

28<sup>th</sup> January, 2020

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

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 : 532720**

**Scrip Code : M&MFIN**

Dear Sirs,

**Sub: Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Unaudited Financial Results of the Company for the third quarter and nine months ended 31<sup>st</sup> December, 2019**

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. 28<sup>th</sup> January, 2020 has *inter alia*, approved the Unaudited Standalone and Consolidated Financial Results of the Company for the third quarter and nine months ended 31<sup>st</sup> December, 2019.

Accordingly we are enclosing:

- i. The Unaudited Standalone Financial Results of the Company for the third quarter and nine months ended 31<sup>st</sup> December, 2019.
- ii. The Unaudited Consolidated Financial Results of the Company for the third quarter and nine months ended 31<sup>st</sup> December, 2019.
- iii. Limited Review Reports of the Statutory Auditors on the Standalone and Consolidated Financial Results of the Company for the third quarter and nine months ended 31<sup>st</sup> December, 2019, issued by the Statutory Auditors, Messrs. B S R & Co. LLP as required under Regulation 33 of the Listing Regulations.
- iv. A copy of the Press Release.



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

The Meeting of the Board of Directors commenced at 2.00 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

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2019

Rs. in Lakhs

	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2019	30 September 2019	31 December 2018	31 December 2019	31 December 2018	31 March 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	<b>Revenue from operations</b>						
i)	Interest income	293,212.37	280,710.02	259,193.88	846,798.63	721,399.32	996,952.90
ii)	Dividend income	11.38	1,726.56	359.15	2,696.71	405.32	1,524.27
iii)	Rental income	218.49	171.94	6.23	505.98	14.98	71.45
iv)	Fees and commission Income	3,055.04	2,694.29	2,660.21	7,559.80	8,163.76	11,638.82
v)	Net gain on fair value changes	856.30	446.77	-	1,362.55	-	761.75
vi)	Sale of services	7,256.79	5,647.73	6,742.15	19,271.74	19,183.92	26,220.90
I	<b>Total Revenue from operations</b>	<b>304,610.37</b>	<b>291,397.31</b>	<b>269,161.62</b>	<b>878,195.41</b>	<b>749,167.30</b>	<b>1,037,170.09</b>
II	Other income	3,520.03	2,251.35	1,383.78	7,426.12	3,682.87	5,915.38
III	<b>Total income (I+II)</b>	<b>308,130.40</b>	<b>293,648.66</b>	<b>270,545.40</b>	<b>885,621.53</b>	<b>752,850.17</b>	<b>1,043,085.47</b>
	<b>Expenses</b>						
i)	Finance costs	135,140.69	134,590.95	115,251.57	395,991.41	316,238.66	443,227.98
ii)	Fees and commission expense	3,442.25	2,677.38	3,750.23	9,674.82	9,954.87	12,968.10
iii)	Net loss on fair value changes	-	-	58.11	-	2.27	-
iv)	Impairment on financial instruments	42,020.55	39,995.48	24,499.46	149,707.34	83,260.42	71,710.83
v)	Employee benefits expenses	40,200.67	41,416.44	37,121.23	128,870.37	105,399.44	147,794.76
vi)	Depreciation, amortization and impairment	4,323.49	4,320.16	1,951.23	12,787.43	5,418.19	7,553.32
vii)	Others expenses	21,417.51	21,103.29	22,326.31	62,793.16	56,179.46	80,447.20
IV	<b>Total expenses</b>	<b>246,545.16</b>	<b>244,103.70</b>	<b>204,956.14</b>	<b>759,824.53</b>	<b>576,453.33</b>	<b>763,702.19</b>
V	<b>Profit before exceptional items and tax (III-IV)</b>	<b>61,585.24</b>	<b>49,544.96</b>	<b>65,587.26</b>	<b>125,797.00</b>	<b>176,396.84</b>	<b>279,383.28</b>
