

28th July 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 - Kurla Complex, Bandra (East),
Mumbai - 400 051

Dear Sir/ Madam,

Sub: Earnings Presentation for the first quarter ended 30th June 2023 - Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations")

Ref: Our letter dated 20th July 2023 intimating about earnings conference call

In compliance with Regulation 30, Schedule III, Part A, Para A(15)(a) and other applicable provisions of the Listing Regulations, please find enclosed herewith an Earnings Presentation to be made at earnings conference audio call scheduled to be held today i.e. Friday, 28th July 2023 at 6.00 PM (IST) encompassing, inter-alia, an overview of the unaudited standalone and consolidated financial results of the Company for the first quarter ended 30th June 2023, highlights of the quarter and business overview.

The enclosed earnings presentation is also being uploaded on the Company's website viz. <https://www.mahindrafinance.com//investors/disclosures-reg-46-62/financial-information#institutional-investors-analyst-meet>.

Kindly take the same on record.

Thanking you,
For **Mahindra & Mahindra Financial Services Limited**

Brijbala Batwal
Company Secretary

Enclosure: As above

Mahindra & Mahindra Financial Services Limited

Quarter Result Update

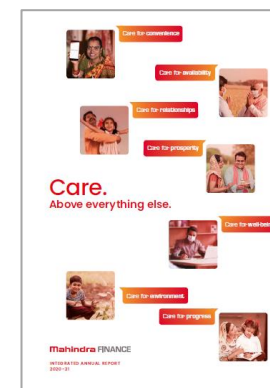
June - 2023

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Providing financial solutions to Emerging India



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Executive summary (1/2)

Key Highlights

- ✓ **Asset Growth** momentum sustained with **Loan Book*** at ₹ 86,732 Cr.; YoY growth of 28.1%; Sequential growth of 4.8%
 - Market leadership position maintained for M&M auto and Tractors
- ✓ **Asset Quality (GS-3) continued to be healthy (4.3% vs. 4.5% in Mar-2023)**
 - Strong asset quality trends visible on new origination;

Financial Performance – Q1FY24

- ✓ Quarter disbursement at ₹ 12,165 Cr., **growth of 28% YoY**;
- ✓ **Revenue at ₹ 3,125 Cr.** for the quarter, a growth of 25% YoY;
- ✓ **NIMs at 6.8%** for the quarter – effect of change in portfolio mix and increased interest costs; **Overheads** controlled at 2.8%
- ✓ **Q1FY24 PAT at ₹ 353 crores**, growth of 58% YoY; **Credit cost** at 2.1% during the quarter

* Refers to Business Assets

Executive summary (2/2)

Asset Quality

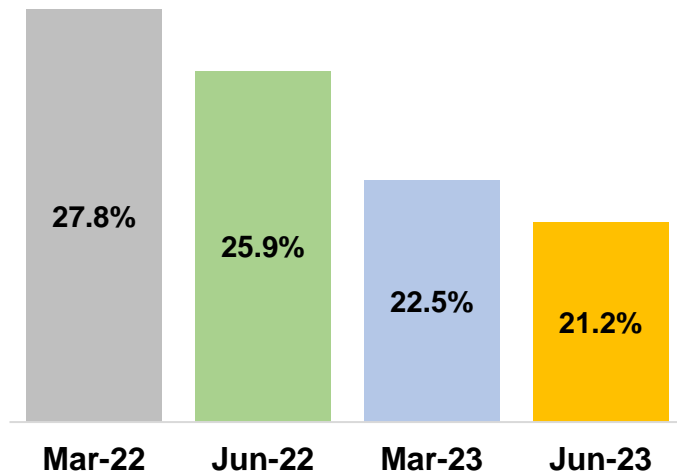
- ✓ **Sustained improvement in Asset Quality** across Stage 3 and Stage 2
 - Gross Stage 3 at 4.3% in comparison to 8.0% as of Jun-22
 - Gross Stage 2 at 6.4% in comparison to 11.7% as of Jun-22
- ✓ **Provision coverage** on Stage-3 assets maintained @ **60.1% in Jun-23**
- ✓ Collection Efficiency continued to be **healthy for the first quarter at 94%**, similar to previous year
- ✓ **Gap** between GNPA (IRACP) and GS-3 (INDAS) - **at ₹ 1,144 Cr. (Jun-23)** from ₹ 1,184 Cr. (Mar-23)

Capital Management

- ✓ **Capital Adequacy strong at 21.2%**; Healthy growth in asset book resulting in improved capital utilization (D:E at 4.52:1)
- ✓ Liquidity chest equivalent to 3 months maintained during the quarter

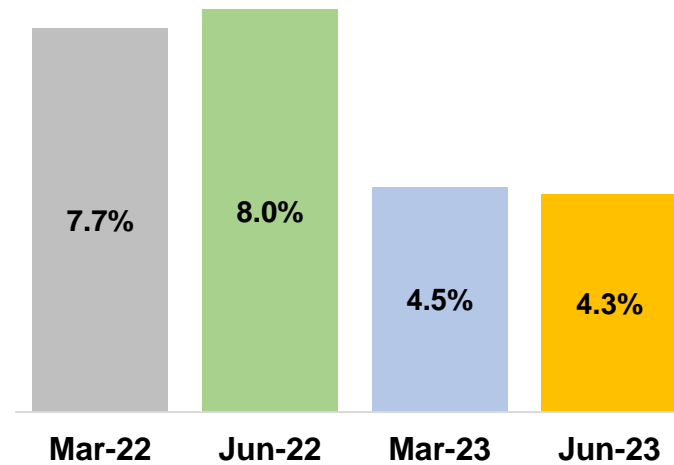
Business Strength

Capital Adequacy



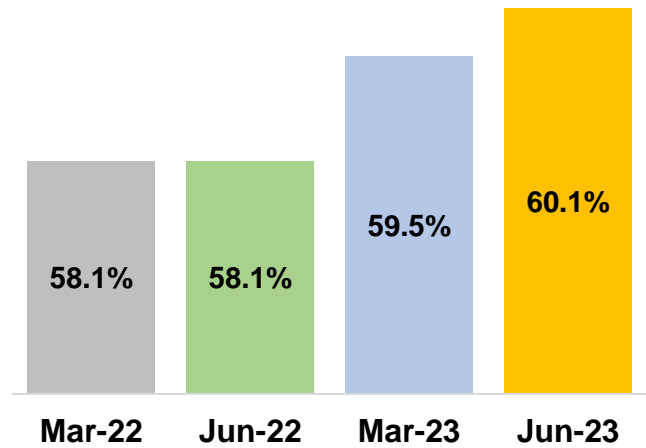
Well capitalized

Gross Stage-3



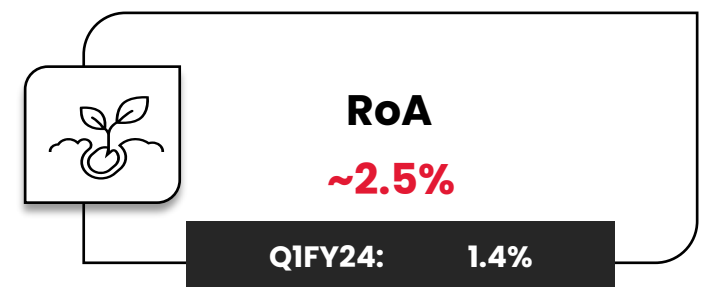
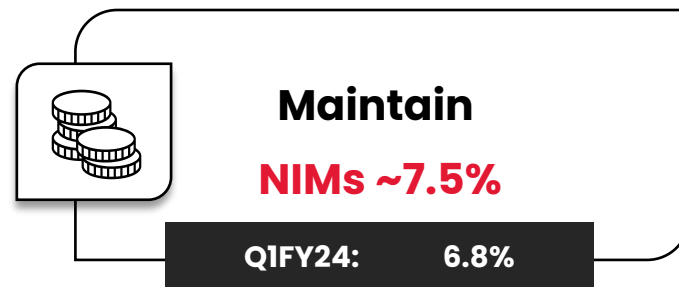
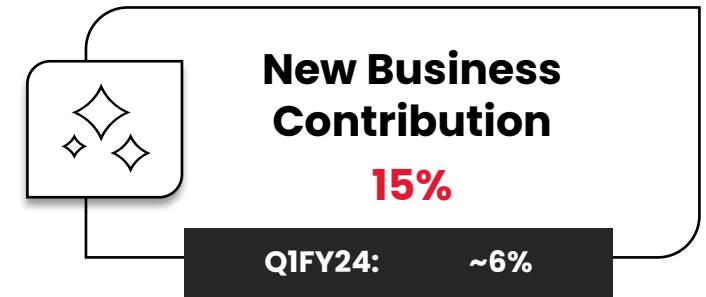
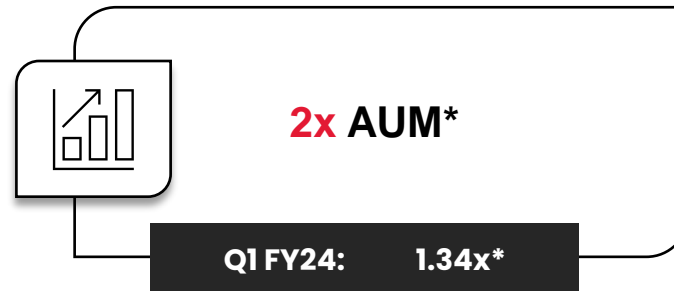
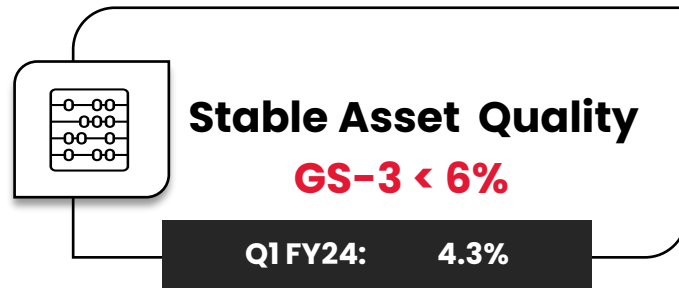
Asset Quality under control

