

27th October 2023

To,
BSE Limited (Scrip 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 - Kuria Complex, Bandra (East),
Mumbai - 400 051

Dear Sir/Madam,

Sub: Outcome of the meeting of the Board of Directors held on 27th October 2023

Further to our letter dated 26th September 2023 and in compliance with Regulations 30, 33, 51 and 52 read with Schedule III and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we hereby inform you that basis the recommendation of Audit Committee, the Board of Directors of Mahindra & Mahindra Financial Services Limited ("the Company"), at its meeting held today i.e., Friday, 27th October 2023, have, *inter-alia*, approved the following:

I. Financial results

Unaudited standalone and consolidated financial results for the second quarter and half year ended 30th September 2023. Accordingly, we are enclosing:

- i. Unaudited standalone and consolidated financial results for the second quarter and half year ended 30th September 2023 along with unmodified/ Clean Limited Review Report thereon, issued by the Joint Statutory Auditors of the Company viz. M/s. Deloitte Haskins & Sells, Chartered Accountants and M/s. Mukund M. Chitale & Co., Chartered Accountants.
- ii. Extract of the newspaper publication of the unaudited standalone and consolidated financial results for the second quarter and half year ended 30th September 2023, in the prescribed format, to be published in the print and electronic versions of the newspapers.

II. Increase in limit of raising of funds through issue of Non-Convertible Debentures and Subordinated Debt within the overall borrowing limits as approved by the shareholders

The Board has approved increase in the limits for raising of funds by way of issue of Non-Convertible Debentures and Subordinated debt, from time to time, in one or more tranches, as per the limits mentioned hereunder, within the overall outstanding borrowing limits as approved by the shareholders at the 33rd Annual General Meeting of the Company held on 28th July 2023:

Particulars- Fund Raise via	Maximum outstanding limits approved by Board (Rs. in crores)
Secured Non-Convertible Debentures	55,000
Unsecured Non-Convertible Debentures	5,000
Subordinated debt	5,000
Total	65,000

III. Increase in limit for issuance of Commercial Papers

The Board has approved increase in limit for issuance of Commercial Papers from existing outstanding limit of Rs. 10,000 Crores to Rs. 15,000 Crores, within the overall outstanding borrowing limits as approved by the shareholders at the 33rd Annual General Meeting of the Company held on 28th July 2023.

The meeting of the Board of Directors of the Company commenced at 2:09 p.m. (IST) and concluded at 5.06 p.m. (IST).

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

<https://www.mahindrafinance.com/investor-relations/financial-information#outcome-of-board-meeting>

Kindly take the same on record.

Thanking you,

For Mahindra & Mahindra Financial Services Limited

Brijbala Batwal
Company Secretary
 FCS No.: 5220

Enclosure: As above

**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

**Deloitte
Haskins & Sells**

19th Floor, Shapath – V,
S.G. Highway,
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Tel: +91 79 6682 7300
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**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE
FINANCIAL RESULTS**

TO THE BOARD OF DIRECTORS OF

Mahindra & Mahindra Financial Services Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Mahindra & Mahindra Financial Services Limited (the "Company"), for the quarter and half year ended September 30, 2023 (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 read with Regulation 63(2) 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.



**Mukund
M. Chitale
& Co.**

**Deloitte
Haskins & Sells**

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 and Regulation 54 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.

For Mukund M. Chitale & Co.

For Deloitte Haskins & Sells

Chartered Accountants
(Firm's Registration No. 106655W)

Chartered Accountants
(Firm's Registration No. 117365W)

M. M. Chitale
Partner
(Membership No. 14054)
UDIN: 23014054BG5XHT3908
Place: Mumbai
Date: October 27, 2023

Rupen K. Bhatt
Partner
(Membership No. 046930)
UDIN: 23046930BCXRMV2026
Place: Mumbai
Date: October 27, 2023



Mahindra & Mahindra Financial Services Limited

CIN : L65921MH1991PLC059642

Registered Office: Gateway Building, Apollo Bunder, Mumbai 400 001. Tel. No. +91 22 68975500 Fax: +91 22 22875485
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Website : www.mahindrafinance.com ; Email : investorhelpline_mmfsi@mahindra.com

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2023

Rs. in Crore

	Particulars	Quarter ended			Half Year ended		Year ended
		30 September 2023	30 June 2023	30 September 2022	30 September 2023	30 September 2022	31 March 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from operations						
i)	Interest income	3,153.50	3,034.89	2,516.31	6,188.39	4,953.51	10,682.57
ii)	Dividend income	-	-	-	-	-	-
iii)	Rental income	25.59	24.79	22.36	50.38	36.86	72.68
iv)	Fees, charges and commission income	31.51	23.34	37.46	54.85	65.97	167.96
v)	Net gain / (loss) on fair value changes	1.34	1.54	9.71	2.88	15.81	5.59
I	Total Revenue from operations	3,211.94	3,084.56	2,585.84	6,296.50	5,072.15	10,928.80
II	Other income	28.55	40.85	23.48	69.40	35.72	127.29
III	Total income (I+II)	3,240.49	3,125.41	2,609.32	6,365.90	5,107.87	11,056.09
	Expenses						
i)	Finance costs	1,566.47	1,450.45	1,068.83	3,016.92	2,000.79	4,576.72
ii)	Fees and commission expense	27.98	20.07	17.14	48.05	27.11	80.24
iii)	Impairment on financial instruments (refer notes 5 to 7)	626.55	526.41	198.45	1,152.96	843.72	999.23
iv)	Employee benefits expenses	436.77	417.36	376.17	854.13	729.38	1,584.27
v)	Depreciation, amortization and impairment	56.00	54.31	45.88	110.31	81.76	187.23
vi)	Other expenses	210.44	183.27	237.63	393.71	459.40	875.82
IV	Total expenses	2,924.21	2,651.87	1,944.10	5,576.08	4,142.16	8,303.51
V	Profit / (Loss) before exceptional items and tax (III-IV)	316.28	473.54	665.22	789.82	965.71	2,752.58
VI	Exceptional item (refer note 8)	-	-	(54.51)	-	(54.51)	(54.51)
VII	Profit / (Loss) before tax (V+VI)	316.28	473.54	610.71	789.82	911.20	2,698.07
VIII	Tax expense :						
i)	Current tax	152.84	166.33	150.26	319.17	267.31	486.28
ii)	Deferred tax	(71.74)	(45.45)	12.12	(117.19)	(27.36)	227.47
		81.10	120.88	162.38	201.98	239.95	713.75
IX	Profit / (Loss) for the period / year (VII-VIII)	235.18	352.66	448.33	587.84	671.25	1,984.32
X	Other Comprehensive Income (OCI)						
A)	(i) Items that will not be reclassified to profit or loss						
	- Remeasurement gain / (loss) on defined benefit plans	1.04	(10.48)	(5.78)	(9.44)	(18.75)	(17.27)
	- Net gain / (loss) on equity instruments through OCI	-	-	-	-	-	-
	(ii) Income tax relating to the above items	(0.25)	2.64	1.46	2.38	4.72	4.35
	Subtotal (A)	0.79	(7.84)	(4.33)	(7.06)	(14.03)	(12.92)
B)	(i) Items that will be reclassified to profit or loss						
	- Net gain / (loss) on debt instruments through OCI	(5.89)	28.69	7.59	22.80	(130.10)	(88.82)
	- Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge	7.18	4.83	-	12.01	-	(6.34)
	(ii) Income tax relating to the above items	(0.33)	(8.43)	(1.91)	(8.76)	32.74	23.95
	Subtotal (B)	0.96	25.09	5.68	26.05	(97.36)	(71.20)
	Other Comprehensive Income (A + B)	1.75	17.25	1.36	18.99	(111.39)	(84.12)
XI	Total Comprehensive Income for the period / year (IX+X)	236.93	369.91	449.69	606.83	559.86	1,900.20
XII	Earnings per equity share (face value of Rs.2/- each) #						
	Basic (Rupees)	1.91	2.86	3.64	4.76	5.45	16.09
	Diluted (Rupees)	1.90	2.85	3.63	4.75	5.44	16.08

