

This Shelf Placement Memorandum prepared under, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended, for private placement of the Debentures, is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the debt securities to be issued by Mahindra & Mahindra Financial Services Limited (MMFSL). This is only an information brochure intended for private use.

Mahindra FINANCE

MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED

Date of Placement Memorandum: November 12, 2021

Type of Placement Memorandum: Private Placement

SHELF PLACEMENT MEMORANDUM AS PER SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 AS AMENDED FOR THE ISSUE OF DEBENTURES ON A PRIVATE PLACEMENT BASIS

PRIVATE PLACEMENT OF **80000** SECURED/UNSECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES (SUBORDINATED OR NOT) OF FACE VALUE RS. 10,00,000/- EACH, FOR CASH, AGGREGATING RS. **8000** CRORES, IN ONE OR MORE TRANCHES

Name of the Issuer	Mahindra & Mahindra Financial Services Limited
Corporate identity number	L65921MH1991PLC059642
Permanent account number ("PAN")	AAACM2931R
Date & Place of incorporation	Our Company was incorporated at Mumbai as Maxi Motors Financial Services Limited on January 1, 1991 as a public limited company under the Companies Act, 1956, as amended with registration no. 11-059642. The name of our Company was changed to Mahindra & Mahindra Financial Services Limited and a fresh certificate of incorporation consequent upon change of name was granted by the RoC on November 3, 1992.
RBI Registration Number	13.00996
Registered Office	Gateway Building, Apollo Bunder, Mumbai 400 001
Corporate Office	4 th Floor, Mahindra Towers, Dr. G M Bhosale Marg, P.K. Kurne Chowk, Worli, Mumbai -400018
Telephone Number	66526000/07/08/09/10/53
Fax:	24953608/24900728
Compliance Officer	Arnavaz M. Pardiwalla (022) 66526000
Website Address	www.mahindrafinance.com
E-mail Address	investorhelpline_mmfsl@mahindra.com
Details of Compliance Officer & Company Secretary	Arnavaz M. Pardiwalla (022) 66526000 investorhelpline_mmfsl@mahindra.com
Details of Chief Financial Officer	Name: Vivek Karve Telephone: (022) 66526000 E-mail: investorhelpline_mmfsl@mahindra.com
Details of Promoters	Name: Mahindra & Mahindra Limited Telephone: (022) 66526000 E-mail: investors@mahindra.com

Trustee to the Debenture holders	Axis Trustee Services Ltd. The Ruby, 2 nd Floor, 29 Senapati Bapat Marg, Dadar (W), Mumbai 400 028 Contact Person - Anil Grover - Chief Operating Officer Tel: (022) 62300451 / 62300437 / 62300446 Fax: (022) 6230-0700 Email-Id: debenturetrustee@axistrustee.in Website : www.axistrustee.in	
Credit Rating agencies of the Issuer	India Ratings and Research Private Ltd Wockhardt Tower, West Wing, Level 4, Bandra Kurla Complex, Mumbai, 400051 Contact Person - Arunima Basu - Compliance Officer Tel: (022) 4035 6190 Email-Id: arunima.basu@indiaratings.co.in Website: https://www.indiaratings.co.in	
	CARE Ratings Limited 4th floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai-400022. Contact Person – Mr. Gaurav Dixit Tel: (022) 6754 3456 Email-Id: gaurav.dixit@careratings.com Website: https://www.careratings.com	
	Brickwork Ratings India Pvt. Ltd 3rd Floor, Raj Alkaa Park, Kalena Agrahara, Bannerghatta Road, Bengaluru - 560076 Contact Person - Mr. Ajanth Kumar Tel: +91 80 4040 9940 Email-Id: CO@brickworkratings.com Website: https://www.brickworkratings.com/	
	CRISIL Ratings Limited CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400 076 Contact Person: Krishnan Sitaraman Tel: (022) 33423000 Email-Id: crisilratingdesk@crisil.com Website: www.crisil.com/ratings	
	KFin Technologies Private Limited Selenium Tower B, Plot No. 31& 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana. Contact Person: Jagannadh Chakka Tel: (040) 67162222 Email - Id : einward.ris@kfintech.com Website: https://www.kfintech.com	
Statutory Auditors of the Issuer	M/s. Deloitte Haskins & Sells 19th Floor, Shapath – V, S.G. Highway, Ahmedabad – 380 015 Contact Person: Mr. Sunil Suvarna Tel: 79668 27300 Email - Id : ssuvarna@deloitte.com Website: www2.deloitte.com	N.A
	M/s. Mukund M. Chitale & Co. 2nd Floor, Kapur House, Paranjape B Scheme, Road no. 1, Vile Parle (East), Mumbai – 400 057 Contact Person : Mr. S.M. Chitale Tel : 022 2663 3500 Email ID : schitale@mmchitale.com Website : www.mmchitale.com	N.A

Issue Schedule

The Issue Opening Date, the Issue Closing date and the Deemed Date of Allotment for each tranche / Series will be informed to the Trustee separately and shall be incorporated in the Tranche Placement Memorandum/ Term Sheet. The Issue shall be open for bidding on working days of the recognized stock exchanges, subject to the timelines of the EBP.

Each Tranche / Series of Debentures offered pursuant to this Shelf / Placement Memorandum shall be subject to the terms and conditions pertaining to the Debentures outlined hereunder as modified/ supplemented by the terms of the respective Tranche Placement Memorandum filed with the Stock Exchange in relation to such Series / Tranches and other documents in relation to such issuance including the Private Placement Offer cum Application Letter(s). The terms and conditions contained in this Shelf Placement Memorandum shall be read in conjunction with the provisions (as may be mutually agreed between the Issuer and respective Debentures Holders from time to time) contained in the respective Tranche Placement Memorandums, and in case of any repugnancy, inconsistency or where there is a conflict between the terms and conditions as are stipulated in the respective Tranche Placement Memorandum/ Term Sheet on one hand, and the terms and conditions in the Shelf Placement Memorandum on the other, the provisions contained in the Tranche Placement Memorandum/ Term Sheet shall prevail over and override the provisions of this Shelf Placement Memorandums for all intents and purposes.

Particulars	Date
Issue / Bid Opening Date	As per respective Tranche Placement Memorandum/ Term Sheet
Issue / Bid Closing Date	
Pay in Date	
Deemed Date of Allotment	

The Issuer reserves the right to change the Issue program, including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice.

Credit Rating

Details of credit rating along with reference to the rating letter issued (not older than one month on the date of the opening the issue) by the rating agencies in relation to the issue shall be disclosed:

Name of Rating Agency	Rating	Date
India Ratings and Research Private Limited	IND AAA/ Stable	1 st November, 2021
CARE Ratings Private limited	CARE AAA; Stable	2 nd November, 2021

Rating letter for the respective tranche shall be shared at the time of issuance.

Listing

Name (s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s):

The NCDs is proposed to be listed on BSE Limited. In-principal approval received on 2nd December 2020. The company has created a recovery expense fund in the manner as specified by the Securities and Exchange Board of India as on 26th February 2021 in favour of BSE limited and the same has been informed to the Debenture Trustee