Stage 3 - Coverage Ratio



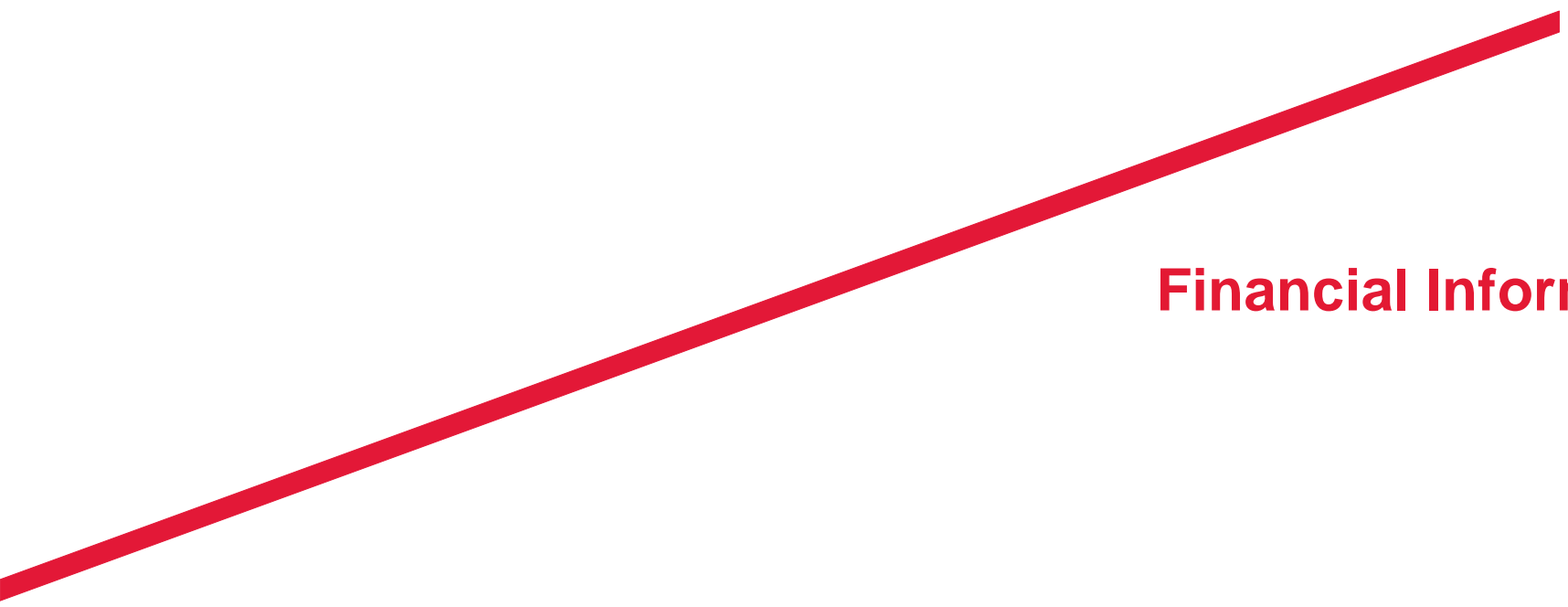
Prudent

On path to achieving Mission 2025: Progress (Q1FY24)



* Refers to growth over Business Assets of FY22

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Executive Summary ‹‹

Financial Information – Standalone ‹‹

Subsidiary Financials ‹‹

Company Overview ‹‹

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Awards & CSR Initiatives ‹‹

Disbursement and Collection Trends

on Standalone Basis

Historical Disbursements (INR crores)	Q1	Q2	Q3	Q4	FY
FY 2024	12,165	-	-	-	-
FY 2023	9,472	11,824	14,467	13,778	49,541
FY 2022	3,872	6,475	8,032	9,202	27,581

Collection Efficiency [^]	Apr	May	Jun	Q1	Q2	Q3	Q4	FY
FY 2024	92%	96%	96%	94%	-	-	-	-
FY 2023	90%	95%	96%	94%	97%	95%	99%	96%
FY 2022	72%	67%	90%	80%	98%	95%	100%	93%

[^] Computed as (Current month demand collected + Overdues collected)/(Current month demand due for the month) Without considering restructured contracts

Break down of Disbursements

on Standalone Basis

Asset Class	Quarter ended June – 23	Quarter ended June – 22	Year ended March – 23
Auto/ Utility vehicles	35%	33%	33%
Tractors	13%	13%	12%
Cars	20%	18%	18%
Commercial vehicles and Construction equipments	11%	12%	12%
Pre-owned vehicles	17%	16%	17%
SME	3%	7%	7%
Others*	2%	1%	1%

* Others include Personal and Consumer Loans

Break down of Business Assets

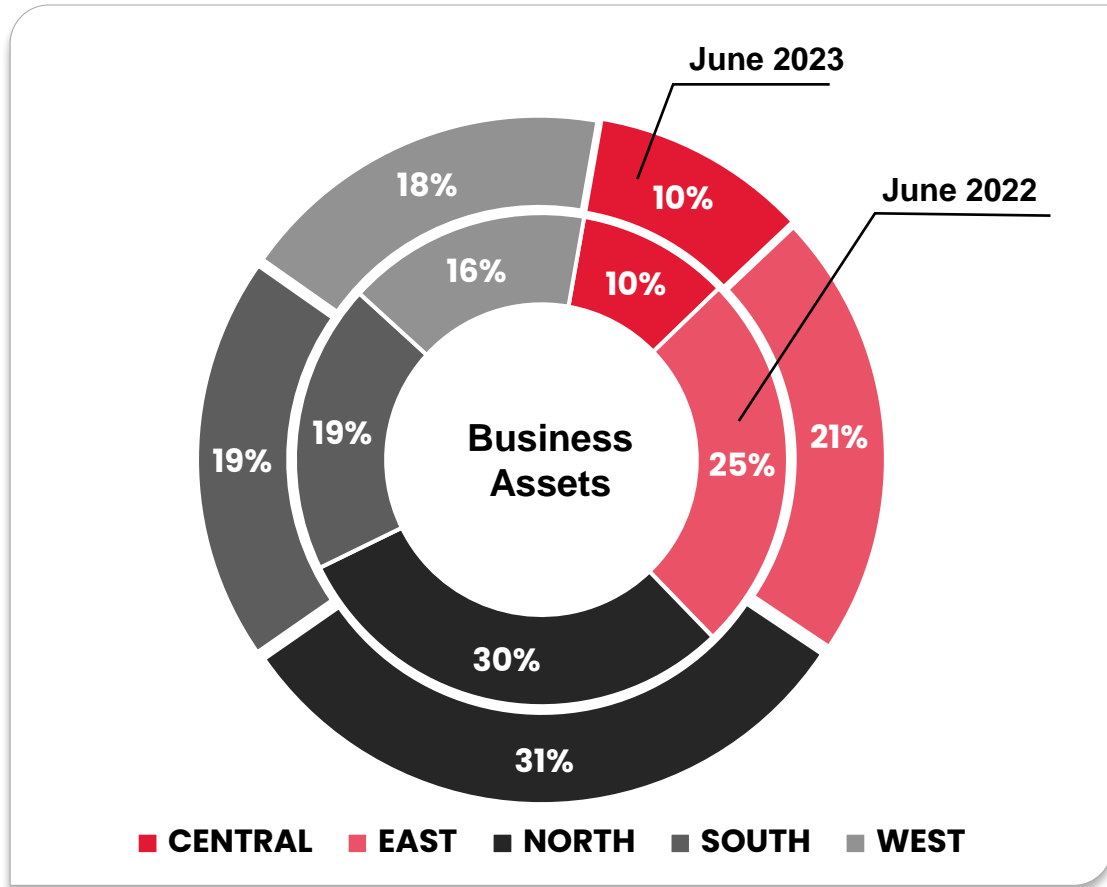
on Standalone Basis

Asset Class	Quarter ended June – 23	Quarter ended June – 22	Year ended March – 23
Auto/ Utility vehicles	33%	32%	30%
Tractors	13%	16%	17%
Cars	21%	22%	22%
Commercial vehicles and Construction equipments	11%	12%	16%
Pre-owned vehicles	12%	11%	9%
SME	5%	3%	3%
Others	5%	4%	3%
Contribution of M&M assets in Business Assets	44%	46%	45%

* Others include Trade Advances, Personal and Consumer Loans, Finance Lease Receivables

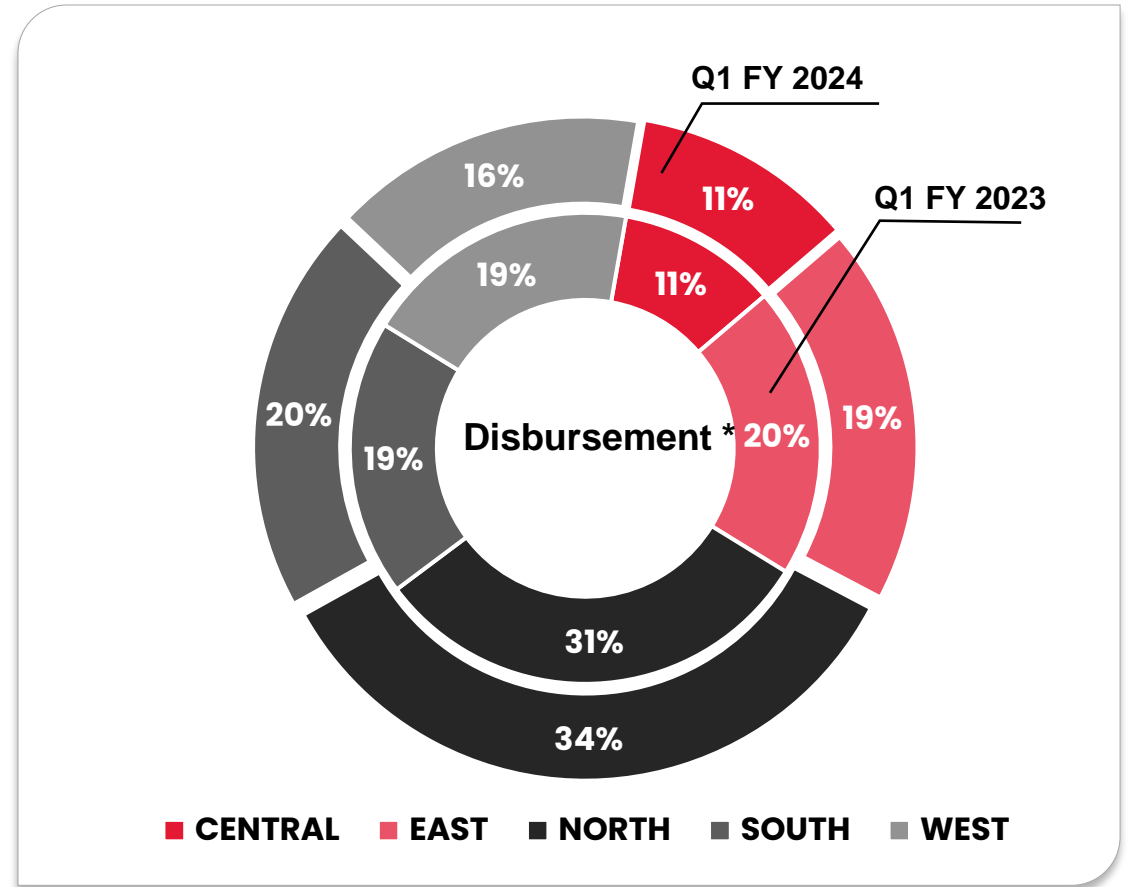
Break down by Geography

on Standalone Basis



NORTH: Chandigarh, Delhi, Haryana, Himachal Pradesh, Jammu and Kashmir, Ladakh, Punjab, Rajasthan, Uttar Pradesh, Uttaranchal

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



CENTRAL: Chhattisgarh, Madhya Pradesh

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

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

* Prepared on Finance Amount

Broad Based Liability Mix

on Standalone Basis

Funding Mix by Investor Category



Investor Type	Jun' 23		Mar'23	Jun'22
	Amount	% Share	% Share	% Share
Banks / Financial Institutions	43,836	55.1%	57.4%	52.1%
Mutual Funds	7,066	8.9%	6.1%	9.3%
Insurance & Pension Funds	14,690	18.4%	17.3%	16.7%
FIs & Corporates	5,937	7.5%	9.6%	10.0%
Others	8,013	10.1%	9.6%	11.9%
Total	79,542	100%	100%	100%

