1,313 MMFSL offices and reaches out to customers spread over 3,50,000 villages and 7,000 towns across the country.

Mahindra Finance is the only Non-Banking Finance Company from India to be listed on the Dow Jones Sustainability Index in the Emerging Market Category. Mahindra Finance has been ranked 14<sup>th</sup> on the list of India's Best Companies to work for - 2018, by Great Place to Work® Institute. The Company has also been recognized among the Best BFSI Brands 2018 by The Economic Times.

The Company's Insurance Broking subsidiary, Mahindra Insurance Brokers Limited (MIBL), is a licensed Composite Broker providing Direct and Reinsurance broking services.

Mahindra Rural Housing Finance Limited (MRHFL) a subsidiary of Mahindra Finance provides loans for purchase, renovation, construction of houses to individuals in the rural and semi-urban areas of the country.

Mahindra Asset Management Company Private Limited (MAMCPL), a wholly-owned subsidiary of Mahindra Finance, acts as the Investment Manager of Mahindra Mutual Fund.

The Company has a JV in US, Mahindra Finance USA LLC, in partnership with De Lage Landen, a subsidiary of Rabo Bank, for financing Mahindra tractors in US.

## About Mahindra

The Mahindra Group is a USD 20.7 billion federation of companies that enables people to rise through innovative mobility solutions, driving rural prosperity, enhancing urban living, nurturing new businesses and fostering communities. It has a leadership position in utility vehicles, information technology, financial services and vacation ownership in India and is the world's largest tractor company, by volume. It also enjoys a strong presence in agribusiness, components, commercial vehicles, speedboats, consulting services, energy, industrial equipment, logistics, real estate, steel, aerospace, defence and two wheelers. Headquartered in India, Mahindra employs over 240,000 people across 100 countries.

Learn more about Mahindra on [www.mahindra.com](http://www.mahindra.com) / Twitter and Facebook: @MahindraRise

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