VI	Share of profit of associate	1,290.60	1,148.13	688.49	3,766.74	3,538.87	4,692.86
VII	<b>Profit before tax (V+VI)</b>	<b>62,875.84</b>	<b>50,693.09</b>	<b>66,475.75</b>	<b>129,563.74</b>	<b>179,935.71</b>	<b>284,076.16</b>
VIII	<b>Tax expense :</b>						
i)	Current tax	1,844.67	6,083.09	17,909.94	12,525.17	57,982.58	71,136.53
ii)	Deferred tax	13,545.63	18,249.86	7,620.93	32,346.66	5,282.32	26,211.44
IX	<b>Profit for the period (VII-VIII)</b>	<b>47,485.54</b>	<b>26,360.14</b>	<b>40,944.88</b>	<b>84,691.91</b>	<b>116,670.81</b>	<b>186,728.19</b>
X	<b>Other Comprehensive Income (OCI)</b>						
A)	(i) Items that will not be reclassified to profit or loss						
	- Remeasurement loss on defined benefit plans	(66.94)	(69.17)	(448.80)	(2,116.39)	(1,411.83)	(1,481.98)
	- Net gain/(loss) on equity instruments through OCI	-	-	-	(47.95)	454.65	454.65
	(ii) Income tax relating to the above items	41.17	(362.47)	155.86	330.29	322.03	353.97
	Subtotal (A)	(25.77)	(431.64)	(292.94)	(1,834.05)	(635.15)	(673.36)
B)	(i) Items that will be reclassified to profit or loss						
	- Exchange differences in translating the financial statements of foreign operations	416.17	978.65	(1,544.83)	1,188.08	2,578.45	2,398.78
	- Net gain on debt instruments through OCI	-	-	-	-	-	788.52
	(ii) Income tax relating to the above items	-	-	-	-	-	(275.54)
	Subtotal (B)	416.17	978.65	(1,544.83)	1,188.08	2,578.45	2,911.76
	<b>Other Comprehensive Income (A + B)</b>	<b>390.40</b>	<b>547.01</b>	<b>(1,837.77)</b>	<b>(645.97)</b>	<b>1,943.30</b>	<b>2,238.40</b>
XI	<b>Total Comprehensive Income for the period (IX+X)</b>	<b>47,875.94</b>	<b>26,907.15</b>	<b>39,107.11</b>	<b>84,045.94</b>	<b>118,614.11</b>	<b>188,966.59</b>
	<b>Profit for the period attributable to:</b>						
	Owners of the Company	47,164.56	26,145.09	39,905.24	84,032.70	114,087.39	182,729.83
	Non-controlling interests	320.68	215.05	1,039.64	659.21	2,583.42	3,998.36
		<b>47,485.54</b>	<b>26,360.14</b>	<b>40,944.88</b>	<b>84,691.91</b>	<b>116,670.81</b>	<b>186,728.19</b>
	<b>Other Comprehensive Income for the period attributable to:</b>						
	Owners of the Company	382.81	558.93	(1,837.47)	(611.19)	1,959.84	2,252.51
	Non-controlling interests	7.59	(11.92)	(0.30)	(34.78)	(16.54)	(14.11)
		<b>390.40</b>	<b>547.01</b>	<b>(1,837.77)</b>	<b>(645.97)</b>	<b>1,943.30</b>	<b>2,238.40</b>
	<b>Total Comprehensive Income for the period attributable to:</b>						
	Owners of the Company	47,547.37	26,704.03	38,067.77	83,421.52	116,047.23	184,982.34
	Non-controlling interests	328.57	203.12	1,039.34	624.42	2,566.88	3,984.25
		<b>47,875.94</b>	<b>26,907.15</b>	<b>39,107.11</b>	<b>84,045.94</b>	<b>118,614.11</b>	<b>188,966.59</b>
XII	<b>Earnings per equity share (face value of Rs.2/- each) #</b>						
	Basic (Rupees)	7.67	4.25	6.49	13.66	18.56	29.73
	Diluted (Rupees)	7.66	4.24	6.47	13.64	18.52	29.67

# Earnings per share for the Interim period is not annualised.



		Nine months ended				
I						
II						

















## PRESS RELEASE

### Financial Results – FY20 Q3 & YTD, Standalone & Consolidated Results

**F20-Q3 Standalone Income stood at Rs.2,616 Crores, up 16%**

**F20-Q3 Standalone PAT stood at Rs.365 Crores, up 14%**

**Standalone AUM crosses Rs.75,000 Crores, up 16%**

**Mumbai, January 28, 2020:** 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 unaudited financial results for the quarter and nine-month period ended December 31, 2019.