Date of opening of the issue	As per the Tranche Placement Memorandum / Term Sheet
Date of closing of the issue	As per the Tranche Placement Memorandum / Term Sheet
Date of earliest closing of the issue, if any.	As per the Tranche Placement Memorandum / Term Sheet
The Credit rating for the issue	<p>As per the Tranche Placement Memorandum / Term Sheet</p> <p>India Ratings: https://www.indiaratings.co.in/PressRelease?pressReleaseID=53221</p> <p>CARE: https://www.careratings.com/upload/CompanyFiles/PR/13052021074711_Mahindra_and_Mahindra_Financial_Services_Ltd.pdf</p> <p>Brickworks Ratings: https://www.brickworkratings.com/Admin/PressRelease/Mahindra-Mahindra-Financial-Services-27May2021.pdf</p> <p>CRISIL: https://www.crisil.com/mnt/winshare/Ratings/RatingList/RatingDocs/MahindraandMahindraFinancialServicesLimited_August%2031,%202021_RR_276939.html</p>
All the ratings obtained for the private placement	<p>IND AAA / Stable - India Ratings and Research Private Limited</p> <p>IND PP-MLD AAA emr/Stable - India Ratings and Research Private Limited</p> <p>CARE AAA / Stable - CARE Ratings Limited</p> <p>BWR AAA/ Stable - Brickwork Ratings India Private Limited</p> <p>CRISIL AA+/Stable - CRISIL Ratings Limited</p>
The name(s) of the stock exchange where the securities are proposed to be Listed	BSE Limited
The details about eligible investors	Please refer to para “Who Can Apply” of this document.
Coupon/dividend rate, coupon/dividend payment frequency, redemption date, redemption amount	As per the Tranche Placement Memorandum / Term Sheet
Nature and issue size, base issue and green shoe option, if any, shelf or tranche size, each as may be applicable	As per the Tranche Placement Memorandum / Term Sheet
Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters	As per the Tranche Placement Memorandum / Term Sheet
Inclusion of compliance clause in relation to electronic book mechanism and details pertaining to the uploading the placement memorandum on the Electronic Book Provider Platform, if applicable	The bidding process, parameters and requirements for the Debentures to be issued pursuant to the Electronic Bidding Mechanism will be in accordance with the SEBI circular no., SEBI/HO/DDHS/CIR/P/2018/05 dated 5 January 2018, SEBI FAQs issued on Electronic book mechanism for issuance of debt securities on private placement basis and the operational guidelines issued by the Stock Exchanges.

General Risk

“Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section “Risk Factors” of this placement memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor’s decision to purchase such securities.”

Issuer’s Absolute Responsibility

“The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this placement memorandum contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the placement memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.”

GLOSSARY OF TERMS

Definitions	Term Description
“MMFSL” or “Company” or “our Company” or “Issuer”	Mahindra & Mahindra Financial Services Ltd., a public limited company incorporated under the Companies Act, 1956.
“we” or “us” and “our”	Refers to Mahindra & Mahindra Financial Services Ltd.
“M&M” or “our Promoter”	Mahindra & Mahindra Limited
“MIBL”	Mahindra Insurance Brokers Limited
“MRHFL”	Mahindra Rural Housing Finance Limited
“MF USA”	Mahindra Finance USA LLC (Joint Venture with Rabobank)
“MMIMPL”	Mahindra Manulife Investment Management Private Limited
“MMTPL”	Mahindra Manulife Trustee Private Limited
ISSUE RELATED TERMS	
Term	Description
Allotment	Unless the context otherwise requires, the allotment and transfer of Debenure pursuant to this Issue.
Articles/Articles of Association	Articles of association of our Company.
Auditors	The statutory auditors of the Company are M/s. Deloitte Haskins & Sells, Chartered Accountants and M/s.Mukund M Chitale & Co, Chartered Accountants
Board of Directors/Board	The board of directors of our Company or a committee Constituted thereof.
Companies Act	The Companies Act, 1956, as amended from time to time and The Companies Act, 2013
Depository	A body corporate registered under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant	A depository participant as defined under the Depositories Act.
Director(s)	Director(s) of Mahindra & Mahindra Financial Services Ltd, unless otherwise specified
Financial Year/fiscal year/FY	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
Government	The Government of India.

Memorandum/Memorandum of Association	The Memorandum and Articles of Association of our Company.
Registered Office	Gateway Building, Apollo Bunder. Mumbai-400001
Registrar/Registrar to the Issue	Registrar to the Issue, in this case being KFin Technologies Private Limited
SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
Stock Exchanges	BSE Limited

Disclaimers**GENERAL DISCLAIMER**

The Disclosure Documents are neither a “Prospectus” nor a “Statement in Lieu of Prospectus” but a “Shelf Placement Memorandum” or “Tranche Placement Memorandum” (as applicable) prepared in accordance with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021. The Disclosure Documents do not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by Mahindra & Mahindra Financial Services Ltd. (the “**Issuer**”/ the “**Company**”/ “**MMFSL**”). The Disclosure Documents are for the exclusive use of the prospective investors to whom it is delivered, and it should not be circulated or distributed to any third parties. The Issuer certifies that the disclosures made in the Disclosure Documents are generally adequate and are in conformity with the SEBI Debt Listing Regulations. This requirement is to facilitate investors to take an informed decision for making investment in the proposed Issue. The Company can, at its sole and absolute discretion change the terms of the offer. The Company reserves the right to close the Issue earlier from the dates specified in the Disclosure Documents or change the Issue timetable including the Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue shall be subject to the terms and conditions of Disclosure Documents and other documents in relation to the Issue.

The Issuer is seeking offer for subscription of secured, rated, listed, redeemable, non-convertible debentures. The Disclosure Documents do not however, constitute an offer to sell or an invitation to subscribe to securities offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Disclosure Documents come, is required to inform himself about and to observe any such restrictions.

PLEASE NOTE THAT ONLY THOSE PERSONS TO WHOM THE DISCLOSURE DOCUMENTS HAVE BEEN SPECIFICALLY ADDRESSED ARE ELIGIBLE TO APPLY. HOWEVER, AN APPLICATION, EVEN IF COMPLETE IN ALL RESPECTS, IS LIABLE TO BE REJECTED WITHOUT ASSIGNING ANY REASON FOR THE SAME. THE LIST OF DOCUMENTS PROVIDED ABOVE IS ONLY INDICATIVE, AND AN INVESTOR IS REQUIRED TO PROVIDE ALL THOSE DOCUMENTS / AUTHORIZATIONS / INFORMATION, WHICH ARE LIKELY TO BE REQUIRED BY THE COMPANY. THE COMPANY MAY, BUT IS NOT BOUND TO REVERT TO ANY INVESTOR FOR ANY ADDITIONAL DOCUMENTS / INFORMATION, AND CAN ACCEPT OR REJECT AN APPLICATION AS IT DEEMS FIT. INVESTMENT BY INVESTORS FALLING IN THE CATEGORIES MENTIONED ABOVE ARE MERELY INDICATIVE AND THE COMPANY DOES NOT WARRANT THAT THEY ARE PERMITTED TO INVEST AS PER EXTANT LAWS, REGULATIONS, ETC. EACH OF THE ABOVE CATEGORIES OF INVESTORS IS REQUIRED TO CHECK AND COMPLY WITH EXTANT RULES/REGULATIONS/GUIDELINES, ETC. GOVERNING OR REGULATING THEIR INVESTMENTS AS APPLICABLE TO THEM AND THE COMPANY IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE COMPANY REQUIRED TO CHECK OR CONFIRM THE SAME

DISCLAIMER OF THE RESERVE BANK OF INDIA

The securities have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of the documents. It is to be distinctly understood that the documents should not, in any way, be deemed or construed that the securities have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the securities being issued by the Issuer or for the correctness of the statements made or opinions expressed in the

documents. Potential investors may make investment decision in the securities offered in terms of the Disclosure Documents solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/ repayment of such investment.

DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

The Disclosure Documents have not been filed with SEBI. The securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that the documents should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in the documents. The issue of Debentures being made on private placement basis, filing of this document is not required with SEBI, however SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this document.

DISCLAIMER OF THE ARRANGERS

It is advised that the Issuer has exercised self due-diligence to ensure complete compliance of prescribed disclosure norms in the Disclosure Documents. The role of the Arrangers in the assignment is confined to marketing and placement of the Debentures on the basis of the Disclosure Documents as prepared by the Issuer. The Arrangers shall use this document for the purpose of soliciting subscription from investors in the Debentures to be issued by the Issuer on private placement basis. It is to be distinctly understood that the aforesaid use of this document by the Arrangers should not in any way be deemed or construed that the document has been prepared, cleared, approved or vetted by the Arrangers, nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Disclosure Documents, nor does it take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer. The Arrangers or any of their directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in the Disclosure Documents.

DISCLAIMER OF THE DEBENTURE TRUSTEE

The Debenture Trustees are neither the borrowers nor principal debtors or guarantors of the monies paid/invested by eligible investors for the Debentures.

DISCLAIMER OF THE ISSUER

The Issuer confirms that the information contained in the Disclosure Documents is true and correct in all material respects and is not misleading in any material respect. All information considered adequate and relevant about the Issue and the Company has made available in the Disclosure Documents for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever. The Issuer accepts no responsibility for statements made otherwise than in the Disclosure Documents or any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.

DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of the Disclosure Documents has been/ shall be submitted to BSE for hosting the same on its website. It is to be distinctly understood that such submission of the document with BSE or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by BSE, nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Disclosure Documents, nor does it warrant that this Issuer's securities will be listed or continue to be listed on the Exchange, nor does it take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in

connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

FORCE MAJEURE

The Company reserves the right to withdraw the Issue at any time prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and/or regulatory environment or otherwise. In such an event, the Company will refund the application money, if any, collected without assigning any reason.

ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of the Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its Depository Participant. The Issuer will make the allotment to eligible investors on the Deemed Date(s) of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

EACH PERSON RECEIVING THIS THE DISCLOSURE DOCUMENTS ACKNOWLEDGES THAT:





1. Such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein;
2. Such person has not relied on any intermediary that may be associated with issuance of Debentures in connection with its investigation of the accuracy of such information or its investment decision.
3. The Issuer does not undertake to update the information in the Disclosure Documents to reflect subsequent events after the date of the Disclosure Documents unless required under Applicable Law and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer. Neither the delivery of the Disclosure Documents nor any sale of Debentures made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof. However, the Company shall in each Tranche Placement Memorandum/ Term Sheet highlight the material changes, if any, in the information about the Company contained in the Shelf Placement Memorandum.

Details of Promoters of the Issuer

Name	Mahindra & Mahindra Limited
Date of Birth / Date of Incorporation	02/10/1945
Age	Not Applicable
Registered Address	Gateway Building, Apollo Bunder, Mumbai – 400 001
Education Qualification	Not Applicable
Experience in the business or Employment	Mahindra & Mahindra Limited (M&M) was incorporated and registered in India under the Indian Companies Act, 1913 on October 2, 1945 as Mahindra & Mohammed Limited. The name was changed to Mahindra & Mahindra Limited on January 13, 1948. M&M is engaged in the automotive, tractor and farm mechanisation sectors. M&M is inter alia, engaged in the business of manufacture and sale of tractors, general-purpose utility vehicles, light commercial vehicles, three-wheelers and trucks and buses and develops farm mechanisation solutions which help enhance farm productivity. The equity shares of M&M are currently listed on BSE and NSE. The global depository receipts of Issuer's Promoter are listed on the Luxembourg

	<p>Stock Exchange and are also admitted for trading on International Order Book of the London Stock Exchange.</p> <p>Over the years, it has diversified into many new businesses in order to meet the needs of their customers. It follows a unique business model of creating empowered companies that enjoy the best of entrepreneurial independence and group wide synergies. This principle has led the growth into one of largest and most admired multinational federation of companies with 260,000 employees in over 100 countries. It enjoys a leadership position in farm equipment, utility vehicles, information technology and financial services in India and is the world's largest tractor company by volume. It has a strong presence in renewable energy, agriculture, logistics, hospitality and real estate. The Mahindra Group has a clear focus on leading ESG globally, enabling rural prosperity and enhancing urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.</p> <p>Learn more about Mahindra on www.mahindra.com / Twitter and Facebook: @MahindraRise/</p>
Positions / Posts held in the Past	Not Applicable
Directorships Held	Not Applicable
Other Ventures of Each Promoter	Please refer annual report (https://www.mahindra.com/investors/reports-and-filings)
Special Achievements	Please refer annual report (https://www.mahindra.com/investors/reports-and-filings)
Business and financial activities of the Promoter	Please refer annual report (https://www.mahindra.com/investors/reports-and-filings)
Photograph	Not Applicable
Permanent Account Number	AAACM3025E

DETAILS OF DEBENTURE TRUSTEE, CREDIT RATING AGENCY (IES), REGISTRAR TO THE ISSUE, STATUTORY AUDITORS AND ARRANGERS

Debenture Trustee to the Issue	Axis Trustee Services Ltd. The Ruby, 2 nd Floor, 29 Senapati Bapat Marg, Dadar (W), Mumbai 400 028 Contact Person - Anil Grover - Chief Operating Officer Tel: (022) 62300451 / 62300437 / 62300446 Fax: (022) 6230-0700 Email-Id: debenturetrustee@axistrustee.in Website : www.axistrustee.in	
Credit Rating Agency (ies) for the Issue	India Ratings and Research Private Ltd Wockhardt Tower, West Wing, Level 4, Bandra Kurla Complex, Mumbai, 400051 Contact Person - Arunima Basu - Compliance Officer Tel: (022) 4035 6190 Email-Id: arunima.basu@indiaratings.co.in Website: https://www.indiaratings.co.in	
	CARE Ratings Limited 4th floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai-400022. Contact Person – Mr. Gaurav Dixit Tel: (022) 6754 3456 Email-Id: gaurav.dixit@careratings.com Website: https://www.careratings.com	
Registrar to the Issue	KFin Technologies Private Limited Selenium Tower B, Plot No. 31& 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana. Contact Person: Jagannadh Chakka Tel: (040) 67162222 Email - Id : einward.ris@kfintech.com Website: https://www.kfintech.com	
Statutory Auditors of the Issuer	M/s. Deloitte Haskins & Sells 19th Floor, Shapath – V, S.G. Highway, Ahmedabad – 380 015 Contact Person: Mr. Sunil Suvarna Tel: 79668 27300 Email - Id : ssuvarna@deloitte.com Website: www2.deloitte.com	N.A
	M/s. Mukund M. Chitale & Co. 2nd Floor, Kapur House, Paranjape B Scheme, Road no. 1, Vile Parle (East), Mumbai – 400 057 Contact Person : Mr. S.M. Chitale Tel : 022 2663 3500 Email ID : schitale@mmchitale.com Website : www.mmchitale.com	N.A
Legal Counsel & Legal Advisor	Not Applicable	
Guarantor, if applicable	Not Applicable	
Arrangers, if any	As per respective Tranche Placement Memorandum / Term Sheet	

About the Issuer**Overview of the business of the issuer**

We are one of the leading non-banking finance companies with customers primarily in the rural and semi-urban markets of India. We are primarily engaged in providing financing for new and pre-owned auto and utility vehicles, tractors, cars and commercial vehicles. We also provide housing finance, manage mutual funds, personal loans, financing to small and medium enterprises, insurance broking and mutual fund distribution services. In addition, we provide wholesale inventory financing to dealers and retail financing to customers in the United States for purchase of Mahindra tractors through Mahindra Finance USA LLC (MF USA), our joint venture with De Lage Landen Financial Services Inc., which is a member of the Rabobank Group. We are part of the Mahindra group, which is one of the largest business conglomerates in India.

Our Company was incorporated on 1 January 1991 under the name of Maxi Motors Financial Services Limited as a public limited company under the provisions of the Companies Act 1956. Our Company commenced its operations, pursuant to a certificate of commencement of business dated 19 February 1991. Pursuant to a fresh certificate of incorporation dated 3 November 1992, consequent to change of name, our Company's name was changed to Mahindra & Mahindra Financial Services Limited.

Our Company holds a certificate of registration dated 4 September 1998 bearing number 13.00996 issued by the RBI to carry on the activities of a NBFC under section 45 IA of the RBI Act 1934 which has been renewed on 21 March 2007. We have established a pan-India presence, spanning 27 states and 7 union territories through 1,388 offices as of 31 March, 2021. We cater to the financing needs of retail customers and small and medium-sized enterprises. We primarily focus on providing financing for purchases of auto and utility vehicles, tractors, cars, commercial vehicles and construction equipment, pre-owned vehicles, SME and others which accounted for 34%, 18%, 21%, 5%, 12% and 10% of estimated total value of the disbursements by our Company, respectively, for the year ended 31 March, 2021. We benefit from our close relationships with dealers and our long-standing relationships with OEMs, which allow us to provide on-site financing at dealerships. Our Company is also planning to enter consumer credit segment through its digital platform. This will run as an independent unit within the company.

In May 2004, we started an insurance broking business through our subsidiary, Mahindra Insurance Brokers Limited (MIBL). We provide insurance broking solutions to individuals and corporates through, MIBL. MIBL has a "composite broking license" from the IRDA, which allows MIBL to undertake broking of life, non-life and reinsurance products. It has been awarded the ISO 9001:2008 Certification for Quality Management Systems for services related to broking of life and non-life insurance products to corporate and retail customers. During the year ended 31 March, 2021, MIBL earned an income of 269 crores and achieved a profit after tax of 32 crores.