Funding Mix by type of Instrument



Instrument Type	Jun' 23		Mar'23	Jun'22
	Amount	% Share	% Share	% Share
NCDs	20,562	25.9%	26.7%	25.4%
Retail NCDs	3,825	4.8%	5.1%	6.5%
Bank / FI Loans	33,100	41.6%	40.3%	31.1%
Offshore Borrowings	2,713	3.4%	4.1%	4.4%
Fixed Deposits	5,523	6.9%	7.4%	12.9%
CP, ICD, TREPS	8,204	10.3%	7.5%	6.5%
Securitisation/ Assignment	5,615	7.1%	8.9%	13.2%
Total	79,542	100%	100%	100%

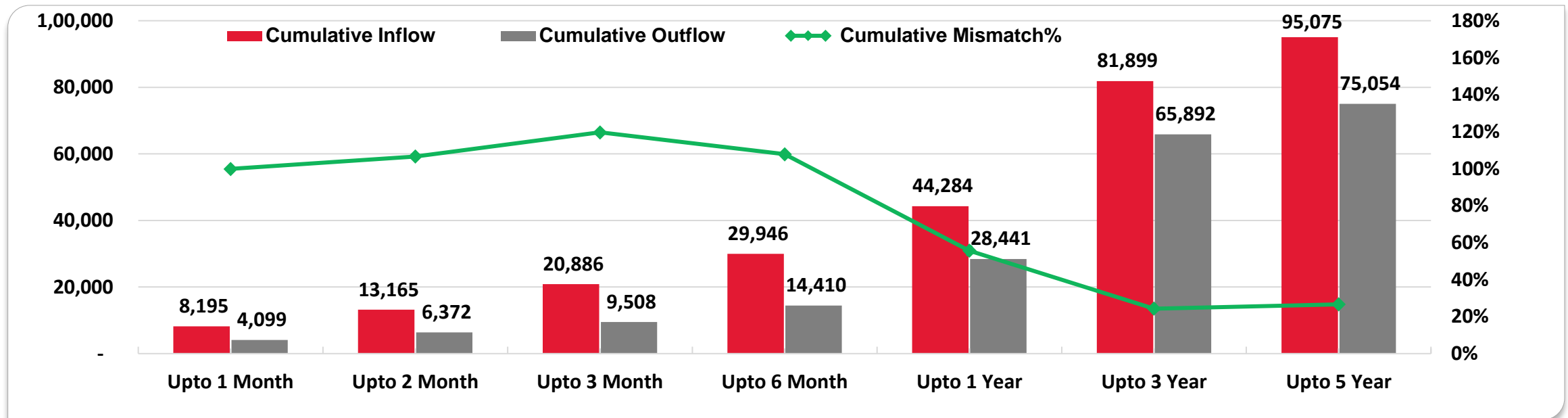
Computed based on FV/ Principal value

^ Based on holding as at respective period ends

All figures in INR crores

ALM Position and Liability Maturity

All figures in INR crores



Liability Maturity [^]	Jul-23	Aug-23	Sep-23	Q2 FY24	Oct-23	Nov-23	Dec-23	Q3 FY24	Next 6 months
Bank Loans	376	445	1,895	2,716	665	278	1,575	2,518	5,234
Market Instruments (NCD/ CP)	2,375	625	750	3,750	500	-	925	1,425	5,175
Others (FD/ ICD)	261	337	187	785	152	203	193	548	1,333
Total	3,012	1,407	2,832	7,251	1,317	481	2,693	4,491	11,742

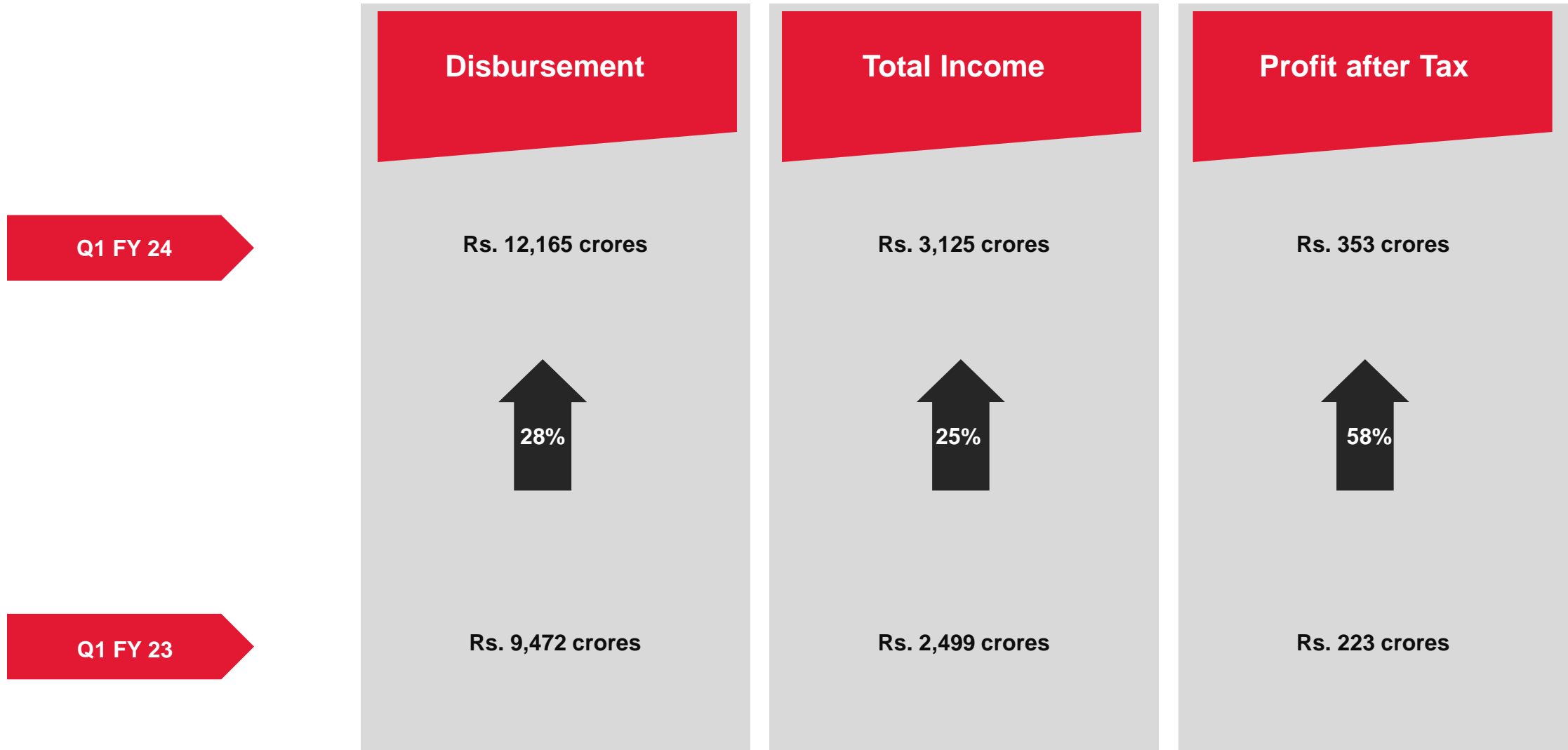
In addition to undrawn sanctioned lines, the Company held Cash/ Liquid investments of ~ INR 9,350 crores

* Based on provisional ALM as on Jun 30, 2023

[^] excl. Securitisation and as on Jun 30, 2023

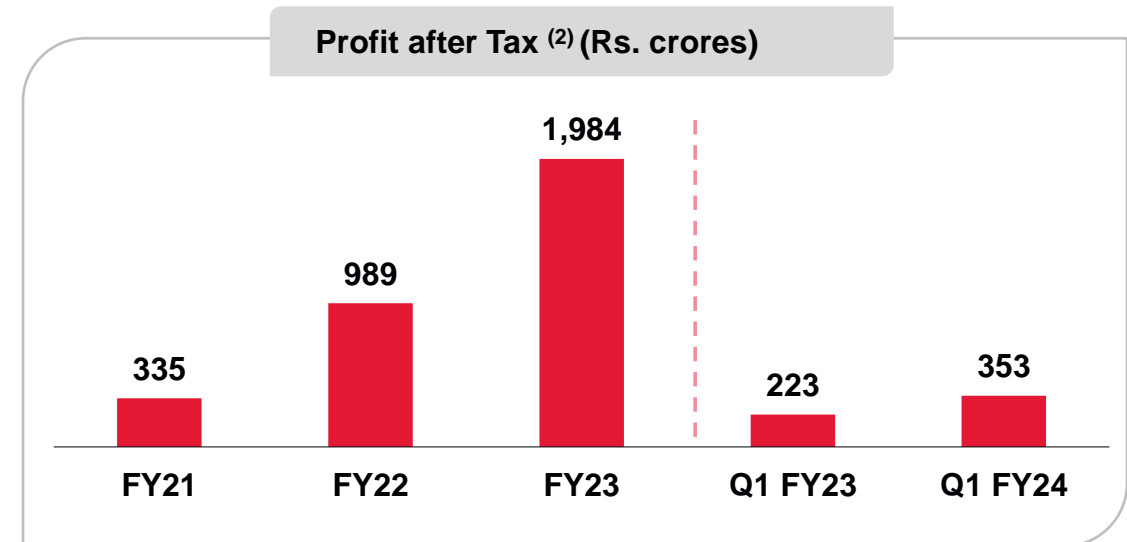
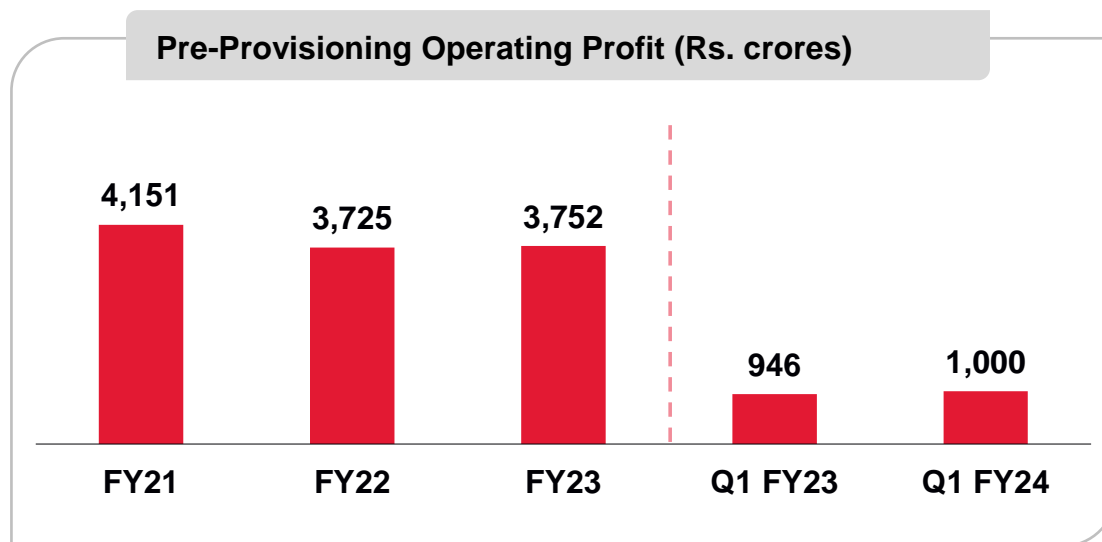
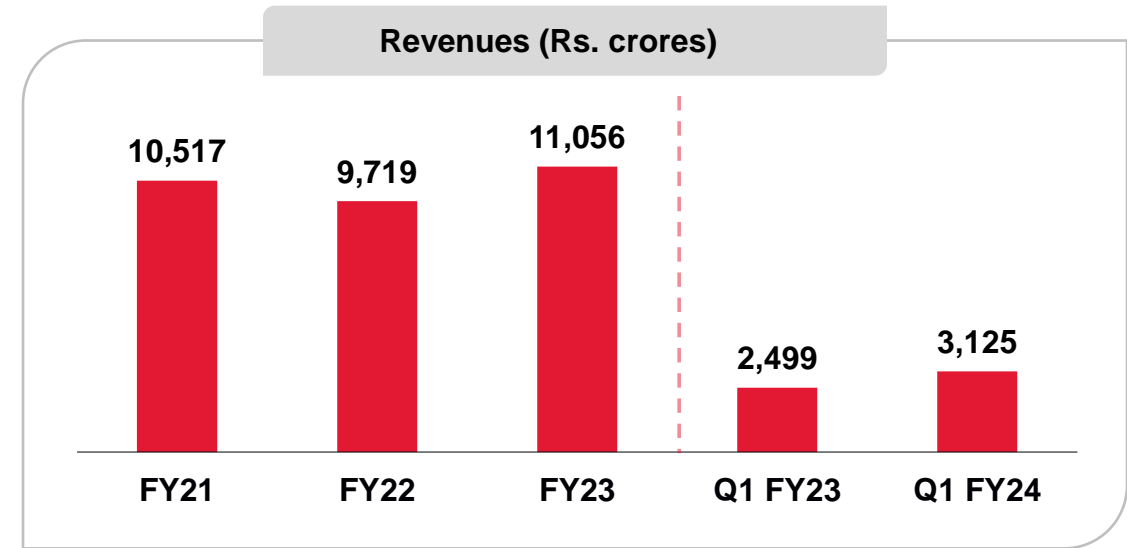
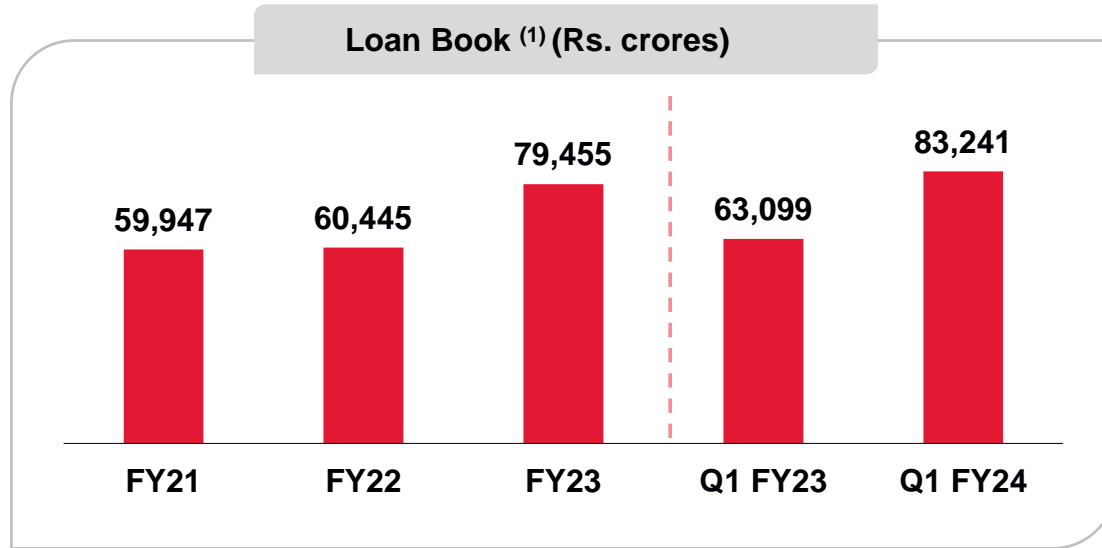
Key Financials