Earnings per share for the interim period is not annualized.



STANDALONE BALANCE SHEET

Rs. in Crore

	Particulars	As at	As at
		30 September 2023	31 March 2023
		(Unaudited)	(Audited)
	ASSETS		
1)	Financial Assets		
	a) Cash and cash equivalents	251.01	249.75
	b) Bank balance other than (a) above	1,742.19	2,582.31
	c) Derivative financial instruments	-	-
	d) Receivables		
	- Trade receivables	19.03	21.84
	e) Loans	89,948.07	79,454.73
	f) Investments	9,121.98	9,988.62
	g) Other financial assets	1,751.20	1,589.28
		1,02,833.48	93,886.53
2)	Non-financial Assets		
	a) Current tax assets (Net)	588.87	504.36
	b) Deferred tax Assets (Net)	748.05	637.24
	c) Property, plant and equipment	755.37	681.20
	d) Intangible assets under development	55.56	-
	e) Other Intangible assets	10.50	14.35
	f) Other non-financial assets	465.92	492.87
		2,624.27	2,330.02
	Total Assets	1,05,457.75	96,216.55
	LIABILITIES AND EQUITY		
	LIABILITIES		
1)	Financial Liabilities		
	a) Derivative financial instruments	268.07	180.70
	b) Payables		
	I) Trade Payables		
	i) total outstanding dues of micro enterprises and small enterprises	-	-
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	919.23	1,126.57
	II) Other Payables		
	i) total outstanding dues of micro enterprises and small enterprises	3.90	2.62
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	34.15	37.12
	c) Debt Securities	28,720.94	24,745.07
	d) Borrowings (Other than Debt Securities)	47,035.90	41,234.06
	e) Deposits	5,810.89	5,524.60
	f) Subordinated Liabilities	3,302.24	3,442.13
	g) Other financial liabilities	2,029.54	2,384.28
		88,124.86	78,677.15
2)	Non-Financial Liabilities		
	a) Current tax liabilities (Net)	102.11	65.67
	b) Provisions	181.53	260.74
	c) Other non-financial liabilities	93.10	124.08
		376.74	450.49
3)	EQUITY		
	a) Equity Share capital	246.77	246.72
	b) Other Equity	16,709.38	16,842.19
		16,956.15	17,088.91
	Total Liabilities and Equity	1,05,457.75	96,216.55



STATEMENT OF STANDALONE CASH FLOWS

Rs. in Crore

Particulars	For the half year ended 30 September 2023	For the half year ended 30 September 2022
	(Unaudited)	(Unaudited)
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before exceptional items and taxes	789.82	965.71
Adjustments for :		
Depreciation, amortization and impairment	110.31	81.76
Impairment on financial instruments (excluding bad debts and write offs)	489.06	(269.93)
Bad debts and write offs	663.90	1,113.65
Interest expense	2,991.42	1,934.36
Interest income from loans	(5,773.43)	(4,640.78)
Interest income from other deposits with banks	(148.89)	(94.02)
Net (Gain) / loss on fair value of derivative financial instruments	(3.52)	48.08
Unrealized foreign exchange gain/loss	(84.60)	(83.35)
Share based payments to employees	1.94	3.56
Net (Gain)/loss on fair value changes	2.41	-
Interest income on investments	(266.07)	(218.71)
Dividend income	(2.89)	(4.12)
Net gain on derecognition of property, plant and equipment	(1.40)	(1.72)
Net (gain) / loss on sale of investments	(1.95)	(15.81)
Operating profit / (loss) before working capital changes	(1,233.89)	(1,181.32)
Adjustments for changes in working capital -		
Loans	(11,914.01)	(9,344.28)
Trade receivables	3.45	(7.27)
Other financial assets	(9.52)	(34.99)
Other financial liabilities	36.27	(9.38)
Other non-financial assets	(91.77)	(32.58)
Trade Payables	(209.03)	(216.72)
Other non-financial liabilities	(30.98)	(27.28)
Derivative financial instruments	90.89	0.01
Provisions	(88.31)	(24.15)
Cash generated from / (used in) operations before adjustments for interest received and interest paid	(13,446.90)	(10,877.96)
Interest paid	(3,356.17)	(2,392.30)
Interest received from loans	6,043.20	4,022.53
Cash generated from / (used in) operations	(10,759.87)	(9,247.73)
Income taxes paid (net of refunds)	(367.24)	(200.27)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)	(11,127.11)	(9,448.00)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment and intangible assets	(96.37)	(181.11)
Proceeds from sale of Property, plant and equipment	15.14	5.00
Purchase of investments measured at amortized cost	(3.94)	(404.34)
Proceeds from sale of investments measured at amortized cost	107.14	318.75
(Increase) / decrease in Investment in Triparty Repo Dealing System (TREPS) (net)	(129.95)	(1,259.59)
Purchase of investments measured at FVOCI	(87.90)	(327.80)
Proceeds from sale of investments measured at FVOCI	175.00	41.15
Purchase of investments measured at FVTPL	(289.49)	(1,330.77)
Proceeds from sale of investments measured at FVTPL	1,325.00	813.79
Purchase of shares in a subsidiary company	(206.39)	-
Proceeds from / (Investments in) term deposits with banks (net)	732.43	375.22
Dividend income received	2.89	4.12
Interest received from other deposits with banks	99.59	101.56
Interest income received on investments measured at amortized cost, FVOCI, FVTPL and at cost	266.17	209.78
Change in Earmarked balances with banks	0.08	0.04
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	1,909.40	(1,634.20)