In October 2007, we commenced our housing finance business through our subsidiary Mahindra Rural Housing Finance Limited (MRHFL). We provide housing loans to individuals through, MRHFL, a registered housing finance company. We grant housing loans for purchase, construction, extension and renovation of house property. During the year ended 31 March, 2021, MRHFL's total income was 1,455 crores and achieved a profit after tax of 151 crores.

In September 2010, our Company entered into an agreement with De Lage Landen Financial Services Inc., which is wholly-owned by the Rabobank group, to form a joint venture company in the United States, Mahindra Finance USA LLC. Mahindra Finance USA LLC provides wholesale inventory financing to U.S. based dealers purchasing products of the Mahindra group and retail financing to customers for financing the purchase of the Mahindra tractors. Our Company owns a 49.0% interest in Mahindra Finance USA LLC with the balance owned by De Lage Landen Financial Services Inc.

On 20 June 2013, Mahindra Asset Management Company Private Limited was incorporated and has been appointed as the asset management company of 'Mahindra Mutual Fund'. Mahindra Mutual Fund was constituted as a trust on 29 September 2015 and was registered with SEBI on 4 February 2016 under the registration code MF/069/16/01. MMFSL is the sponsor to the mutual fund and Mahindra Trustee Company Private Limited, a 100% subsidiary of MMFSL, is the trustee to the mutual fund. The maiden fund of the Mahindra Mutual Fund - 'Mahindra Liquid Fund' received approval from the SEBI on 20 June 2016 and was launched on 4 July 2016.

Pursuant to the Share Subscription Agreement executed amongst MMFSL, Manulife Investment Management (Singapore) Pte. Ltd. (Manulife Singapore), MMTPL and MMIMPL, Manulife Singapore acquired 49% of the post issue equity share capital (on a fully diluted basis) of MMIMPL and MMTPL on April 29, 2020 and became a Co-Sponsor of the Mutual Fund. The Deed of Variation to Trust Deed constituting the Fund was executed on April 29, 2020 to reflect Manulife Singapore as the Co-Sponsor of the Mutual Fund along with MMFSL. Accordingly, Mahindra Mutual Fund was renamed as Mahindra Manulife Mutual Fund.

Pursuant to the execution of Share Subscription, Share Purchase and Shareholders' Agreement by the Company with Ideal Finance Limited (Sri Lanka) ("Ideal Finance") and its existing Shareholders: The Company on 28th February 2020 has acquired 5,56,39,098 Equity Shares aggregating to 38.20% of the paid-up share capital of Ideal Finance and on 8th July 2021 has acquired 2,91,29,032 Equity Shares of Ideal Finance from existing shareholders, aggregating to 20% of the Equity Share Capital resulting in an increase in the Company's stake in Ideal Finance from 38.20% to 58.20%. Consequent to this investment, Ideal Finance has become a Subsidiary of the Company effective 8th July, 2021.

On standalone basis, for Fiscal 2021, Fiscal 2020, Fiscal 2019, the estimated total value of disbursements was 19,001 crores, 32,381 crores and 35,815 crores, respectively, total income from operations was 10,395 crores, 10,098 crores and 8,723 crores respectively for Fiscal 2021, Fiscal 2020 and Fiscal 2019 and total profit after tax was 335 crores, 906 crores and 1,557 crores respectively for Fiscal 2021, Fiscal 2020 and Fiscal 2019.

On standalone basis, as of year ended 31 March, 2021, we maintained a NPA coverage ratio (after stage 1, 2 and 3 provisioning) of 80.4%, net NPA as a % of Business Assets (after stage 1, 2 and 3 provisioning) of 1.97%, capital adequacy ratio of 26.0%, total loans outstanding (net of NPA Provisioning) of 59,947 crores and total assets of 77,036 crores, compared to, as of March 31, 2020, we maintained a NPA coverage ratio of 53.8%, net NPA as a % of Business Assets (after stage 1, 2 and 3 provisioning) of 3.59%, capital adequacy ratio of 19.6%, total loans outstanding (net of NPA Provisioning) of 64,993 crores and total assets of 74,071 crores. (as per IND-AS accounts). Our company successfully raised Rs. 3088.82 crores in Q2 FY21 through rights issue to further augment the company's capital position.

The Company continued to undertake a risk assessment of its credit exposures and in addition to the model determined ECL (Expected credit Loss) provision, it has recorded a total additional ECL overlay of Rs 996.36 crores as on March 31, 2021 (as on 31 March 2020: Rs. 574.01 crores) in the Standalone Balance sheet, to reflect deterioration in the macroeconomic outlook due to COVID-19. In accordance with the regulatory expectation of the Reserve Bank of India to bring down the net NPA ratio below 4%, the Company has recorded an additional provision of Rs.1,320.00 crores during the Q4 FY21 on Stage 3 loans. Resultantly, the net NPA ratio of the Company (after Stage 3 provisioning) stands at 3.97 % and the Stage 3 provisioning coverage ratio stood at 57.9% as at 31 March 2021.

New Vectors of Growth

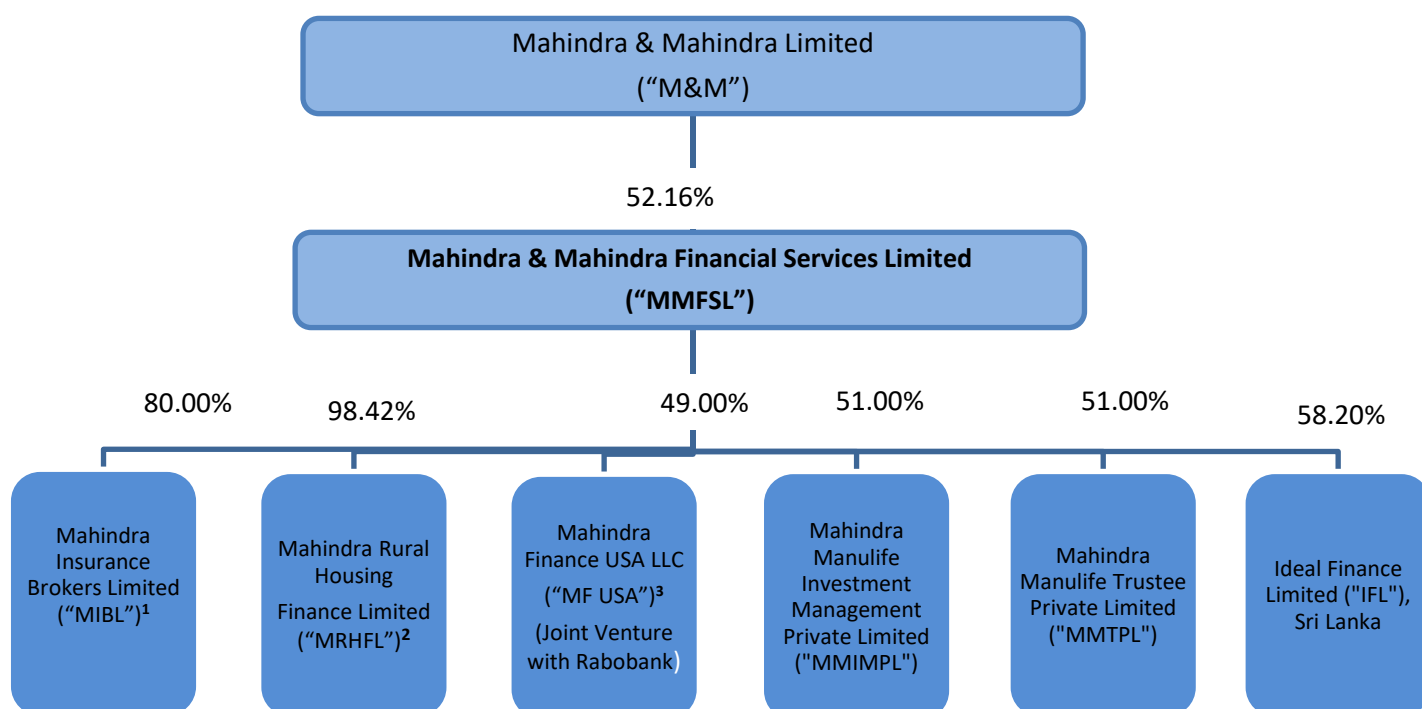
The Company has identified the following three initiatives to propel growth and further diversify the balance sheet:

- Digital finance – focusing on personal loans and consumer durable loans
- Leasing and
- Lending to SME segment

In the Digital Finance Business, the Company has initiated cross-selling to existing customers. In Leasing, the immediate focus will be on corporate segment with initiatives being taken to penetrate in retail segment. In SME, the focus is on deepening presence in the larger Mahindra Eco-system with a mix of short term cash flow backed lending and term lending. The teams are in place and the Company sees early traction in each of these segments. During the quarter, under the Leasing vertical, the Company launched a new retail brand “Quiklyz”. The objective is to build a critical mass of retail leasing portfolio over a period of time.