on standalone basis



Growth Trajectory

on standalone basis

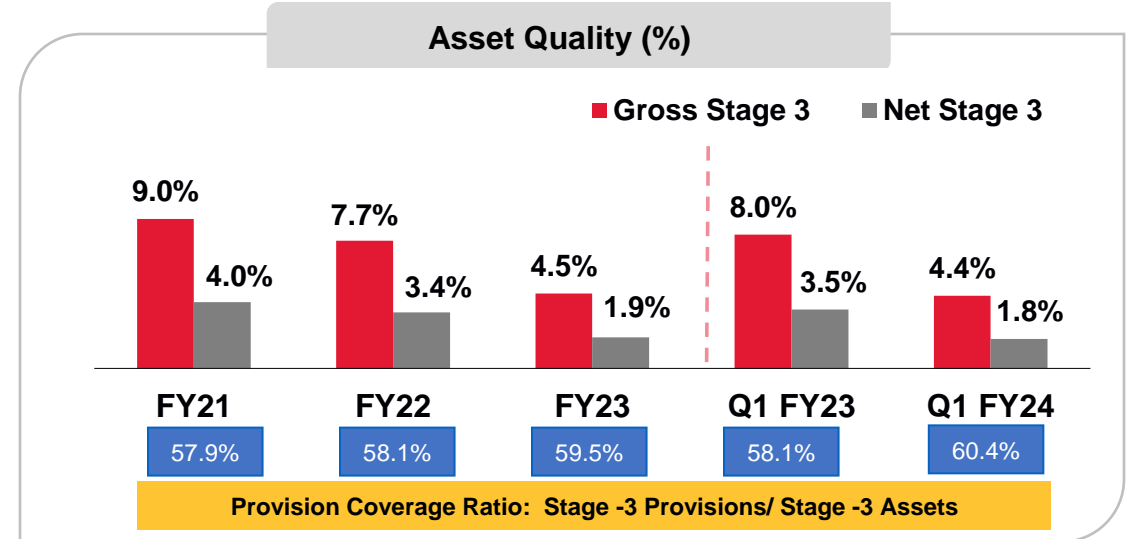
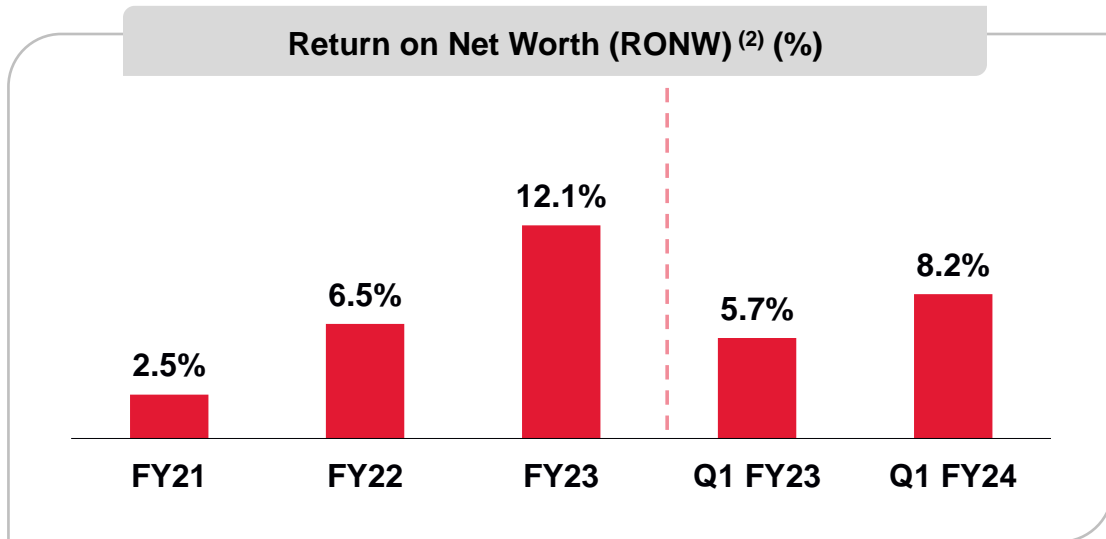
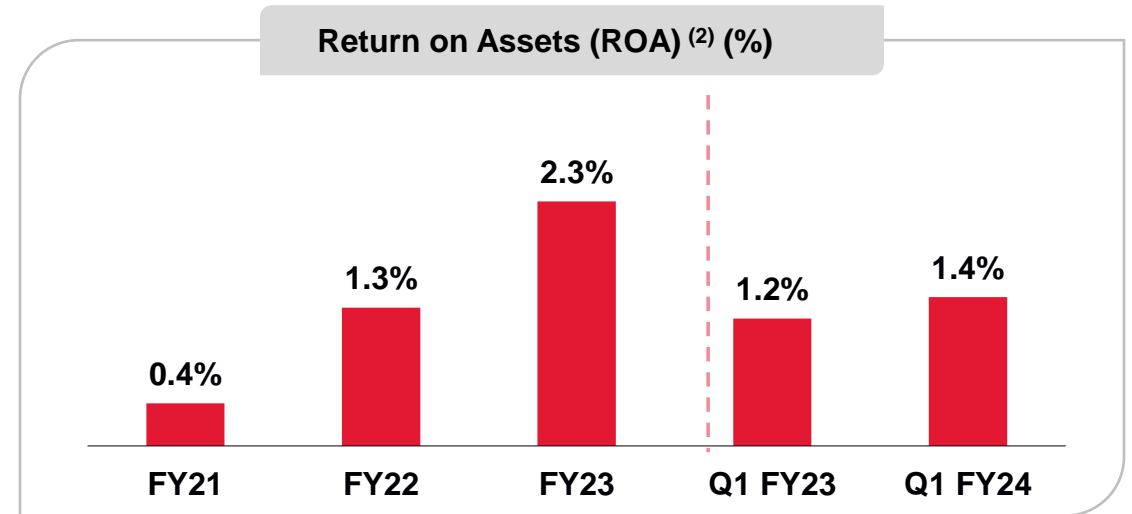
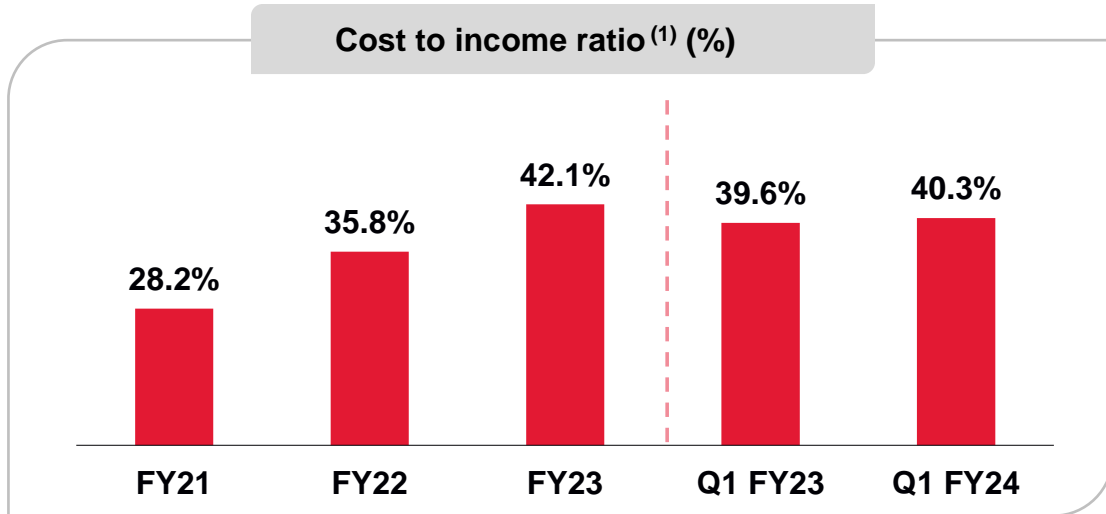


Note :⁽¹⁾ Loan Book net of provisions.