STATEMENT OF STANDALONE CASH FLOWS (Continued ...)

Rs. in Crore

Particulars	For the half year ended 30 September 2023	For the half year ended 30 September 2022
	(Unaudited)	(Unaudited)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings through Debt Securities	11,234.10	8,016.70
Repayment of borrowings through Debt Securities	(7,273.03)	(3,883.37)
Proceeds from Borrowings (Other than Debt Securities)	17,505.26	34,619.64
Repayment of Borrowings (Other than Debt Securities)	(11,450.59)	(25,781.30)
Proceeds from borrowings through Subordinated Liabilities	-	380.00
Repayment of borrowings through Subordinated Liabilities	(140.13)	(25.00)
(Decrease) / Increase in loans repayable on demand and cash credit/overdraft facilities with banks (net)	(169.97)	-
Increase / (decrease) in Public deposits (net)	288.66	(1,719.00)
Payments for principal portion of lease liability	(34.01)	(25.44)
Dividend paid	(741.32)	(444.79)
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	9,218.97	11,137.44
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	1.26	55.24
Cash and Cash Equivalents at the beginning of the period	249.75	327.87
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	251.01	383.11

Components of Cash and Cash Equivalents

Rs. in Crore

Particulars	For the half year ended 30 September 2023	For the half year ended 30 September 2022
	(Unaudited)	(Unaudited)
Components of Cash and Cash Equivalents:		
Cash and cash equivalents at the end of the period		
- Cash on hand	32.59	30.81
- Cheques and drafts on hand	22.16	14.36
- Balances with banks in current accounts	196.26	237.91
-Term deposits with original maturity up to 3 months (including interest accrued thereon)	-	100.03
Total	251.01	383.11

Note :

The above Statement of Cash Flow has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.



Notes:

- 1) The above unaudited standalone 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 unaudited financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ("the Act"), directions/ guidelines issued by the Reserve Bank of India ('RBI') and other recognized accounting practices generally accepted in India. The above unaudited standalone 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 significant accounting policies applied in preparation of these unaudited standalone financial results are consistent with those followed in the annual Standalone financial statements for the year ended 31 March 2023.

These unaudited standalone financial results 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 <https://www.mahindrafinance.com/investor-relations/financial-information#financial-results>.

- 2) The above unaudited standalone 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 27 October 2023.
- 3) In compliance with Regulation 33 and Regulation 52 read with Regulation 63 (2) 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 half year ended 30 September 2023 has been carried out by Joint Statutory Auditors of the Company.
- 4) The Company is engaged primarily in the business of financing in India and accordingly there is no separate reportable segment as per Ind AS 108 'Operating Segments'.
- 5) The methodologies and assumptions applied in the impairment loss allowance calculations have primarily remained unchanged from those applied while preparing the financial results for the year ended 31 March 2023. The Company has been updating the ECL model with the latest set of data on reasonable periodic intervals to capture the expected significant changes in macro-economic growth prospects and shifts in market drivers and changes in risk profile of customer credit exposures. Output of ECL model refresh is also factored in computation of provisions. The Company holds provision towards expected credit loss on financial assets as at 30 September 2023 aggregating to Rs.3,774.83 crore (as at 31 March 2023: Rs.3,294.71 crore).
- 6) In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at 30 September 2023 and accordingly, no amount is required to be transferred to impairment reserve.
- 7) During the year ended 31 March 2022, to relieve COVID-19 pandemic related stress, the Company had 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.
 - i) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021

As per Format - B: For the half year ended 30 September 2023

Type of borrower	Rs. in crore				
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year * (A)	Of (A), aggregate debt that slipped into NPA during the half-year (B)	Of (A) amount written off during the half-year (C)	Of (A) amount paid by the borrowers during the half-year (D)	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year (E)
Personal Loans	517.47	38.74	9.35	142.02	327.36
Corporate persons	29.23	-	-	7.38	21.85
Of which, MSMEs	-	-	-	-	-
Others:					
- Vehicle loans for commercial purpose	761.42	50.28	10.95	230.34	469.85
Total	1,308.12	89.02	20.30	379.74	819.06

* In respect of One Time Restructuring 2.0, above includes restructuring implemented till 30 September 2021

- 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))

As per Format - B: For the half year ended 30 September 2023

No. of accounts restructured	Amount (Rs in Crore)*
1074	80.02

* represents the closing balance of loan accounts as at 30 September 2023

- 8) During the previous year ended 31 March 2023, the Company has recorded an impairment loss provision of Rs. 54.51 crore in respect of its subsidiary in Sri Lanka, Mahindra Ideal Finance Limited (MIFL) on account of the severe economic crisis situation in Sri Lanka based on valuation report obtained from an independent registered valuer. Further, the Company has assessed the recent situation in Sri Lanka and observed that the macro-economic situation along with business scenario for the entity has shown improvements.
- 9) Pursuant to Share Purchase Agreement dated 21 October 2022 entered into by the Company with Inclusion Resources Private Limited (IRPL) to acquire balance 20% equity stake in its subsidiary Mahindra Insurance Brokers Ltd (MIBL) and on receipt of approval from the Insurance Regulatory and Development Authority of India (IRDAI), the Company has completed the acquisition of 20,61,856 Equity shares of Rs.10 each of MIBL, at a price of Rs. 1001 per share on 22 September 2023 involving a pay-out of Rs.206.39 crore which has resulted in an increase in equity investment of an equivalent amount in the Standalone financial results. Consequent to this acquisition, MIBL has become a wholly owned subsidiary of the Company effective from 22 September 2023.
- 10) All the secured non-convertible debentures of the Company including those issued during the quarter ended 30 September 2023 are fully secured by pari-passu charge on Aurangabad office (wherever applicable) and / or exclusive charge on present and/or future receivables under Loan contracts/Hire Purchase/Lease, owned Assets and book debts. Further, the Company in respect of secured listed non-convertible debt securities maintains 100% security cover or higher security cover as per the terms of Term Sheet/ Offer document/Information Memorandum and/or Debenture Trust Deed, sufficient to discharge the principal amount and the interest thereon.