#### **F-2020 Q3 (Oct'19 – Dec'19) Standalone Results**

The **Total Income increased by 16%** at **Rs.2,616 Crores** during the quarter ended December 31, 2019, as against Rs.2,246 Crores during the corresponding quarter last year. The **Profit Before Tax (PBT) stood at Rs.488 Crores** during the quarter ended December 31, 2019, as against Rs.520 Crores during the corresponding quarter last year, a decline of **6%** over the same period previous year. The **Profit After Tax (PAT) stood at Rs.365 Crores** during the quarter ended December 31, 2019, as against Rs.319 Crores during the corresponding quarter last year, a growth of **14%** over the same period previous year.

#### **F-2020 YTD (Apr'19 – Dec'19) Standalone Results**

The **Total Income increased by 20%** at **Rs.7,569 Crores** during the nine-month period ended December 31, 2019, as against Rs.6,331 Crores during the corresponding period last year. The **Profit Before Tax stood at Rs.1,051 Crores** during the nine-month period ended December 31, 2019, as against Rs.1,488 Crores during the corresponding period last year, a decline of **29%** over the same period previous year. The **Profit After Tax stood at Rs.685 Crores** during the nine-month period ended December 31, 2019, as against Rs.969 Crores during the corresponding period last year, a decline of **29%** over the same period previous year.

#### **F-2020 Q3 (Oct'19 – Dec'19) Consolidated Results**

The **Total Income increased by 14%** at **Rs.3,081 Crores** during the quarter ended December 31, 2019, as against Rs.2,705 Crores during the corresponding quarter last year. The **Profit Before Tax stood at Rs.629 Crores** during the quarter ended December 31, 2019, as against Rs.665 Crores during the corresponding quarter last year, a decline of **5%** over the same period previous year. The **Profit After Tax stood at Rs.475 Crores** during the quarter ended December 31, 2019, as against Rs.409 Crores during the corresponding quarter last year, a growth of **16%** over the same period previous year.

## F-2020 YTD (Apr'19 – Dec'19) Consolidated Results

The **Total Income increased by 18%** at **Rs.8,856 Crores** during the nine-month period ended December 31, 2019, as against Rs.7,529 Crores during the corresponding period last year. The **Profit Before Tax** stood at **Rs.1,296 Crores** during the nine-month period ended December 31, 2019, as against Rs.1,799 Crores during the corresponding period last year, a decline of **28%** over the same period previous year. The **Profit After Tax** stood at **Rs.847 Crores** during the nine-month period ended December 31, 2019, as against Rs.1,167 Crores during the corresponding period last year, a decline of **27%** over the same period previous year.

## Operations

During the period ended December 31, 2019, the Company's customer base has crossed **6.6 Million**.

The Standalone **Assets Under Management (AUM)** stood at **Rs.75,884 Crores** as on December 31, 2019, as against Rs.65,575 Crores as on corresponding reporting date last year, registering a **growth of 16%**.

**The Total value of assets financed** for the nine-month period ended December 31, 2019, was **Rs.33,126 Crores** as against Rs.34,485 Crores during the same period previous year, decline of 4%.

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 90 days and above under Stage 3 (Impaired assets). The **Gross Stage 3** levels stood at **8.5%** for the period ended December 31, 2019, against 8.3% during the corresponding period last year. The **Net Stage 3** levels stood at to **6.7%** for the period ended December 31, 2019, from 6.2% during the corresponding period last year. The **Stage 3 provisioning coverage ratio** stood at **22.9%**. The company has also made an additional provision of Rs.94 Crores (pre-tax) considering the market conditions.

## SUBSIDIARIES

### Mahindra Insurance Brokers Limited (MIBL)

**During the quarter ended December 31, 2019**, MIBL registered income at Rs.91.2 Crores as against Rs.81.8 Crores, registering a growth of 11% over the same period previous year. The Profit Before Tax (PBT) registered was Rs.22.2 Crores as against Rs.26.1 Crores, a decline of 15% over the same period previous year. The Profit After Tax (PAT) registered was Rs.16.0 Crores as against Rs.18.2 Crores, a decline of 12% over the same period previous year.