⁽²⁾ PAT post exceptional items.

Financial Performance

on standalone basis



Note : ⁽¹⁾ Cost to Income calculated as Operating Expenses (including depreciation)/(Net Interest Income + Other Income).

⁽²⁾ Annualised - Calculated based on average total assets/ average network

Standalone Profit & Loss Account

Particulars (Rs. in crores)	Q1FY24	Q1FY23	Y-o-Y	FY23
Revenue from operations (A)	3,085	2,486	24%	10,929
Less: Finance cost (B)	1,451	931	56%	4,577
NII (C= A+B)	1,634	1,555	5%	6,352
Other Income (D)	41	12	234%	127
Total Income (E=C+D)	1,675	1,567	7%	6,479
Employee benefits expense (F)	418	353	18%	1,584
Other expenses (G)	203	232	-12%	956
Depreciation and amortization (H)	54	36	51%	187
Total Expenses (I=F+G+H)	675	621	9%	2,727
Pre-Provisioning Operating Profit (J=E-I)	1,000	946	6%	3,752
Provisions and write-offs (K)	526	645	-18%	999
Profit before Exceptional items (L=J-K)	474	301	58%	2,753
Exceptional Items (M)*	-	-		-55
Profit before Tax (N=L+M)	474	301	58%	2,698
Tax expense (O)	121	78	56%	714
Net Profit after Taxes (P=N-O)	353	223	58%	1,984

* Provision towards impairment made on investment in the Sri Lanka subsidiary due to evolving economic crisis resulting in currency devaluation

Figures re-grouped and rounded where found relevant

Standalone Balance Sheet

Particulars (Rs. in crores)	As on Jun 30, 2023	As on Jun 30, 2022	As on Mar 31, 2023
ASSETS			
Financial Asset			
a) Cash and cash equivalents	245	505	250
b) Bank balance other than (a) above	2,777	3,160	2,582
c) Derivative financial instruments	-	55	
d) Trade Receivables	17	16	22
e) Loans	83,241	63,099	79,455
f) Investments	9,675	8,828	9,989
g) Other Financial Assets	1,604	218	1,589
Financial Asset	97,559	75,881	93,887
Non-Financial Asset			
a) Current tax assets (Net)	527	553	505
b) Deferred tax assets (Net)	677	914	637
c) Property, plant and equipment	715	414	681
d) Intangible assets	13	14	14
e) Other non-financial assets	566	235	493
Non-Financial Assets	2,498	2,130	2,330
Total Assets	100,057	78,011	96,217

Figures re-grouped and rounded where found relevant

Standalone Balance Sheet (Contd.)

Particulars (Rs. in crores)	As on Jun 30, 2023	As on Jun 30, 2022	As on Mar 31, 2023
LIABILITIES AND EQUITY			
Financial Liabilities			
a) Derivative financial instruments	244	206	181
b) Payables			
i) Trade payables	917	782	1,126
ii) Other payables	26	29	40
c) Debt Securities	27,446	19,290	24,745
d) Borrowings (Other than Debt Securities)	42,719	29,042	41,234
e) Deposits	5,506	7,649	5,525
f) Subordinated Liabilities	3,303	3,105	3,442
g) Other financial liabilities	2,003	1,869	2,384
Financial Liabilities	82,164	61,972	78,677
Non-Financial liabilities			
a) Current tax liabilities (Net)	119	14	66
b) Provisions	211	200	261
c) Other non-financial liabilities	103	86	124
Non-Financial Liabilities	433	300	451
Equity			
a) Equity Share capital	247	247	247
b) Other Equity	17,213	15,492	16,842
Equity	17,460	15,739	17,089
Total Equities and Liabilities	100,057	78,011	96,217

Figures re-grouped and rounded where found relevant

Summary & Key Ratios

on standalone basis

Particulars	Quarter ended Jun – 23	Quarter ended Jun – 22	Year ended March – 23
RONW (Avg. Net Worth) - annualised	8.2%	5.7%	12.1%
Debt / Equity	4.52:1	3.75:1	4:39:1
Capital Adequacy	21.2%	25.9%	22.5%
Tier I	18.9%	22.8%	19.9%
Tier II	2.3%	3.1%	2.6%
EPS (Basic) (Rs.)	2.86	1.81	16.09
Book Value (Rs.)	141.3	127.4	138.3
Dividend %	-	-	300%
New Contracts during the period (Nos.)	260,808	206,623	1,052,199
No. of employees	26,390*	19,747	26,329*

* Includes migration from manpower staffing agencies of ~ 6,000 employees on its rolls under a fixed term contract.

Figures restated where found relevant

Spread Analysis

on standalone basis

Particulars	Quarter ended Jun – 23	Quarter ended Jun – 22	Quarter ended Mar – 23	Year ended March – 23
Total Loan Income / Average Business Assets	13.3%	13.7%	13.6%	13.5%
Total Income / Average Assets	12.7%	13.0%	13.1%	12.9%
Interest cost / Average Assets	5.9%	4.8%	5.7%	5.3%
Gross Spread	6.8%	8.2%	7.4%	7.6%
Overheads / Average Assets	2.8%	3.2%	3.3%	3.2%
Write offs & provisions / Average Assets	2.1%	3.4%	0.0%	1.2%
Net Spread before Tax	1.9%	1.6%	4.0%	3.1%*
Net Spread after Tax	1.4%	1.2%	2.9%	2.3%

* After factoring exceptional items of Rs. 55 crores on account of impairment of investment in Mahindra Ideal Finance Ltd, Sri Lanka
Average Assets is computed based on Net Total Assets i.e Total Assets less Provisions

Stage 3 - Analysis

on standalone basis

Particulars (Rs. in crores) except figures in %	Jun 30, 2023	Jun 30, 2022	Mar 31, 2023	Mar 31, 2022
Business Assets (including Provisions)	86,732	67,693	82,770	64,961
Gross Stage 3	3,770	5,436	3,717	4,976
Less: Stage 3 ECL Provisions	2,267	3,157	2,210	2,890
Net Stage 3	1,503	2,279	1,507	2,086
Gross Stage 3 as % of Business Assets	4.35%	8.03%	4.49%	7.66%
Net Stage 3 as % of Business Assets	1.78%	3.53%	1.87%	3.36%
Coverage Ratio (%) – based on Stage 3 ECL	60.1%	58.1%	59.5%	58.1%
Stage 1 & 2 provision to Business Assets (%)	1.4%	2.1%	1.3%	2.5%
Coverage Ratio (%) – including Stage 1 & 2 provision	92.6%	84.3%	88.6%	90.6%
Particulars (in units) except figures in %	Jun 30, 2023	Jun 30, 2022	Mar 31, 2023	Mar 31, 2022
Contracts under Stage 3 (90 dpd)	86,520	135,596	85,576	119,202
% of Live Cases under Stage 3	3.7%	6.7%	3.8%	5.8%
Repossessed Assets (out of above Stage 3 contracts)	5,492	12,626	4,117	9,059

Figures restated, re-grouped and rounded where found relevant

Credit Charge

on standalone basis

Particulars (Rs. in crores)	Q1FY24	Q1FY23	FY23	FY22
Stage-1 Provisions	64	68	117	22
Stage-2 Provisions	77	(260)	(651)	295
Stage-3 Provisions	72	267	(680)	(462)
Provisions – P&L Charge	213	75	(1,214)	(145)
Write-Offs	313	570	2,213	2,513
Total	526	645	999	2,368

Figures re-grouped and rounded where found relevant

Stage Wise Provisioning

on standalone basis

Stage-Wise Assets and Provisioning

Rs. in crores	As on 30 th Jun 2023				As on 30 th Jun 2022				As on 31 st Mar 2023			
	Business Assets (Amount and %)		Provisions & Coverage		Business Assets (Amount and %)		Provisions & Coverage		Business Assets (Amount and %)		Provisions & Coverage	
Stage - 1 Assets	77,435	89.3%	624	0.8%	54,323	80.3%	512	0.9%	74,125	89.5%	561	0.8%
Stage - 2 Assets	5,527	6.4%	601	10.9%	7,934	11.7%	914	11.5%	4,928	6.0%	524	10.6%
Stage - 3 Assets	3,770	4.3%	2,267	60.1%	5,436	8.0%	3,157	58.1%	3,717	4.5%	2,210	59.5%
Total	86,732		3,492	4.0%	67,693		4,583	6.8%	82,770		3,295	4.0%

Stage 2 includes restructured assets of Rs. 728 crores as of Q1 FY24; Stage 3 includes restructured assets of Rs. 666 crores as of Q1 FY24; Restructured assets of Rs. 466 crores has been cured during the quarter and is now reclassified under Stage 1

Comparison of IRACP and IND-AS Provisioning requirement

Rs. in crores	IRACP (A)	IND-AS (B)	Difference (B-A)
Stage 1 and Stage 2	441	1,225	784
Stage 3	1,874	2,267	393
Total	2,315	3,492	1,177

Figures re-grouped and rounded where found relevant

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Financial Information – Consolidated