- 11) The asset cover available as on 30 September 2023 in respect of listed secured debt securities is 1.08.
- 12) The compliance related to disclosure of certain ratios and other financial information as required under Regulation 52 (4) of the Listing Regulations is made in Appendix 1.
- 13) Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period / year classification.

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



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

Date : 27 October 2023
Place : Mumbai

Appendix - 1

Mahindra & Mahindra Financial Services Limited

Compliance related to disclosure of certain ratios and other financial information as required under Regulation 52 (4) of the Listing Regulations

Analytical Ratios and other disclosures based on Unaudited Standalone financial results:

Rs. in Crore, unless indicated otherwise

Particulars	Quarter ended			Half Year ended		Year ended
	30 September 2023	30 June 2023	30 September 2022	30 September 2023	30 September 2022	31 March 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
a) Debt equity ratio (no. of times) (refer note ii)	5.01	4.52	4.28	5.01	4.28	4.39
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)	16,956.15	17,459.69	15,746.06	16,956.15	15,746.06	17,088.91
h) Net profit (loss) after tax	235.18	352.66	448.33	587.84	671.25	1,984.32
i) Earnings per share (face value of Rs.2/- each) (not annualized for the interim period)						
- Basic (Rupees)	1.91	2.86	3.64	4.76	5.45	16.09
- Diluted (Rupees)	1.90	2.85	3.63	4.75	5.44	16.08
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)	80.48%	78.93%	77.96%	80.48%	77.96%	77.89%
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)	7.26%	11.28%	17.18%	9.23%	13.14%	17.95%
s) Sector specific equivalent ratios, as applicable.						
1) Capital Adequacy Ratio (%) (refer note vi)	18.73%	21.16%	23.84%	18.73%	23.84%	22.52%
2) Gross Stage - 3 Assets % (refer note vii)	4.29%	4.35%	6.70%	4.29%	6.70%	4.49%
3) Net Stage - 3 Assets % (refer note viii)	1.71%	1.78%	2.91%	1.71%	2.91%	1.87%
4) Provision Coverage Ratio for Stage - 3 assets (PCR %) (refer note ix)	61.18%	60.13%	58.19%	61.18%	58.19%	59.46%

Notes :

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



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

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

Date : 27 October 2023

Place : Mumbai

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

TO THE BOARD OF DIRECTORS OF

Mahindra & Mahindra Financial Services Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Mahindra & Mahindra Financial Services Limited** (the "Parent" or the "Company") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group") and its share of the net profit after tax and total comprehensive income of its associate and joint ventures, for the quarter and half year ended September 30, 2023 (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	Mahindra Ideal Finance Limited
	Associate
7	Mahindra Finance USA, LLC
	Joint Ventures
8	Mahindra Manulife Investment Management Private Limited (erstwhile Mahindra Asset Management Company Private Limited)
9	Mahindra Manulife Trustee Private Limited (erstwhile Mahindra Trustee Company Private Limited)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors / one of the joint auditor referred to in paragraph 6 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 and Regulation 54 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 did not review the interim financial results of a subsidiary included in the Statement, whose interim financial results reflect total assets of Rs. 7,669.10 Crore as at September 30, 2023, total revenues of Rs. 331.23 Crore and Rs. 673.17 Crore for the quarter and half year ended September 30, 2023, respectively, total net profit/(loss) after tax of Rs. 11.57 Crore and Rs. (10.94) Crore for the quarter and half year ended September 30, 2023, respectively, total comprehensive income/(loss) of Rs.10.54 Crore and Rs. (11.01) Crore for the quarter and half year ended September 30, 2023, respectively and net cash outflow of Rs. 122.26 Crore for the half year ended September 30, 2023 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.



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M. Chitale
& Co.**

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Further, the interim financial results of a subsidiary included in the Statement, whose interim financial results reflect total assets of Rs. 823.18 Crore as at September 30, 2023, total revenues of Rs. 288.75 Crore and Rs. 452.77 Crore for the quarter and half year ended September 30, 2023, respectively, total net profit after tax of Rs. 28.56 Crore and Rs. 45.89 Crore for the quarter and half year ended September 30, 2023, respectively, total comprehensive income of Rs. 28.94 Crore and Rs. 45.42 Crore for the quarter and half year ended September 30, 2023, respectively, and net cash inflow of Rs. 2.84 Crore for the half year ended September 30, 2023, 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 (net) of Rs. 4.24 Crore and Rs. 7.20 Crore and total comprehensive loss (net) of Rs 4.30 Crore and Rs 7.37 Crore for the quarter and half year ended September 30, 2023, 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 the above matters.

7. The Statement includes the interim financial results of 4 subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total assets of Rs. 290.64 Crore as at September 30, 2023, total revenue of Rs. 16.73 Crore and Rs. 32.11 Crore for the quarter and half year ended September 30, 2023, respectively, total profit (net) after tax of Rs. 1.73 Crore and Rs. 2.70 Crore and total comprehensive income (net) of Rs. 1.73 Crore and Rs 2.70 Crore for the quarter and half year ended September 30, 2023, respectively, and net cash outflow of Rs. 3.69Crore for the half year ended September 30, 2023 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.



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The Statement also includes the Group's share of profit after tax of Rs. 18.40 Crore and Rs. 35.12 Crore and total comprehensive income of Rs. 18.40 Crore and Rs. 35.12 Crore for the quarter and half year ended September 30, 2023, 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.