Corporate Structure

The following chart outlines our corporate structure as on 30 September, 2021:



- 1 MIBL is engaged in the business of direct insurance broking in the life and non-life insurance businesses. Inclusion Resources Pvt. Ltd. (IRPL), a subsidiary of AXA XL Group, holds 20% of equity shares of MIBL.
- 2 MRHFL is engaged in the business of extending loans to customers for housing needs. MRHFL Employee Welfare Trust holds 1.58% of the equity shares of MRHFL.
- 3 MF USA is engaged in the business of providing wholesale inventory-financing to dealers and retail-financing to customers in the United States for purchase of Mahindra Group products.
- 4 Pursuant to the Share Subscription Agreement executed amongst MMFSL, Manulife Investment Management (Singapore) Pte. Ltd. (Manulife Singapore), MMTPL and MMIMPL, Manulife Singapore acquired 49% of the post issue equity share capital (on a fully diluted basis) of MMIMPL and MMTPL on April 29, 2020 and became a Co-Sponsor of the Mutual Fund.
- 5 The Company formed Mahindra Finance CSR Foundation as a wholly owned subsidiary on 2nd April 2019 for undertaking all CSR initiatives under one umbrella.
6. The Company on 8th July, 2021 has acquired 2,91,29,032 Equity Shares of Ideal Finance from existing shareholders, aggregating to 20% of the Equity Share Capital resulting in an increase in the Company's stake in Ideal Finance from 38.20% to 58.20%. Consequent to this investment, Ideal Finance has become a Subsidiary of the Company effective 8th July, 2021.

Project Cost and means of financing, in case of funding of new projects

Not Applicable

Financial Information**AUDITED CONSOLIDATED PROFIT & LOSS ACCOUNT****(AS PER IND-AS ACCOUNTS)****(Rs. in Crore)**

Particulars	FOR HALF YEAR ENDED 30 September 2021 (Unaudited)	FOR THE YEAR ENDED 31 March 2021	FOR THE YEAR ENDED 31 March 2020	FOR THE YEAR ENDED 31 March 2019
Revenue from operations				
i) Interest income	5,283.26	11,703.79	11,457.61	9,969.53
ii) Dividend income	0.00	0.12	27.15	15.24
iii) Rental income	8.77	17.11	8.75	0.71
iv) Fees and commission Income	46.73	75.59	104.13	116.39
v) Net gain on fair value changes	32.40	50.04	25.62	7.62
vi) Sale of services	107.05	203.61	259.69	262.21
Total Revenue from operations	5,478.21	12,050.26	11,882.95	10,371.70
Other income	39.21	120.24	113.50	59.15
Total income (I+II)	5,517.42	12,170.50	11,996.45	10,430.85
Expenses				
i) Finance costs	2,293.71	5,307.57	5,390.56	4,432.28
ii) Fees and commission expense	59.30	104.80	124.90	129.68
iii) Impairment on financial instruments	2,689.83	3,998.74	2,318.98	717.11
iv) Employee benefits expenses	747.28	1,384.01	1,609.82	1,477.95
v) Depreciation, amortization and impairment	66.97	150.51	146.87	75.53
vi) Others expenses	362.47	558.81	849.19	804.47
Total expenses (IV)	6,219.56	11,504.44	10,440.32	7,637.02
Profit before exceptional items and tax (III-IV)	(702.14)	666.06	1,556.13	2,793.83
Exceptional items	20.57	228.54	-	-
Share of Profit/(Loss) of to Associates	28.36	39.54	45.90	46.93
Profit before tax (V -VI)	(653.21)	934.14	1,602.03	2,840.76
Tax expense :				
(i) Current tax	6.17	512.28	647.30	706.50
(ii) Deferred tax	(189.32)	(340.86)	(129.89)	262.11
(iii) (Excess) / Short provision for Income Tax - earlier years	0.40	(17.56)	(1.20)	4.86
Profit for the year (VII-VIII)	(470.46)	780.28	1,085.82	1,867.28

**AUDITED CONSOLIDATED BALANCE SHEET
(AS PER IND-AS ACCOUNTS)**

(Rs. in Crore)

Particulars	As at 30 September 2021 (Unaudited)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
ASSETS				
Financial Assets				
a) Cash and cash equivalents	943.78	808.53	782.60	537.22
b) Bank balance other than (a) above	3,769.70	3,173.99	749.00	456.81
c) Derivative financial instruments	55.43	25.72	92.93	10.06
d) Receivables				
i) Trade receivables	68.41	54.64	52.91	53.60
ii) Other receivables	-	-	-	-
e) Loans	64,313.54	67,075.72	72,863.78	68,939.00
f) Investments				
i) Investments accounted using Equity Method	827.35	838.07	537.84	3,327.35
ii) Other investments	8,809.05	11,190.16	4,802.53	-
g) Other financial assets	603.80	551.50	519.78	212.07
	79,391.06	83,718.33	80,401.37	73,536.13
Non-financial Assets				
a) Current tax assets (Net)	697.59	414.18	257.83	312.13
b) Deferred tax Assets (Net)	1,117.46	944.88	578.83	449.70
c) Property, plant and equipment	388.63	379.24	427.76	168.19
d) Capital work-in-progress	-	10.34	-	-
e) Intangible assets under development	1.57	1.39	0.56	0.79
f) Goodwill	43.40	-	-	-
g) Other intangible assets	15.11	19.80	27.60	33.26
h) Other non-financial assets	132.52	112.83	98.63	75.77
	2,396.28	1,882.66	1,391.21	1,039.84
Total Assets	81,787.34	85,600.99	81,792.58	74,575.97

Particulars	(Rs. in Crore)			
	As At 30 September 2021 (Unaudited)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
a) Derivative financial instruments	186.90	173.18	40.16	77.03
b) Payables				-
I) Trade Payables				-
i) total outstanding dues of micro enterprises and small enterprises	0.09	0.07	0.26	0.24
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	693.15	731.90	692.97	1,114.07
II) Other Payables				-
i) total outstanding dues of micro enterprises and small enterprises	0.23	0.01	0.17	2.53
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	23.56	46.96	29.44	31.65
c) Debt Securities	22,095.15	19,671.04	19,744.61	24,715.89
d) Borrowings (Other than Debt Securities)	27,522.68	32,454.28	33,327.14	24,632.72
e) Deposits	9,167.23	9,366.16	8,781.39	5,630.93
f) Subordinated Liabilities	3,742.15	3,609.47	3,781.10	3,822.08
g) Other financial liabilities	2,629.69	3,282.71	2,994.19	2,840.75
	66,060.83	69,335.78	69,391.43	62,867.87
Non-Financial Liabilities				
a) Current tax liabilities (Net)	15.83	13.92	17.38	13.92
b) Provisions	231.20	271.24	211.38	254.94
c) Other non-financial liabilities	73.23	104.53	113.70	91.71
	320.26	389.69	342.46	360.57
EQUITY				
a) Equity Share capital	246.44	246.40	123.07	122.98
b) Other Equity	15,017.87	15,529.97	11,845.94	11,146.04
Equity attributable to owners of the Company	15,264.31	15,776.37	11,969.01	11,269.02
Non-controlling interests	141.94	99.15	89.68	78.51
	15,406.25	15,875.52	12,058.69	11,347.53
Total Liabilities and Equity	81,787.34	85,600.99	81,792.58	74,575.97