Executive Summary



Subsidiary Financials



Company Overview



Business Strategy

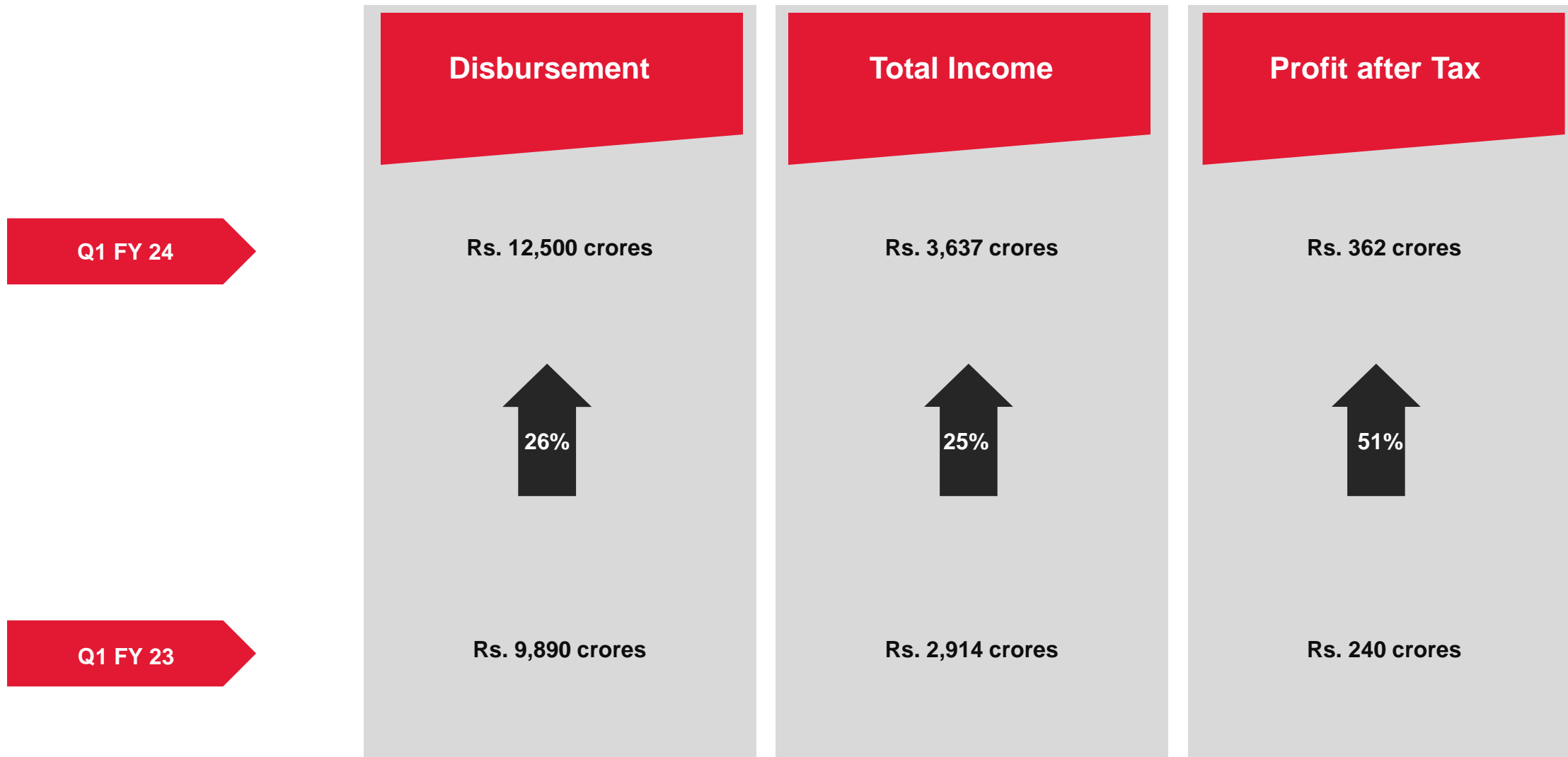


Awards & CSR Initiatives



Key Financials

on consolidated basis



Consolidated Profit & Loss Account

Particulars (Rs. in crores)	Q1FY24	Q1FY23	Y-o-Y	FY23
Revenue from operations (A)	3,583	2,902	23%	12,699
Less: Finance cost (B)	1,597	1,052	52%	5,094
NII (C= A+B)	1,986	1,850	7%	7,605
Other Income (D)	54	12	354%	133
Total Income (E=C+D)	2,040	1,862	10%	7,738
Employee benefits expense (F)	559	476	17%	2,115
Other expenses (G)	353	327	8%	1,398
Depreciation and amortization (H)	66	43	53%	226
Total Expenses (I=F+G+H)	978	846	16%	3,739
Pre-Provisioning Operating Profit (J=E-I)	1,062	1,016	5%	3,999
Provisions and write-offs (K) ^	593	709	-16%	1,182
Profit before Exceptional items (L=J-K)	469	307	53%	2,817
Exceptional Items (M)	-	-	-	-56
Share of Profit of Associates (N)	14	12	18%	43
Profit before taxes (O= L+M+N)	483	319	52%	2,804
Tax expense (P)	121	79	54%	733
Net Profit after Taxes (Q=O-P)	362	240	51%	2,071

Figures re-grouped and rounded where found relevant

Consolidated Balance Sheet

Particulars (Rs. in crores)	As on Jun 30, 2023	As on Jun 30, 2022	As on Mar 31, 2023
ASSETS			
Financial Asset			
a) Cash and cash equivalents	595	905	587
b) Bank balance other than (a) above	3,621	3,426	3,480
c) Derivative financial instruments	-	55	-
d) Trade Receivables	122	73	98
e) Loans	90,028	70,219	86,456
f) Investments	9,942	8,889	10,063
g) Other Financial Assets	1,686	276	1,664
Financial Asset	105,994	83,843	1,02,348
Non-Financial Asset			
a) Current tax assets (Net)	603	588	569
b) Deferred tax Assets (Net)	793	1,034	746
c) Property, plant and equipment (includes CWIP)	884	512	855
d) Intangible assets (includes under development)	24	18	18
e) Goodwill	-	43	-
f) Other non-financial assets	619	288	549
Non-Financial Assets	2,923	2,483	2,737
Total Assets	108,917	86,326	1,05,085

Figures re-grouped and rounded where found relevant

Consolidated Balance Sheet (Contd.)

Particulars (Rs. in crores)	As on Jun 30, 2023	As on Jun 30, 2022	As on Mar 31, 2023
LIABILITIES AND EQUITY			
Financial Liabilities			
a) Derivative financial instruments	245	206	181
b) Payables			
i) Trade payables	1,084	923	1,246
ii) Other payables	26	30	40
c) Debt Securities	30,871	22,611	27,913
d) Borrowings (Other than Debt Securities)	45,369	31,545	44,154
e) Deposits	5,435	7,514	5,459
f) Subordinated Liabilities	3,763	3,565	3,903
g) Other financial liabilities	2,534	2,395	2,965
Financial Liabilities	89,327	68,789	85,861
Non-Financial liabilities			
a) Current tax liabilities (Net)	128	16	74
b) Provisions	250	246	309
c) Other non-financial liabilities	126	96	139
Non-Financial Liabilities	504	358	522
Equity			
a) Equity Share capital	247	247	247
b) Other Equity	18,692	16,795	18,313
c) Non-controlling interests	147	137	141
Equity (incl. attributable to minority investors)	19,086	17,179	18,701
Total Equities and Liabilities	108,917	86,326	1,05,085

Figures re-grouped and rounded where found relevant

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Mahindra Rural Housing Finance Limited

Particulars (Rs. in crores)	Q1FY24	Q1FY23	Year ended March -23	Year ended March -22
Loans disbursed	289	395	2,004	1,602
Loans & Advances (net)	6,626	6,974	6,845	7,029
Total income	342	329	1,350	1,377
PBT	-30	2	26	58
PAT	-23	2	22	48
Net-worth	1,461	1,456	1,482	1,455
Gross Stage 3 %	11.97%	14.49%	10.46%	11.33%
Net Stage 3 %	8.53%	9.95%	7.80%	8.47%

- **Business Area:** Provide loans for home construction, extension, purchase and improvement to customers in rural and semi-urban India
- **Shareholding pattern:** MMFSL – 98.43%; MRHFL Employee Welfare Trust and Employees – 1.57%
- **Reach:** Currently spread in 17 States & 2 Union Territory

Figures re-grouped and rounded where found relevant

Mahindra Insurance Brokers Limited

Particulars (Rs. in crores)	Q1FY24	Q1FY23	Year ended March -23	Year ended March -22
No. of Policies for the Period (nos.)	5,29,834	5,02,358	29,10,954	18,63,160
Net Premium	852	635	3,420	2,360
Total income	164	89	427	348
PBT	24	3	46	70
PAT	17	2	34	52
No. of employees (nos.)	746	955	765	1,027

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

* On 21st October 2022, the Company entered into a Share Purchase Agreement with Inclusion Resources Private Limited (IRPL) to acquire 20% equity stake in its subsidiary Mahindra Insurance Brokers Ltd (MIBL) at a consideration of Rs. 206.39 Crore. This proposed transaction is subject to the approval of Insurance Regulatory and Development Authority of India (IRDAI). Subsequent to the acquisition, MIBL will become a wholly owned subsidiary of the Company.

Particulars (in LKR Mn)	Q1FY24	Q1FY23	Year ended March -23	Year ended March -22
Loans disbursed	1,737	1,017	9,907	10,140
Loans & Advances (net)	6,871	6,654	7,124	7,230
Total income	561	396	1,924	1,322
PBT*	79	45	248	401
PAT	25	15	87	239
Net-worth	2,860	2,761	2,835	2,746
Gross Stage 3 % (including Gold loans)	31.1%	18.4%	20.5%	13.5%
Net Stage 3 % (including Gold loans)	29.4%	15.7%	18.7%	12.0%

- **Business Area:** Provide Gold loans and lease/ loan against vehicles in Sri-Lankan market
- **Shareholding pattern:** MMFSL holds 58.20% stake.
- **Reach:** 27 branches across Sri Lanka

* before VAT and Income Tax

Figures re-grouped and rounded where found relevant

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Company Background

Parentage

Mahindra & Mahindra Financial Services Limited (“MMFSL”) is a subsidiary of Mahindra and Mahindra Limited (M.Cap: Rs 1.80 trillion)*

About MMFSL

MMFSL (M.Cap: Rs 385 billion)*, one of India’s leading non-banking finance companies focused in the rural and semi-urban sector

Key Business Area

Primarily operates in the business of financing purchase of new and pre-owned auto and utility vehicles, tractors, cars, CV/ CE and SME Financing

Vision

MMFSL’s vision is to be a Leading and responsible financial solutions partner of choice for Emerging India

Reach

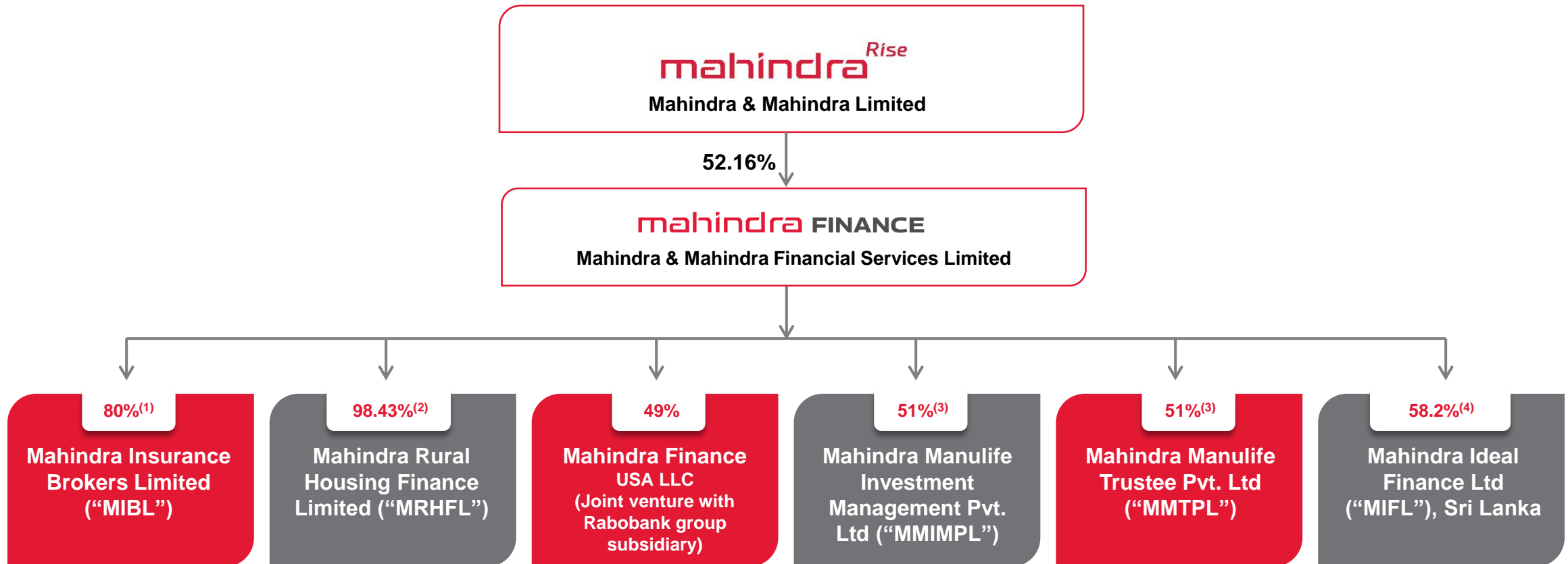
Has 1,367 offices covering 27 states and 7 union territories in India, with over 9.3 million customer contracts since inception