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

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

M. M. Chitale
Partner
(Membership No. 14054)
UDIN: 23014054BG5XHU9047
Place: Mumbai
Date: October 27, 2023

Rupen K. Bhatt
Partner
(Membership No. 046930)
UDIN: 23046930BGXR6363
Place: Mumbai
Date: October 27, 2023



Mahindra & Mahindra Financial Services Limited

CIN : L65921MH1991PLC059642

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2023

Rs. in Crore

	Particulars	Quarter ended			Half Year ended		Year ended
		30 September 2023 (Unaudited)	30 June 2023 (Unaudited)	30 September 2022 (Unaudited)	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)	31 March 2023 (Audited)
	Revenue from operations						
i)	Interest income	3,485.02	3,368.83	2,848.32	6,853.85	5,614.24	12,029.51
ii)	Dividend income	-	-	-	-	-	0.01
iii)	Rental income	25.59	24.79	22.36	50.38	36.86	72.68
iv)	Fees and commission Income	35.21	24.11	39.90	59.32	73.74	180.58
v)	Net gain / (loss) on fair value changes	8.29	9.80	13.95	18.09	24.36	25.37
vi)	Sale of services	279.14	155.67	86.42	434.81	163.87	391.38
I	Total Revenue from operations	3,833.25	3,583.20	3,010.95	7,416.45	5,913.07	12,699.53
II	Other income	30.22	53.71	18.33	83.93	30.16	132.87
III	Total income (I+II)	3,863.47	3,636.91	3,029.28	7,500.38	5,943.23	12,832.40
	Expenses						
i)	Finance costs	1,703.37	1,597.19	1,191.81	3,300.56	2,243.93	5,094.30
ii)	Fees and commission expense	236.91	115.92	60.71	352.83	109.58	285.26
iii)	Impairment on financial instruments (refer notes 7 to 9)	646.44	592.82	207.64	1,239.26	916.44	1,182.59
iv)	Employee benefits expenses	576.07	558.46	506.34	1,134.53	981.84	2,115.33
v)	Depreciation, amortization and impairment	67.08	66.36	54.57	133.44	97.94	225.96
vi)	Other expenses	264.48	237.13	296.11	501.61	574.66	1,112.46
IV	Total expenses	3,494.35	3,167.88	2,317.18	6,662.23	4,924.39	10,015.90
V	Profit / (Loss) before exceptional items, Share of profit / (loss) of associate & joint ventures and tax (III-IV)	369.12	469.03	712.10	838.15	1,018.84	2,816.50
VI	Exceptional item (refer note 6)	-	-	(56.06)	-	(56.06)	(56.06)
VII	Share of profit / (loss) of associate & joint ventures	14.15	13.77	11.85	27.92	23.55	43.32
VIII	Profit / (Loss) before tax (V+VI+VII)	383.27	482.80	667.89	866.07	986.33	2,803.76
IX	Tax expense :						
i)	Current tax	165.72	173.67	157.57	339.39	280.30	498.15
ii)	Deferred tax	(69.69)	(53.09)	18.28	(122.78)	(25.87)	234.41
		96.03	120.58	175.85	216.61	254.43	732.56
X	Profit / (Loss) for the period / year (VIII-IX)	287.24	362.22	492.04	649.46	731.90	2,071.20
XI	Other Comprehensive Income (OCI)						
A)	(i) Items that will not be reclassified to profit or loss						
	- Remeasurement gain / (loss) on defined benefit plans	0.56	(11.01)	(4.61)	(10.45)	(19.32)	(17.94)
	- Net gain/(loss) on equity instruments through OCI	-	-	-	-	-	-
	- Share of other comprehensive income / (loss) of equity accounted investees	(0.06)	(0.11)	0.04	(0.17)	(0.00)	0.04
	(ii) Income tax relating to the above items	(0.03)	2.58	1.31	2.55	4.89	4.51
	Subtotal (A)	0.47	(8.53)	(3.26)	(8.07)	(14.43)	(13.39)
B)	(i) Items that will be reclassified to profit or loss						
	- Exchange differences in translating the financial statements of foreign operations	(2.88)	4.85	0.77	1.97	(9.84)	(2.44)
	- Net gain/(loss) on debt instruments through OCI	(6.46)	29.64	7.75	23.18	(133.05)	(90.76)
	- Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge	7.18	4.83	-	12.01	-	(6.34)
	- Share of other comprehensive income / (loss) of equity accounted investees	9.77	(1.35)	22.18	8.42	48.61	53.79
	(ii) Income tax relating to the above items	(0.18)	(8.67)	(1.95)	(8.86)	33.49	24.44
	Subtotal (B)	7.43	29.29	28.76	36.72	(60.79)	(21.32)
	Other Comprehensive Income (A + B)	7.90	20.76	25.50	28.66	(75.23)	(34.71)
XII	Total Comprehensive Income for the period / year (X+XI)	295.14	382.98	517.54	678.12	656.67	2,036.49
	Profit / (Loss) for the period attributable to:						
	Owners of the Company	281.09	358.69	490.38	639.78	729.64	2,072.40
	Non-controlling interests	6.15	3.53	1.66	9.68	2.26	(1.20)
		287.24	362.22	492.04	649.46	731.90	2,071.20
	Other Comprehensive Income for the period / year attributable to:						
	Owners of the Company	9.05	18.89	25.05	27.94	(71.12)	(33.63)
	Non-controlling interests	(1.15)	1.87	0.45	0.72	(4.11)	(1.08)
		7.90	20.76	25.50	28.66	(75.23)	(34.71)
	Total Comprehensive Income for the period / year attributable to:						
	Owners of the Company	290.14	377.58	515.43	667.72	658.52	2,038.77
	Non-controlling interests	5.00	5.40	2.11	10.40	(1.85)	(2.28)
		295.14	382.98	517.54	678.12	656.67	2,036.49
XIII	Earnings per equity share (face value of Rs.2/- each) #						
	Basic (Rupees)	2.28	2.91	3.98	5.19	5.92	16.81
	Diluted (Rupees)	2.27	2.90	3.97	5.18	5.91	16.79

Earnings per share for the interim period is not annualized.