**During the nine-month period ended December 31, 2019**, MIBL registered Income at Rs.249.0 Crores, as against Rs.223.7 Crores, registering a growth of 11% over the same period previous year. The Profit Before Tax (PBT) was Rs.45.7 Crores as compared to Rs.64.3 Crores, a decline of 29% over the same period previous year. The Profit After Tax (PAT) was Rs.33.0 Crores as against Rs.44.8 Crores, a decline of 26% over the same period previous year.

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

**During the quarter ended December 31, 2019**, MRHFL registered Income at Rs.393.6 crores as against Rs.393.4 crores over the same period previous year. The Profit Before Tax during the quarter ended December 31, 2019, was Rs.115.2 Crores as against Rs.123.7 Crores, a decline of 7% over the same period previous year. The Profit After Tax during the quarter ended December 31, 2019, was Rs.90.6 Crores as against Rs.77.6 Crores, a growth of 17% over the same period previous year.

**During the nine months' period ended December 31, 2019**, MRHFL registered Income at Rs.1,127.1 crores as against Rs.1,030.2 crores, a growth of 9% over the same period previous year. The Profit Before Tax during the quarter ended December 31, 2019, was Rs.217.3 Crores as against Rs.262.2 Crores, decline of 17% over the same period previous year. The Profit After Tax during the quarter ended December 31, 2019, was Rs.148.1 Crores as against Rs.168.5 Crores, a decline of 12% over the same period previous year.

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

**During the quarter ended December 31, 2019**, MAMCPL earned revenues of Rs.4.7 Crores as compared to Rs.4.4 Crores in the same period previous year. The company incurred a loss of Rs.10.4 Crores compared to a loss of Rs.14.0 Crores during the same period previous year.

**During the nine-months period ended December 31, 2019**, MAMCPL earned revenues of Rs.13.1 Crores as compared to Rs.23.6 Crores in the same period previous year. The company incurred a loss of Rs.27.8 Crores compared to a loss of Rs.31.8 Crores during the same period previous year. The Average Assets under Management of MAMCPL for the quarter ended December 31, 2019 was Rs.5,258 Crores across thirteen schemes which showed a growth of 40% over the same period previous year. Of these assets, MAMCPL managed Rs.1,641 crores of average equity assets in the quarter ended December 31, 2019 which compared to Rs.1,310 Crores in the same quarter last year.

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

**During the quarter ended December 31, 2019**, MFUSA registered income at USD 17.2 Million as against USD 16.9 Million, registering a growth of 2% over the same period previous year. The Profit Before Tax (PBT) during the quarter ended December 31, 2019, registered was USD 4.7 Million as against USD 3.3 Million, registering a growth of 42% over the same period previous year. The Profit After Tax (PAT) during the quarter ended December 31, 2019, registered was USD 3.7 Million as against USD 2.5 Million, registering a growth of 48% over the same period previous year.

**During the nine-month period ended December 31, 2019**, MFUSA registered income at USD 52.2 Million as against USD 50.4 Million, registering a growth of 4% over the same period previous year. The Profit Before Tax (PBT) during the nine months' period ended December 31, 2019, registered was USD 14.3 Million as against USD 13.6 Million, registering a growth of 5% over the same period previous year. The Profit After Tax (PAT) during the nine months' period ended December 31, 2019, registered was USD 10.9 Million as against USD 10.4 Million, registering a growth of 5% 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 6.6 Million customers and has an AUM of over USD 10.5 Billion. The Company is a leading vehicle and tractor financier, provides loans to SMEs and also offers fixed deposits. The Company has over 1,300 MMFSL offices and reaches out to customers spread over 3,70,000 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 8<sup>th</sup> on the list of India's Best Companies to work for – 2019 and 25 Best Large Workplaces in Asia 2019 by Great Place to Work® Institute.

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 Joint Venture in the US, Mahindra Finance USA LLC, in partnership with De Lage Landen, a subsidiary of Rabo Bank, for financing Mahindra tractors in the 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, defense 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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