Credit Ratings

All rating agencies – CRISIL, India Ratings, CARE ad Brickwork has assigned AAA/Stable rating to the Company’s long term and subordinated debt

*Source: Market capitalisation as of July 27,2023 from BSE website

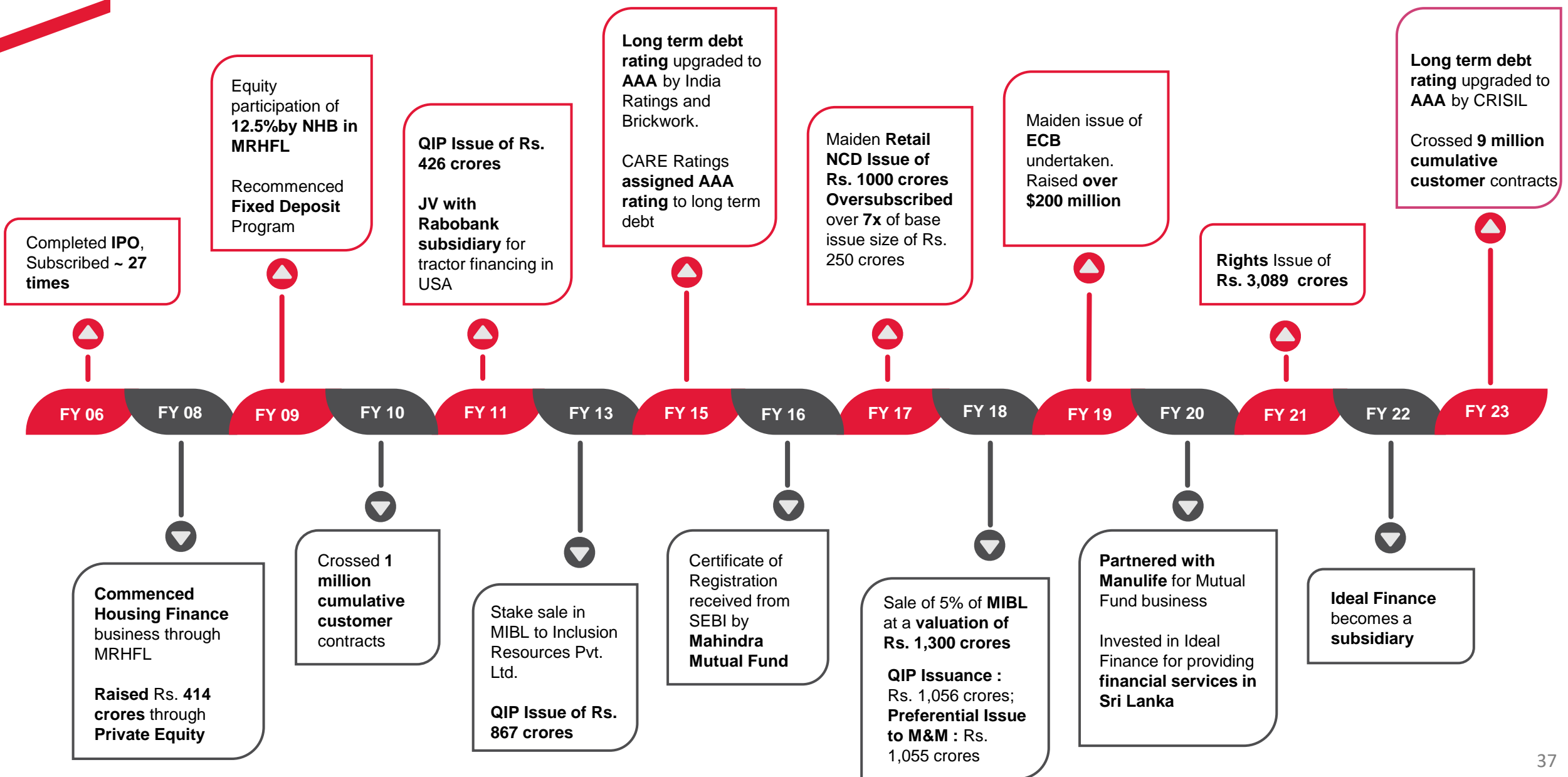
MMFSL Group structure



Note:

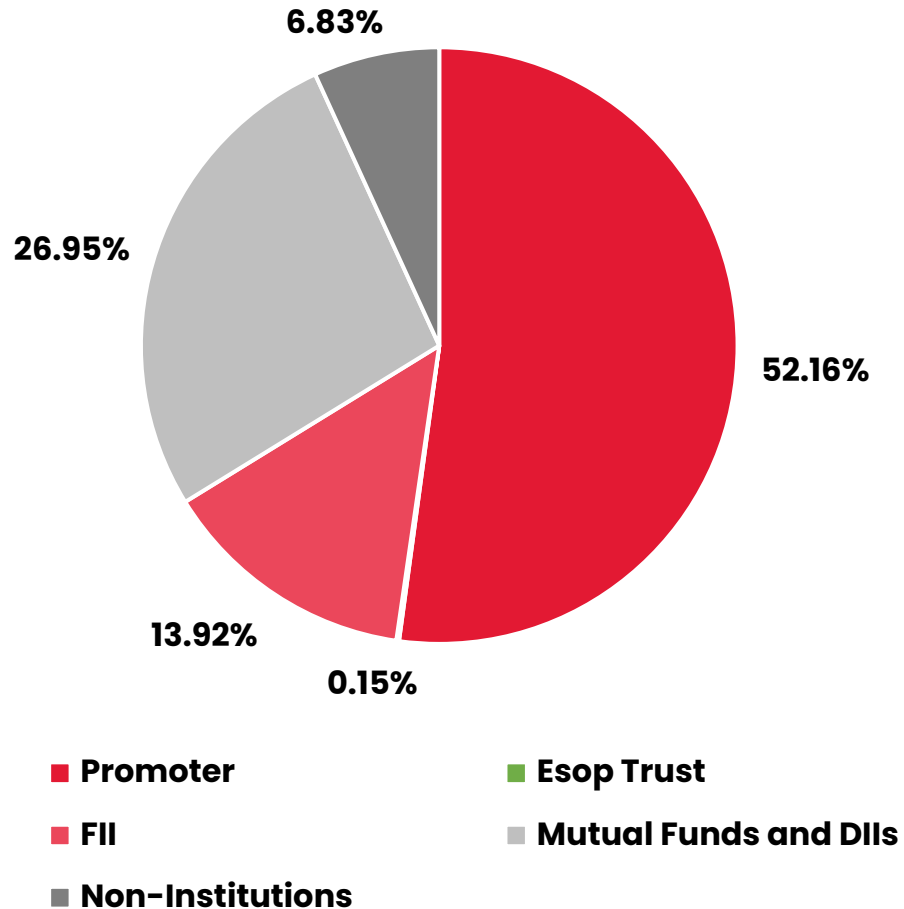
1. Balance 20% with Inclusion Resources Pvt. Ltd. (IRPL), subsidiary of AXA XL Group. The Company, on 21st October 2022, has entered in definitive documents to acquire 20% equity stake in MIBL held by IRPL, subject to regulatory approvals. Subsequent to the acquisition, MIBL will become a wholly owned subsidiary of the Company.
2. Balance 1.57% held by MRHFL Employee Welfare Trust and employees
3. Manulife Investment Management (Singapore) Pte. Ltd. holds 49% of the shareholding of MMIMPL and MMTPL.
4. MIFL wef 8th July 2021 is a subsidiary of the Company

Our Journey



Shareholding Pattern (as on June 30 , 2023)

Shareholding Pattern



Mahindra & Mahindra Limited holds a stake of 52.16% in the Company

Top 10 Public Shareholders

- Life Insurance Corporation of India
- HDFC Life Insurance Company Limited
- HDFC Mutual Fund
- SBI Mutual Fund
- Axis Mutual Fund Trustee Limited.
- Kotak Mahindra Trustee Co. Ltd
- Government Pension Fund Global.
- Nippon Life India Trustee Ltd.
- Kotak Funds – India Midcap Fund
- Ashish Dhawan.

**consolidated data*

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Business Strategy




Deepen presence in emerging India – age, income, aspiration, digital behaviour




Diversify product portfolio: Nurture & Scale SME, digital finance, leasing and foray into other lending / non-lending financial solutions




Strengthen risk culture and governance within the organization through continuous refinement of risk policies & systems, and risk trainings




Grow wallet share for existing customer base through data driven **cross-selling** and **direct marketing initiatives**




Ensure stable asset quality with rigorous underwriting practices, scorecards, early warning signals and robust collections tools



Continue to evolve tech architecture and **enhance digital capabilities** to improve customer experience and employee productivity



Maintain broad base liability mix and **optimize** borrowing profile through tenor, sourcing and investor mix