CONSOLIDATED BALANCE SHEET

Rs. in Crore

	Particulars	As at	As at
		30 September 2023	31 March 2023
		(Unaudited)	(Audited)
	ASSETS		
1)	Financial Assets		
	a) Cash and cash equivalents	464.90	586.53
	b) Bank balance other than (a) above	1,966.92	3,480.38
	c) Derivative financial instruments	-	-
	d) Receivables		
	- Trade receivables	167.64	98.35
	e) Loans	96,719.61	86,456.07
	f) Investments		
	i) Investments accounted using Equity Method	988.72	952.54
	ii) Other investments	8,076.51	9,110.59
	g) Other financial assets	1,814.49	1,663.92
		1,10,198.79	1,02,348.38
2)	Non-financial Assets		
	a) Current tax assets (Net)	682.57	568.50
	b) Deferred tax Assets (Net)	862.29	745.80
	c) Property, plant and equipment	922.94	855.10
	d) Intangible assets under development	58.54	2.64
	e) Other Intangible assets	18.62	15.50
	f) Other non-financial assets	520.62	548.85
		3,065.58	2,736.39
	Total Assets	1,13,264.37	1,05,084.77
	LIABILITIES AND EQUITY		
	LIABILITIES		
1)	Financial Liabilities		
	a) Derivative financial instruments	268.07	180.70
	b) Payables		
	i) Trade Payables		
	ii) total outstanding dues of micro enterprises and small enterprises	0.59	0.04
	iii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,133.32	1,246.00
	ii) Other Payables		
	i) total outstanding dues of micro enterprises and small enterprises	3.90	2.62
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	34.16	37.35
	c) Debt Securities	31,350.53	27,912.79
	d) Borrowings (Other than Debt Securities)	49,553.45	44,154.40
	e) Deposits	5,757.08	5,458.74
	f) Subordinated Liabilities	3,762.84	3,902.63
	g) Other financial liabilities	2,299.97	2,965.53
		94,163.91	85,860.80
2)	Non-Financial Liabilities		
	a) Current tax liabilities (Net)	111.14	74.15
	b) Provisions	221.21	309.34
	c) Other non-financial liabilities	125.73	139.04
		458.08	522.53
3)	EQUITY		
	a) Equity Share capital	246.77	246.72
	b) Other Equity	18,358.99	18,313.37
	Equity attributable to owners of the Company	18,605.76	18,560.09
	Non-controlling interests	36.62	141.35
		18,642.38	18,701.44
	Total Liabilities and Equity	1,13,264.37	1,05,084.77



STATEMENT OF CONSOLIDATED CASH FLOWS

Rs. in Crore

Particulars	For the half year ended 30 September 2023	For the half year ended 30 September 2022
	(Unaudited)	(Unaudited)
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before exceptional items and taxes	838.15	1,018.84
Adjustments for :		
Depreciation, amortization and impairment	133.44	97.95
Impairment on financial instruments (excluding bad debts and write offs)	595.72	(178.21)
Bad debts and write offs	663.90	1,235.56
Interest expense	3,264.59	2,175.31
Interest income from loans	(6,408.92)	(5,282.41)
Interest income from other deposits with banks	(148.89)	(94.02)
Net (Gain) / loss on fair value of derivative financial instruments	(2.19)	57.22
Unrealized foreign exchange gain/loss	(84.60)	(83.35)
Share based payments to employees	3.74	7.03
Net (Gain)/loss on fair value changes	2.36	-
Interest income on investments	(287.11)	(237.92)
Dividend income	-	(0.94)
Net gain on derecognition of property, plant and equipment	(1.74)	(1.84)
Net (gain) / loss on sale of investments	(1.79)	(15.79)
Operating profit / (loss) before working capital changes	(1,433.34)	(1,302.58)
Adjustments for changes in working capital -		
Loans	(11,769.83)	(9,393.92)
Trade receivables	(70.52)	(0.84)
Other financial assets	6.28	(38.72)
Other financial liabilities	36.46	(9.69)
Other non-financial assets	(95.12)	(27.92)
Trade Payables	(115.67)	(234.85)
Other non-financial liabilities	(37.08)	(64.99)
Derivative financial instruments	90.89	0.01
Provisions	(96.74)	(31.62)
Cash generated from / (used in) operations before adjustments for interest received and interest paid	(13,484.67)	(11,105.12)
Interest paid	(3,725.29)	(2,731.24)
Interest received from loans	6,663.36	4,619.82
Cash generated from / (used in) operations	(10,546.60)	(9,216.54)
Income taxes paid (net of refunds)	(416.49)	(241.60)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)	(10,963.09)	(9,458.14)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment and intangible assets	(115.47)	(214.05)
Proceeds from sale of Property, plant and equipment	15.93	5.43
Purchase of investments measured at amortized cost	(2,141.28)	(1,198.17)
Proceeds from sale of investments measured at amortized cost	2,261.65	1,408.50
(Increase) / decrease in investment in Triparty Repo Dealing System (TREPS) (net)	(129.95)	(1,259.59)
Purchase of investments measured at FVOCI	(87.90)	(327.80)
Proceeds from sale of investments measured at FVOCI	175.00	41.15
Purchase of investments measured at FVTPL	(356.99)	(1,385.02)
Proceeds from sale of investments measured at FVTPL	1,355.05	884.70
Consideration paid for purchase of additional shares in a subsidiary company	(206.39)	-
Proceeds from / (Investments in) term deposits with banks (net)	1,403.62	403.00
Interest received from other deposits with banks	102.09	101.73
Interest income received on investments measured at amortized cost, FVOCI, FVTPL and at cost	282.64	222.85
Change in Earmarked balances with banks	0.08	0.04
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	2,558.08	(1,317.22)



STATEMENT OF CONSOLIDATED CASH FLOWS (Continued ...)

Rs. in Crore

Particulars	For the half year ended 30 September 2023	For the half year ended 30 September 2022
	(Unaudited)	(Unaudited)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings through Debt Securities	12,109.48	8,066.70
Repayment of borrowings through Debt Securities	(8,683.03)	(4,293.37)
Proceeds from Borrowings (Other than Debt Securities)	18,062.37	35,169.18
Repayment of Borrowings (Other than Debt Securities)	(12,419.33)	(26,563.26)
Proceeds from borrowings through Subordinated Liabilities	-	380.00
Repayment of borrowings through Subordinated Liabilities	(140.13)	(25.00)
(Decrease) / Increase in loans repayable on demand and cash credit/overdraft facilities with banks (net)	(169.97)	-
Increase / (decrease) in Public deposits (net)	302.66	(1,692.00)
Payments for principal portion of lease liability	(38.94)	(31.91)
Dividend paid	(739.88)	(443.99)
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	8,283.23	10,566.34
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(121.78)	(209.02)
Cash and Cash Equivalents at the beginning of the period	586.64	764.82
Unrealised gain/(loss) on foreign currency cash and cash equivalents	0.04	0.01
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	464.90	555.81

Components of Cash and Cash Equivalents

Rs. in Crore

Particulars	For the half year ended 30 September 2023	For the half year ended 30 September 2022
	(Unaudited)	(Unaudited)
Components of Cash and Cash Equivalents:		
Cash and cash equivalents at the end of the year		
- Cash on hand	40.51	40.35
- Cheques and drafts on hand	22.16	14.36
- Balances with banks in current accounts	227.23	274.72
- Term deposits with original maturity up to 3 months	175.00	226.38
Total	464.90	555.81

Note :

The above Statement of Cash Flow has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.