AUDITED CONSOLIDATED CASH FLOW STATEMENT
(AS PER IND-AS ACCOUNTS) **(Rs. in Crore)**

Particulars		Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
A)	CASH FLOW FROM OPERATING ACTIVITIES			
	Profit before exceptional items and taxes	666.06	1,556.13	2,793.83
	Adjustments to reconcile profit before tax to net cash flows:			
	Add: Non-cash expenses			
	Depreciation, amortization and impairment	150.52	146.87	75.53
	Impairment on financial instruments	1,848.38	1,484.75	(1,046.66)
	Bad debts and write offs	2,170.70	837.37	1,763.77
	Net (Gain) / loss on fair value of derivative financial instruments	201.20	(119.73)	26.94
	Unrealised foreign exchange gain/loss	(124.74)	191.73	8.26
	Remeasurement gain / (loss) on defined benefit plans	-	(0.18)	(0.04)
	Share based payments to employees	18.35	31.75	24.31
		4,264.41	2,572.58	852.11
	Less: Income considered separately			
	Net gain on fair value changes	(49.90)	(25.61)	(7.10)
	Interest income on investments	(321.30)	(138.54)	(192.26)
	Dividend income	(0.02)	(26.37)	(15.11)
	Net gain on derecognition of property, plant and equipment	(0.30)	(0.45)	(0.68)
	Net (gain) / loss on sale of investments	(66.62)	(50.94)	0.57
		(438.14)	(241.91)	(214.59)
	Operating profit before working capital changes	4,492.33	3,886.80	3,431.35
	Changes in -			
	Loans	1,770.61	(6,197.40)	(15,036.46)
	Trade receivables	(17.42)	2.03	(40.24)
	Interest accrued on other deposits	(28.81)	(36.68)	3.12
	Other financial assets	(37.57)	24.23	(36.49)
	Other financial liabilities	337.96	206.74	332.44
	Other non-financial assets	(37.67)	(9.47)	(24.52)
	Trade Payables	71.38	(359.73)	2.15
	Other non-financial liabilities	2.03	11.15	22.53
	Derivative financial instruments	(0.97)	-	14.28
	Provisions	63.30	(54.57)	77.80
	Cash used in operations	2,122.84	(6,413.68)	(14,685.39)
	Income taxes paid (net of refunds)	(658.55)	(588.35)	(823.89)
	NET CASH USED IN OPERATING ACTIVITIES (A)	5,956.62	(3,115.23)	(12,077.94)
B)	CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of Property, plant and equipment and intangible assets	(45.52)	(118.27)	(135.51)
	Proceeds from sale of Property, plant and equipment	4.33	2.17	2.13
	Purchase of investments measured at amortized cost	(39,386.94)	(5,923.58)	(448.70)

	Proceeds from sale of investments measured at amortized cost	36,131.50	5,883.77	1,240.64
	Purchase of investments measured at FVOCI	(4,547.94)	(243.89)	(3.00)
	Proceeds from sale of investments at FVOCI		-	-
	Purchase of investments measured at FVTPL	(31,923.90)	(73,041.29)	(34,769.45)
	Proceeds from sale of investments measured at FVTPL	33,338.50	71,474.07	33,060.76
	Purchase of investments measured at cost	(1,710.01)	(330.77)	(9.63)
	Proceeds from sale of investments measured at cost	1,235.62	-	-
	Proceeds from sale of investments measured at cost (in equity shares of Mahindra Asset Management Company Private Limited)	20.73	-	-
	Proceeds from / (Investments in) term deposits with banks (net)	(1,837.70)	(583.12)	(378.02)
	Dividend income received	0.02	63.79	36.48
	Interest income received on investments measured at amortized cost, FVOCI, FVTPL and at cost	242.04	98.25	191.38
	Change in Earmarked balances with banks	0.09	29.76	(0.13)
C)	NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	(8,479.18)	(2,689.10)	(1,213.05)
	CASH FLOW FROM FINANCING ACTIVITIES			
	Proceeds from issue of Equity shares (net of issue expenses)	3,069.96	-	(0.11)
	Expenses incurred on issuance of Non-convertible debentures		-	(21.44)
	Proceeds from borrowings through Debt Securities	8,100.90	14,177.80	34,809.12
	Repayment of borrowings through Debt Securities	(8,160.65)	(19,154.31)	(32,016.73)
	Proceeds from Borrowings (Other than Debt Securities)	14,053.01	30,677.69	31,522.62
	Repayment of Borrowings (Other than Debt Securities)	(14,226.82)	(21,964.59)	(23,413.43)
	Proceeds from borrowings through Subordinated Liabilities	2,348.60	100.00	371.87
	Repayment of borrowings through Subordinated Liabilities	(3,155.22)	(139.77)	(16.80)
	(Decrease) / Increase in loans repayable on demand and cash credit/overdraft facilities with banks (net)	-	(226.01)	(22.05)
	Increase / (decrease) in Fixed deposits (net)	573.24	3,143.74	2,598.01
	Payments for principal portion of lease liability	(54.53)	(48.03)	-
	Dividend paid (including tax on dividend)	-	(516.81)	(321.54)
	Proceeds from sale of investments measured at cost (in equity shares of Mahindra Insurance Brokers Limited)		-	-
	NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	2,548.49	6,049.71	13,489.53
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	25.93	245.38	198.54
	Cash and Cash Equivalents at the beginning of the year	782.60	537.22	338.69
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (refer note 3)	808.53	782.60	537.22
	Components of Cash and Cash Equivalents			
	Cash and cash equivalents at the end of the year			
	- Cash on hand	54.42	15.19	43.66
	- Cheques and drafts on hand	33.12	4.09	16.02
	- Balances with banks in current accounts	478.50	563.32	477.54
	-Term deposits with original maturity up to 3 months	242.49	200.00	-
	Total	808.53	782.60	537.22

AUDITED STANDALONE PROFIT & LOSS ACCOUNT
(AS PER IND-AS ACCOUNTS)

(Rs. in Crore)

Particulars	FOR HALF YEAR ENDED 30 SEPTEMBER 2021 (Unaudited)	FOR THE YEAR ENDED 31 March 2021	FOR THE YEAR ENDED 31 March 2020	FOR THE YEAR ENDED 31 March 2019
Revenue from operations				
i) Interest income	4,597.21	10,266.95	9,941.71	8,614.56
ii) Dividend income	-	0.02	24.25	13.88
iii) Rental income	8.77	17.11	8.75	0.71
iv) Fees and commission Income	45.41	70.73	96.99	86.92
v) Net gain on fair value changes	32.49	40.39	26.15	6.84
Total revenue from operations	4,683.88	10,395.20	10,097.85	8,722.91
Other income	25.57	121.61	147.29	86.90
Total income (I+II)	4,709.45	10,516.81	10,245.14	8,809.81
Expenses				
i) Finance costs	2,033.03	4,733.19	4,828.75	3,944.56
ii) Fees and commission expense	19.22	31.14	40.94	30.48
iii) Impairment on financial instruments	2,451.81	3,734.82	2,054.47	635.21
iv) Employee benefits expenses	548.63	1,015.23	1,148.45	1,090.12
v) Depreciation, amortization and impairment	55.36	125.88	118.29	60.23
vi) Others expenses	288.14	460.22	710.48	666.78
Total expenses (IV)	5,396.19	10,100.48	8,901.38	6,427.37
Profit before exceptional items and tax (III-IV)	(686.74)	416.33	1,343.76	2,382.44
Exceptional items	-	6.10	-	-
Profit before tax (V -VI)	(686.74)	422.43	1,343.76	2,382.44
Tax expense :				
(i) Current tax	-	450.30	556.94	574.12
(ii) Deferred tax	(181.28)	(347.52)	(119.58)	248.52
(iii) (Excess) / Short provision for Income Tax - earlier years	0.40	(15.50)	-	2.74
	(180.88)	87.28	437.36	825.38
Profit for the year (VII-VIII)	(505.86)	335.15	906.40	1,557.06

AUDITED STANDALONE BALANCE SHEET
(AS PER IND-AS ACCOUNTS)

(Rs. in Crore)