Leverage synergies across group companies and **“Mahindra” Ecosystem**

Transformation priorities

01

Stabilize Asset Quality

Focus on bringing the volatility down

02

Recharge Growth

Build high quality diversified business

03

Strengthen Tech & Digital

Data informed thinking

04

Future Ready Human Capital

High Performing Organisation

Sustainable profitable growth: Mission 2025




Stable Asset Quality
GS-3 < 6%



2x AUM




New Business Contribution
15%



Maintain
NIMs ~7.5%



Operating Leverage Cost To Assets ~2.5%

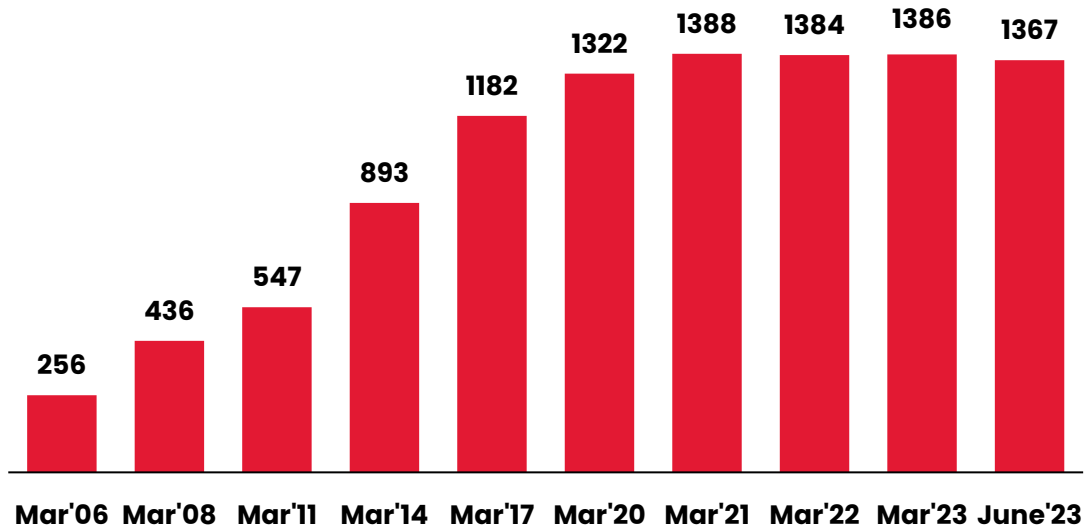


RoA ~2.5%

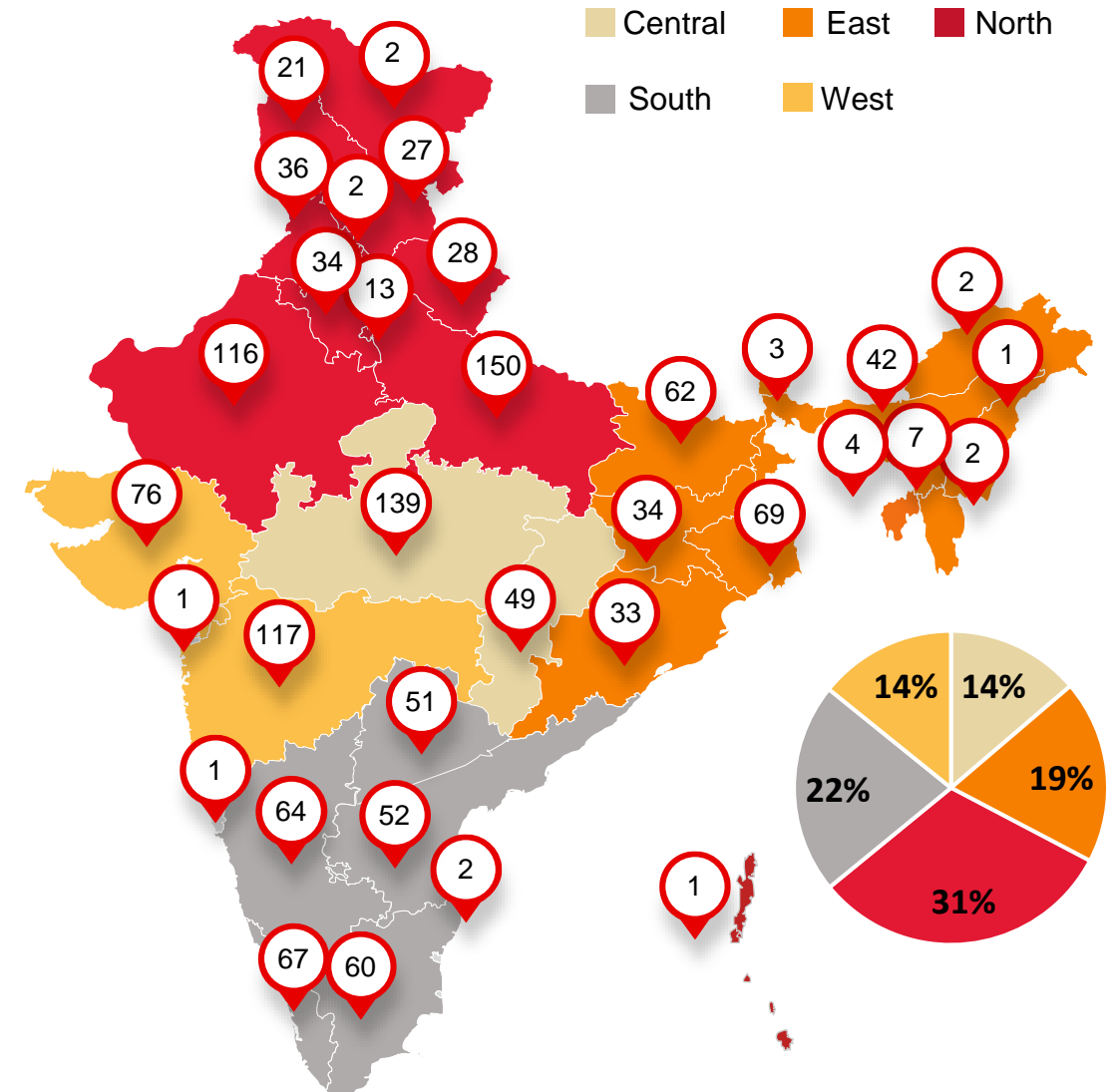
Extensive Branch Network

- Extensive branch network with presence in 27 states and 7 union territories in India through 1,367 offices
- Branches have authority to approve loans within prescribed guidelines

Branch Network as of



Coverage



Diversified Product Portfolio



Vehicle Financing

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



Pre-Owned Vehicles

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



SME Financing

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



Personal Loans

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



Mutual Fund Distribution

Advises clients on investing money through AMFI certified professionals



Insurance Broking

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



Housing Finance

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



Mutual Fund & AMC

Asset Management Company/ Investment Manager to 'Mahindra Manulife Mutual Fund',

Employee Management and Technology Initiatives

Employee engagement & training

- Foster a Digital Learning ecosystem that drives a culture of anytime-anywhere learning.
- Structured framework which nurtures the functional and leadership capabilities of all employees across verticals.
- In times of an unforeseen event, like the COVID-19 pandemic, psychological and financial support is provided to our employees
- Ekincare, our AI-driven health & wellness app, closely monitors employee health needs.
- Virtual engagement platform “MF-People First” has been launched to drive all celebrations & recognition activities.
- Participate in Group’s Talent Management & Retention program

Technology initiatives

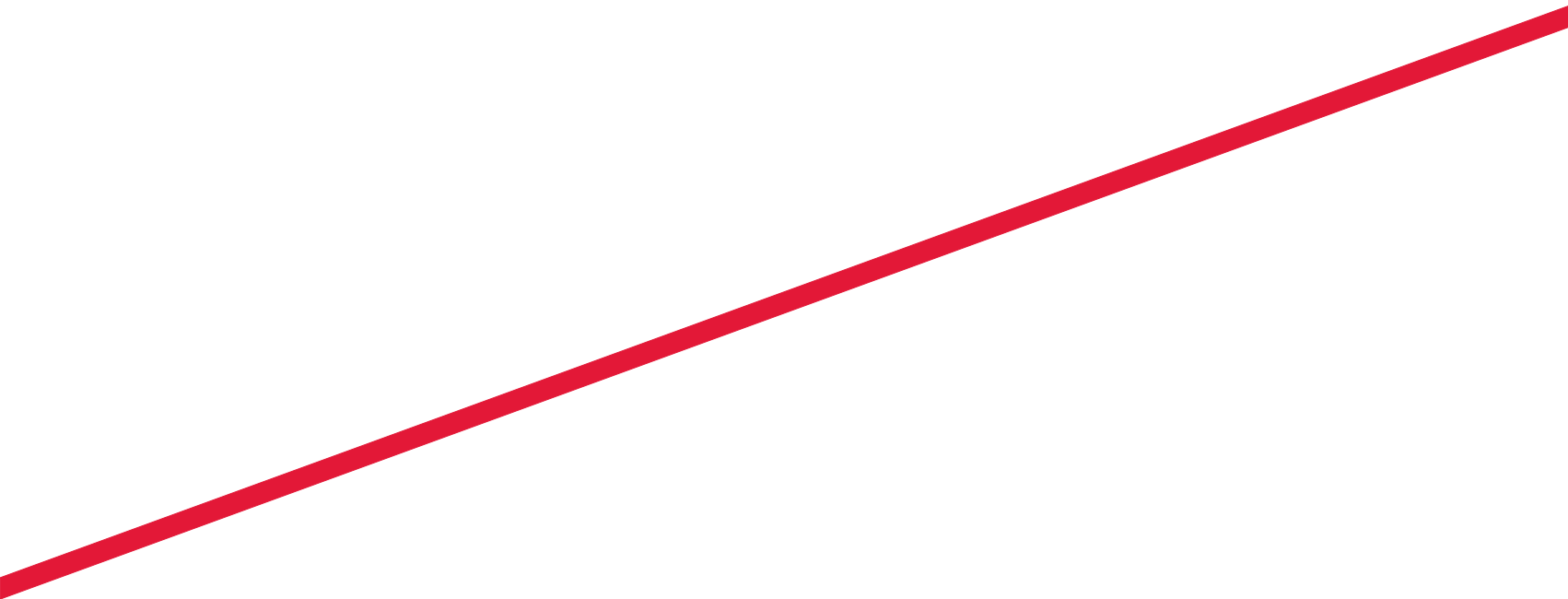
- Next gen API commissioned for scaling partnerships, integrating fintech ecosystem & create enterprise wide microservices layer
- Deployed digital assets on the cloud to auto scale as we grow & strengthened the resiliency for technology platforms
- Modernising applications by implementing digital processes:
 - Omnichannel communication interface (SMS/Email/WhatsApp)
 - Integrated customer service – with click of a button
 - Direct OEM integrations & lead sourcing in low bandwidth area
 - Enabling digital collections thru BBPS, Fino & CSC
- Provide outcome-based data driven visual dashboards for quicker and strategic business decisions
- Continues to harness the power of end users thru secured and digital practices and tools
 - Agile practices and workforce across various verticals
 - Moving towards DevSecOps model of software development
 - New gen device agnostic e-learning module
 - Moving towards Zero trust architecture

Credit Rating

<p>Long term and Subordinated debt (incl. MLD); Bank Facilities; Fixed Deposit Programme</p>	<p>India Ratings</p>	<p>Outlook</p>
	<p>IND AAA IND PP-MLD AAA emr</p>	<p>Stable</p>
<p>Short term debt</p>	<p>IND A1+</p>	<p>-</p>
<p>Long term and Subordinated debt; Bank Facilities; Fixed Deposit Programme</p>	<p>CRISIL</p>	<p>Outlook</p>
	<p>CRISIL AAA</p>	<p>Stable</p>
<p>Short term debt</p>	<p>CRISIL A1+</p>	<p>-</p>
<p>Long term and Subordinated debt</p>	<p>CARE Ratings</p>	<p>Outlook</p>
	<p>CARE AAA</p>	<p>Stable</p>
<p>Long term and Subordinated debt</p>	<p>Brickwork</p>	<p>Outlook</p>
	<p>BWR AAA</p>	<p>Stable</p>

Our strong credit rating and brand equity enables us to borrow funds at competitive rates

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Awards & Accolades

1st NBFC in India to join the United Nations Global Compact Network



Included in FTSE4Good Emerging Markets Index for 4th consecutive time



FTSE4Good

Improved CDP rating level to “B”.
Placed under leadership category for taking steps towards managing its carbon emissions.



Special Commendation at CSR Journal Excellence Awards 2022



Gold at CSR Times Awards 2022



Certificate of Recognition during 7th ICSI CSR Excellence Awards 2022



Happiest Workplace for Women



Great Place to Work



Amongst Best Places to Work in India



CSR Initiatives

Training New Drivers



Scholarships for Drivers' children



Skill Development for Disability affected



Mahindra Hariyali



Road Safety training



Nanhi Kali: Educational support

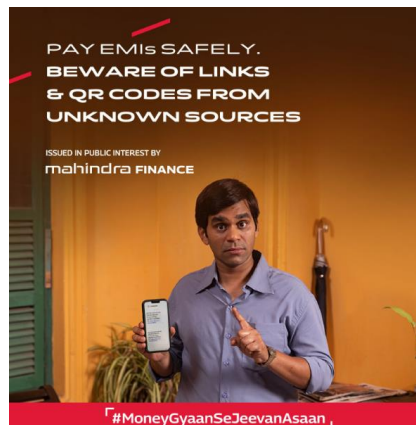


Women Empowerment



Water conservation

Money Gyaan Se Jeevan Asaan CSR Campaign - To create awareness about key themes in Financial Literacy domain



Payment Frauds Awareness



Borrowing Responsibly



Govt. Schemes awareness for MSMEs

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Thank You