Notes:

1) The above unaudited consolidated financial results of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ("the Act"), directions/ guidelines issued by the Reserve Bank of India ('RBI') and other recognized accounting practices generally accepted in India. The above unaudited consolidated financial results are in compliance with Regulation 33 and Regulation 52 read with Regulation 63 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The significant accounting policies applied in preparation of these unaudited consolidated financial results are consistent with those followed in the annual consolidated financial statements for the year ended 31 March 2023.

These unaudited consolidated financial results 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 <https://www.mahindrafinance.com/investor-relations/financial-information#financial-results>.

2) The above unaudited 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 27 October 2023.

3) The unaudited consolidated financial results for the quarter and half year ended 30 September 2023 comprise 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 (100%) and Mahindra Rural Housing Finance Limited (98.43%), and joint ventures, Mahindra Manulife Investment Management Private Limited (MMIMPL: 51%) (Formerly known as "Mahindra Asset Management Company Private Limited") and Mahindra Manulife Trustee Private Limited (MMTPL: 51%) (Formerly known as "Mahindra Trustee Company Private Limited"). The unaudited financial results of the Parent, subsidiaries and joint ventures have been subjected to limited review by the Statutory Auditors of respective entities. The joint ventures, MMIMPL and MMTPL have been consolidated under equity method of accounting;

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, Mahindra Ideal Finance Limited (58.20%), in Sri Lanka. The standalone financial results of these entities do not constitute a material component of the consolidated financial results; and

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 read with Regulation 63 (2) 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 half year ended 30 September 2023 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) During the previous year ended 31 March 2023, the Parent has recorded an impairment loss provision of Rs. 56.06 crore in respect of its subsidiary in Sri Lanka, Mahindra Ideal Finance Limited (MIFL) on account of the severe economic crisis situation in Sri Lanka based on valuation report obtained from an independent registered valuer. Further, the Parent has assessed the recent situation in Sri Lanka and observed that the macro-economic situation along with business scenario for the entity has shown improvements.

7) The methodologies and assumptions applied in the impairment loss allowance calculations have primarily remained unchanged from those applied while preparing the financial results for the year ended 31 March 2023. The Parent and its subsidiary in the housing finance business have been updating the ECL model with the latest set of data on reasonable periodic intervals to capture the expected significant changes in macro-economic growth prospects and shifts in market drivers and changes in risk profile of customer credit exposures. Output of ECL model refresh is also factored in computation of provisions. The Parent and its subsidiary in the housing finance business holds a provision towards expected credit loss on financial assets as at 30 September 2023 aggregating to Rs. 4,141.26 crore (as at 31 March 2023: Rs. 3,652.76 crore).

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 Parent and its subsidiary in the housing finance business exceeds the total provision required under IRACP (including standard asset provisioning), as at 30 September 2023 and accordingly, no amount is required to be transferred to impairment reserve.

9) During the year ended 31 March 2022, to relieve COVID-19 pandemic related stress, the Parent 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.

i) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021

As per Format - B: For the half year ended 30 September 2023

Type of borrower	Rs. in crore				
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year * (A)	Of (A), aggregate debt that slipped into NPA during the half-year (B)	Of (A) amount written off during the half-year (C)	Of (A) amount paid by the borrowers during the half-year (D)	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year (E)
Personal Loans	517.47	38.74	9.35	142.02	327.36
Corporate persons	29.23	-	-	7.38	21.85
Of which, MSMEs	-	-	-	-	-
Others :					
- Vehicle loans for commercial purpose	761.42	50.28	10.95	230.34	469.85
- Housing loans	1,155.74	100.09	8.24	195.99	851.42
Total	2,463.86	189.11	28.54	575.73	1,670.48

* In respect of One Time Restructuring 2.0, above includes restructuring implemented till 30 September 2021

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))

As per Format - B: For the half year ended 30 September 2023

No. of accounts restructured	Amount (Rs in Crore)*
1074	80.02

* represents the closing balance of loan accounts as at 30 September 2023



- 10) Pursuant to Share Purchase Agreement dated 21 October 2022 entered into by the Parent with Inclusion Resources Private Limited (IRPL) to acquire balance 20% equity stake in its subsidiary Mahindra Insurance Brokers Ltd (MIBL) and on receipt of approval from the Insurance Regulatory and Development Authority of India (IRDAI), the Parent has completed the acquisition of 20,61,856 Equity shares of Rs. 10 each of MIBL, at a price of Rs. 1001 per share on 22 September 2023 involving a pay-out of Rs.206.39 crore. Consequent to this acquisition, MIBL has become a wholly owned subsidiary of the Parent effective from 22 September 2023. The consolidated financial statements have been given effect of this transaction to reflect the relevant accounting implications as at 30 September 2023.
- 11) All the secured non-convertible debentures (NCDs) of the Parent Company including those issued during the half year ended 30 September 2023 are fully secured by pari-passu charge on Aurangabad office (wherever applicable) and / or exclusive charge on present and/or future receivables under Loan contracts/Hire Purchase/Lease, owned Assets and book debts. Further, the Parent Company in respect of secured listed non-convertible debt securities maintains 100% security cover or higher security cover as per the terms of Term Sheet/ Offer document/Information Memorandum and/or Debenture Trust Deed, sufficient to discharge the principal amount and the interest thereon. All secured NCDs 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 NCDs.
- 12) The asset cover available as on 30 September 2023 in respect of listed secured debt securities for the Parent is 1.08 and for the subsidiary company in the housing finance business is 1.04.
- 13) During the half year ended 30 September 2023, the Parent's subsidiary in the housing finance business has acquired certain loans under affordable housing loan category which are not in default through assignment transaction. The disclosure as prescribed under RBI Notification RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 - Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions 2021 dated 24 September 2021 is provided below.