Particulars	As at 30 September 2021 (Unaudited)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
ASSETS				
Financial Assets				
a) Cash and cash equivalents	716.37	570.58	676.79	501.68
b) Bank balance other than (a) above	3,451.85	2,699.06	749.00	456.81
c) Derivative financial instruments	55.43	25.72	92.93	10.06
d) Receivables				-
i) Trade receivables	15.69	8.40	8.60	5.19
ii) Other receivables	-	-	-	-
e) Loans	57,196.10	59,947.42	64,993.47	61,249.63
f) Investments	9,129.32	11,607.25	5,910.98	3,791.70
g) Other financial assets	562.13	514.05	476.65	168.95
	71,126.89	75,372.48	72,908.42	66,184.03
Non-financial Assets				
a) Current tax assets (Net)	657.23	401.65	239.96	302.10
b) Deferred tax Assets (Net)	1,027.02	862.36	489.63	371.73
c) Property, plant and equipment	317.30	311.49	337.95	132.50
d) Capital work-in-progress	-	10.34	-	-
e) Intangible assets	13.48	18.63	25.55	30.56
f) Other non-financial assets	77.16	59.50	69.73	57.07
	2,092.19	1,663.97	1,162.82	893.96
Total Assets	73,219.08	77,036.45	74,071.24	67,077.99

Particulars	As at 30 September 2021 (Unaudited)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
a) Derivative financial instruments	186.90	173.18	40.16	77.03
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	528.87	596.35	606.33	979.47
II) Other payables	-	-	-	-
i) total outstanding dues of micro enterprises and small enterprises	0.23	0.01	0.17	2.53
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	23.53	46.73	29.24	31.65
c) Debt securities	18,838.25	16,834.57	17,744.87	22,319.38
d) Borrowings (Other than debt securities)	24,613.71	29,142.08	29,487.35	21,301.53
e) Deposits	9,199.21	9,450.66	8,812.14	5,667.18
f) Subordinated liabilities	3,281.99	3,149.37	3,417.95	3,558.84
g) Other financial liabilities	2,122.34	2,604.26	2,313.97	1,926.63
	58,795.03	61,997.21	62,452.18	55,864.24
Non-Financial Liabilities				
a) Current tax liabilities (net)	13.92	13.92	13.92	13.92
b) Provisions	178.89	214.91	143.23	206.53
c) Other non-financial liabilities	69.77	98.90	98.05	85.28
	262.58	327.73	255.20	305.73
EQUITY				
a) Equity share capital	246.44	246.40	123.07	122.97
b) Other equity	13,915.03	14,465.11	11,240.79	10,785.05
	14,161.47	14,711.51	11,363.86	10,908.02
Total Liabilities and Equity	73,219.08	77,036.45	74,071.24	67,077.98

**AUDITED STANDALONE CASH FLOW STATEMENT
(AS PER IND-AS ACCOUNTS)**

		<i>(Rs. in Crore)</i>		
Particulars		Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
A)	CASH FLOW FROM OPERATING ACTIVITIES			
	Profit before exceptional items and taxes	416.33	1,343.76	2,382.44
	Adjustments to reconcile profit before tax to net cash flows:			
	Add: Non-cash expenses			
	Depreciation, amortization and impairment	125.88	118.29	60.23
	Impairment on financial instruments	1,564.12	1,217.11	(1,128.56)
	Bad debts and write offs	2,170.70	837.36	1,763.77
	Net (Gain) / loss on fair value of derivative financial instruments	201.20	(119.73)	26.94
	Unrealised foreign exchange gain/loss	(124.74)	191.73	8.26
	Share based payments to employees	15.99	29.42	22.55
		3,953.15	2,274.18	753.18
	Less: Income considered separately			
	Net gain on fair value changes	(40.39)	(26.15)	(6.84)
	Interest income on investments	(264.32)	(99.53)	(160.21)
	Dividend income	(0.02)	(54.63)	(33.95)
	Net gain on derecognition of property, plant and equipment	(0.41)	(0.70)	(0.80)
	Net gain on sale of investments	(61.02)	(45.74)	1.20
		(366.16)	(226.75)	(200.60)
	Operating profit before working capital changes	4,003.32	3,391.19	2,935.02
	Changes in -			
	Loans	1,312.83	(5,800.90)	(13,356.26)
	Trade receivables	(2.32)	(3.92)	(1.50)
	Interest accrued on other deposits	(28.81)	(36.67)	3.05
	Other financial assets	(37.16)	24.66	(18.91)
	Other financial liabilities	294.60	207.28	154.40
	Other non-financial assets	(5.65)	(0.27)	(15.67)
	Trade Payables	7.35	(377.90)	(41.74)
	Other non-financial liabilities	1.11	13.14	19.99
	Derivative financial instruments	(0.97)	-	14.28
	Provisions	68.82	(72.99)	65.66
	Cash used in operations	1,609.80	(6,047.57)	(13,176.69)
	Income taxes paid (net of refunds)	(596.49)	(494.80)	(676.41)
	NET CASH USED IN OPERATING ACTIVITIES (A)	5,016.63	(3,151.18)	(10,918.08)

B)	CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of Property, plant and equipment and intangible assets	(43.79)	(105.35)	(109.58)
	Proceeds from sale of Property, plant and equipment	3.66	1.85	1.90
	Purchase of investments measured at amortised cost	(36,573.50)	(271.27)	(219.95)
	Proceeds from sale of investments measured at amortised cost	33,998.67	392.19	1,063.86
	Purchase of investments measured at FVOCI	(4,547.94)	(243.89)	(3.00)
	Purchase of investments measured at FVTPL	(31,839.71)	(72,847.12)	(34,668.57)
	Proceeds from sale of investments measured at FVTPL	33,256.50	71,315.31	32,999.38
	Purchase of investments measured at cost	(0.01)	(380.77)	(199.63)
	Proceeds from sale of investments measured at cost (in equity shares of Mahindra Asset Management Company Private Limited)	20.80	-	-
	Proceeds from / (Investments in) term deposits with banks (net)	(1,845.96)	(580.43)	(374.64)
	Dividend income received	0.02	54.63	33.95
	Interest income received on investments	188.58	91.93	159.55
	Change in Earmarked balances with banks	0.09	0.21	(0.13)
	NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	(7,382.59)	(2,572.71)	(1,316.85)
C)	CASH FLOW FROM FINANCING ACTIVITIES			
	Proceeds from issue of Equity shares (net of issue expenses)	3,080.29	-	-
	Expenses incurred on issuance of Non-convertible debentures	-	-	(21.44)
	Proceeds from borrowings through Debt Securities	6,415.90	12,807.80	31,551.02
	Repayment of borrowings through Debt Securities	(7,317.15)	(17,369.31)	(29,546.73)
	Proceeds from Borrowings (Other than Debt Securities)	14,257.41	27,667.93	28,970.62
	Repayment of Borrowings (Other than Debt Securities)	(14,485.57)	(19,463.91)	(21,061.52)
	Proceeds from borrowings through Subordinated Liabilities	-	-	336.87
	Repayment of borrowings through Subordinated Liabilities	(272.98)	(139.77)	(9.80)
	(Decrease) / Increase in loans repayable on demand and cash credit/overdraft facilities with banks (net)	-	(226.01)	(22.05)
	Increase / (decrease) in Fixed deposits (net)	626.99	3,138.24	2,561.51
	Payments for principal portion of lease liability	(45.14)	(38.12)	-
	Dividend paid (including tax on dividend)	-	(477.86)	(293.78)
	NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	2,259.75	5,898.99	12,464.71
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(106.21)	175.10	229.77
	Cash and Cash Equivalents at the beginning of the year	676.79	501.68	271.90
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (refer note 3)	570.58	676.79	501.68
	Components of Cash and Cash Equivalents			
	Particulars			
	Cash and cash equivalents at the end of the year			
	- Cash on hand	42.29	14.30	27.17

- Cheques and drafts on hand	33.12	3.01	16.02
- Balances with banks in current accounts	445.17	459.48	458.49
-Term deposits with original maturity up to 3 months	50.00	200.00	-
Total	570.58	676.79	501.68