SN	Particulars	
(i)	Count of loan accounts acquired	880
(ii)	Amount of loan accounts acquired (Rs. in crore)	82.82
(iii)	Retention of beneficial economic interest (MRR) (Rs. in crore)	9.20
(iv)	Weighted average maturity (Residual Maturity) (Months)	206.92
(v)	Weighted average holding period (Months)	14.94
(vi)	Coverage tangible security coverage (LTV)	53.78%
(vii)	Rating-wise distribution of rated loans	Unrated

- 14) 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.
- 15) Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current period / year classification.

Date : 27 October 2023
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, as amended

Rs. in Crore

Particulars	Quarter ended			Half year ended		Year ended
	30 September 2023	30 June 2023	30 September 2022	30 September 2023	30 September 2022	31 March 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(a) Segment Revenue						
- Financing activities	3,588.33	3,482.69	2,949.12	7,071.02	5,786.12	12,451.85
- Others	288.85	163.91	93.62	452.76	182.48	426.58
Total	3,877.18	3,646.60	3,042.74	7,523.78	5,968.60	12,878.43
Less : Inter-segment revenue	13.71	9.69	13.46	23.40	25.37	46.03
Net revenue	3,863.47	3,636.91	3,029.28	7,500.38	5,943.23	12,832.40
(b) Segment Results (Profit / (Loss) before tax) :						
- Financing activities	344.90	459.21	659.67	804.11	975.15	2,757.72
- Others	38.37	23.59	8.22	61.96	11.18	46.04
Net Profit / (Loss) before tax	383.27	482.80	667.89	866.07	986.33	2,803.76
(c) Segment Assets :						
- Financing activities	1,10,944.90	1,06,818.34	92,126.30	1,10,944.90	92,126.30	1,03,109.20
- Others	774.61	702.77	606.90	774.61	606.90	661.27
- Other unallocable assets	1,544.86	1,395.72	1,562.42	1,544.86	1,562.42	1,314.30
Total	1,13,264.37	1,08,916.83	94,295.62	1,13,264.37	94,295.62	1,05,084.77
(d) Segment Liabilities :						
- Financing activities	94,265.75	89,517.64	76,795.65	94,265.75	76,795.65	86,161.14
- Others	245.10	185.08	116.62	245.10	116.62	148.04
- Other unallocable liabilities	111.14	127.70	126.80	111.14	126.80	74.15
Total	94,621.99	89,830.42	77,039.07	94,621.99	77,039.07	86,383.33

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



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

Date : 27 October 2023
Place : Mumbai

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 Unaudited Consolidated financial results:

Rs. in Crore, unless indicated otherwise

Particulars	Quarter ended			Half year ended		Year ended
	30 September 2023	30 June 2023	30 September 2022	30 September 2023	30 September 2022	31 March 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
a) Debt equity ratio (no. of times) (refer note ii)	4.86	4.51	4.27	4.86	4.27	4.39
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)	18,605.76	18,939.51	17,116.78	18,605.76	17,116.78	18,560.09
h) Net profit (loss) after tax	287.24	362.22	492.04	649.46	731.90	2,071.20
i) Earnings per share (face value of Rs.2/- each) (not annualized for the interim period)						
- Basic (Rupees)	2.28	2.91	3.98	5.19	5.92	16.81
- Diluted (Rupees)	2.27	2.90	3.97	5.18	5.91	16.79
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)	79.83%	78.44%	77.50%	79.83%	77.50%	77.49%
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)	7.43%	9.96%	16.24%	8.66%	12.31%	16.14%

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 RBI
- 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 Limited



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

Date : 27 October 2023
Place : Mumbai

Mahindra & Mahindra Financial Services Limited

CIN : L65921MH1991PLC059642

Registered Office: Gateway Building, Apollo Bunder, Mumbai 400 001. Tel. No. +91 22 68975500 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

EXTRACT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2023

Rs. in Crore

	Particulars	STANDALONE				CONSOLIDATED			
		Quarter ended 30 September 2023	Half year ended 30 September 2023	Quarter ended 30 September 2022	Year ended 31 March 2023	Quarter ended 30 September 2023	Half year ended 30 September 2023	Quarter ended 30 September 2022	Year ended 31 March 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1)	Total Revenue from operations	3,211.94	6,296.50	2,585.84	10,928.80	3,833.25	7,416.45	5,913.07	12,699.53
2)	Net Profit / (Loss) for the period / year (before tax, exceptional and /or extraordinary items)	316.28	789.82	665.22	2,752.58	369.12	838.15	1,018.84	2,816.50
3)	Net Profit / (Loss) for the period / year before tax (after exceptional and /or extraordinary items)	316.28	789.82	610.71	2,698.07	383.27	866.07	986.33	2,803.76
4)	Net Profit / (Loss) for the period / year after tax (after exceptional and /or extraordinary items)	235.18	587.84	448.33	1,984.32	287.24	649.46	731.90	2,071.20
5)	Total Comprehensive income for the period / year [comprising Profit / (Loss) for the period / year (after tax) and Other Comprehensive income (after tax)]	236.93	606.83	449.69	1,900.20	295.14	678.12	656.67	2,036.49
6)	Paid-up Equity Share Capital (face value of Rs.2/- each)	246.77	246.77	246.62	246.72	246.77	246.77	246.62	246.72
7)	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet	16,842.19	16,842.19	15,381.49	16,842.19	18,313.37	18,313.37	16,649.71	18,313.37
8)	Earnings per share (face value of Rs.2/- each) (for continuing and discontinuing operations) #								
	Basic (Rs.)	1.91	4.76	3.64	16.09	2.28	5.19	5.92	16.81
	Diluted (Rs.)	1.90	4.75	3.63	16.08	2.27	5.18	5.91	16.79

Earnings per share for the interim period is not annualized.

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 <https://www.mahindrafinance.com/investor-relations/financial-information#financial-results>.
- The above unaudited standalone and consolidated 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 unaudited financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ("the Act"), directions/ guidelines issued by the Reserve Bank of India ('RBI') and other recognized accounting practices generally accepted in India. The above unaudited standalone and consolidated financial results are in compliance with Regulation 33 and Regulation 52 read with Regulation 63 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The significant accounting policies applied in preparation of these unaudited standalone and consolidated financial results are consistent with those followed in the annual standalone and consolidated financial statements for the year ended 31 March 2023.



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

Ramesh Iyer
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[DIN: 00220759]

Date : 27 October 2023
Place : Mumbai