Standalone & Consolidated Cash Flow for 30th September 2021

STATEMENT OF CASH FLOWS

Rs. in Crores

Particulars	CONSOLIDATED		STANDALONE	
	Half year ended 30 September 2021	Half year ended 30 September 2020	Half year ended 30 September 2021	Half year ended 30 September 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
A) CASH FLOW FROM OPERATING ACTIVITIES				
Profit / (Loss) before exceptional items and taxes	(702.14)	761.78	(686.74)	613.70
Adjustments for :				
Depreciation, amortization and impairment	66.97	77.44	55.36	64.83
Impairment on financial instruments (excluding bad debts and write offs)	1,997.39	443.16	1,753.11	288.65
Bad debts and write offs	698.70	1,173.44	698.70	1,173.44
Interest expense	2,282.72	2,615.51	2,026.13	2,334.78
Interest income from loans	(5,003.75)	(5,782.77)	(4,329.07)	(5,036.04)
Interest income from other deposits with banks	(93.46)	(89.50)	(83.32)	(83.30)
Net (Gain) / loss on fair value of derivative financial instruments	(26.71)	130.93	(15.99)	130.93
Unrealized foreign exchange gain/loss	25.46	(62.26)	25.46	(62.26)
Share based payments to employees	7.13	11.80	6.20	10.06
Net gain on fair value changes	(32.40)	(35.89)	(32.49)	(31.44)
Interest income on investments	(186.41)	(73.75)	(184.82)	(71.94)
Dividend income	-	(0.12)	(2.47)	(0.02)
Net gain on derecognition of property, plant and equipment	(0.60)	(0.28)	(0.53)	(0.35)
Net (gain) / loss on sale of investments	(11.12)	(34.54)	(3.10)	(33.89)
Operating profit / (loss) before working capital changes	(978.22)	(865.05)	(773.57)	(702.83)
Adjustments for changes in working capital -				
Loans	(788.36)	(1,105.56)	(602.94)	(1,322.10)
Trade receivables	(16.08)	32.61	(11.32)	(0.49)
Other financial assets	(5.79)	(45.60)	(4.93)	(42.59)
Other financial liabilities	(18.63)	(73.85)	(9.14)	(62.55)
Other non-financial assets	18.26	22.98	15.79	19.62
Trade Payables	(76.81)	(55.15)	(90.46)	(87.16)
Other non-financial liabilities	(32.07)	(33.16)	(29.13)	(30.19)
Derivative financial instruments	-	(0.97)	-	(0.97)
Provisions	(40.51)	(3.64)	(35.38)	8.30
Cash generated from / (used in) operations before adjustments for interest received and interest paid	(1,938.21)	(2,127.40)	(1,601.08)	(2,220.97)
Interest paid	(2,900.51)	(2,717.66)	(2,480.63)	(2,435.01)
Interest received from loans	6,019.63	6,263.46	5,294.23	5,501.02
Interest received from other deposits with banks	62.29	67.29	62.29	66.84
Cash generated from / (used in) operations	1,243.20	1,485.69	1,274.81	911.88
Income taxes paid (net of refunds)	(291.61)	(339.48)	(255.98)	(294.56)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)	951.59	1,146.22	1,018.83	617.32
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, plant and equipment and intangible assets	(75.29)	(17.92)	(68.38)	(16.04)
Proceeds from sale of Property, plant and equipment	2.27	1.21	1.64	1.02
Purchase of investments measured at amortized cost	(24,540.62)	(2,384.33)	(23,119.00)	(717.53)
Proceeds from sale of investments measured at amortized cost	26,740.91	1,359.27	25,420.81	38.66
Purchase of investments measured at FVOCI	-	(879.63)	-	(879.63)
Proceeds from sale of investments measured at FVOCI	42.17	-	42.17	-
Purchase of investments measured at FVTPL	(8,676.91)	(26,187.17)	(8,644.66)	(26,138.87)
Proceeds from sale of investments measured at FVTPL	8,952.60	24,907.33	8,914.85	24,879.83
Purchase of investments measured at cost	(34.00)	(1.79)	(33.97)	-
Consideration received on partial disposal of subsidiary, net of cash (loss of control)	-	20.80	-	20.80
Proceeds from / (Investments in) term deposits with banks (net)	(597.96)	(2,307.80)	(764.00)	(1,500.34)
Dividend income received	-	0.93	2.47	0.02
Interest income received on investments measured at amortized cost, FVOCI, FVTPL and at cost	194.55	69.42	172.40	62.34
Change in Earmarked balances with banks	0.04	0.08	0.04	0.08
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	2,007.77	(5,419.59)	1,924.37	(4,249.65)

STATEMENT OF CASH FLOWS (Continued ...)

Rs. in Crores

Particulars	CONSOLIDATED		STANDALONE	
	Half year ended 30 September 2021	Half year ended 30 September 2020	Half year ended 30 September 2021	Half year ended 30 September 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of Equity shares, including securities premium (net of issue expenses)	-	3,069.76	-	3,080.08
Proceeds from borrowings through Debt Securities	5,375.00	6,425.90	4,125.00	4,940.90
Repayment of borrowings through Debt Securities	(2,943.42)	(4,210.30)	(2,120.42)	(3,731.80)
Proceeds from Borrowings (Other than Debt Securities)	10,309.10	7,843.38	10,033.91	6,344.19
Repayment of Borrowings (Other than Debt Securities)	(15,324.27)	(9,142.36)	(14,599.12)	(7,147.41)
Repayment of borrowings through Subordinated Liabilities	132.15	(71.97)	132.15	(71.97)
Increase / (decrease) in Fixed deposits (net)	(250.73)	612.01	(250.73)	631.01
Payments for principal portion of lease liability	(25.40)	(26.57)	(20.37)	(22.08)
Dividend paid	(99.19)	-	(98.84)	-
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	(2,826.76)	5,499.85	(2,797.42)	4,022.90
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	132.60	1,226.48	145.79	390.57
Cash and Cash Equivalents at the beginning of the year	808.53	782.53	570.58	676.79
Cash and Cash Equivalents balance of Ideal Finance, Sri Lanka on the date of acquisition	2.65	-	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	943.78	2,009.01	716.37	1,067.36

Components of Cash and Cash Equivalents

Rs. in Crores

Particulars	CONSOLIDATED		STANDALONE	
	Half year ended 30 September 2021	Half year ended 30 September 2020	Half year ended 30 September 2021	Half year ended 30 September 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Components of Cash and Cash Equivalents:				
Cash and cash equivalents at the end of the period				
- Cash on hand	59.32	44.61	48.86	36.24
- Cheques and drafts on hand	26.75	19.43	26.75	19.43
- Balances with banks in current accounts	667.71	521.06	640.76	498.09
- Term deposits with original maturity up to 3 months	190.00	1,423.92	-	513.60
Total	943.78	2,009.01	716.37	1,067.36

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'.

B S R & Co. LLP

Chartered Accountants

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Independent Auditors' Report on Consolidated Annual Financial Results under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31 March 2021

Independent Auditors' Report

To the Board of Directors of
Mahindra & Mahindra Financial Services Limited

Report on the audit of the Consolidated Annual Financial Results**Opinion**

We have audited the accompanying consolidated annual financial results of Mahindra & Mahindra Financial Services Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and its joint ventures for the year ended 31 March 2021, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries and joint ventures and the unaudited financial information of the associate, the aforesaid consolidated annual financial results:

- a. include the annual financial results of the following entities

Name of the entity	Relationship
Mahindra & Mahindra Financial Services Limited	Holding Company
Mahindra Rural Housing Finance Limited	Subsidiary
Mahindra Insurance Brokers Limited	Subsidiary
Mahindra Finance CSR Foundation	Subsidiary
Mahindra & Mahindra Financial Services Limited- Employees' Stock Option Trust	Subsidiary
Mahindra Rural Housing Finance Limited Employee Welfare Trust	Subsidiary
Mahindra Finance USA, LLC	Associate
Ideal Finance Limited	Joint Venture
Mahindra Manulife Investment Management Private Limited (erstwhile Mahindra Asset Management Company Private Limited) (subsidiary upto 28 April 2020 and joint venture w.e.f 29 April 2020)	Joint Venture
Mahindra Manulife Trustee Private Limited (erstwhile Mahindra Trustee Company Private Limited) (subsidiary upto 28 April 2020 and joint venture w.e.f 29 April 2020)	Joint Venture

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2021.

Registered Office:

B S R & Co. is a partnership firm with Registration No. BA01223 converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-91811) with effect from October 14, 2015.

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Independent Auditors' Report (Continued)**Mahindra & Mahindra Financial Services Limited****Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group, its associate and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Emphasis of Matter

We draw attention to Note 12 to the consolidated annual financial results which explains the additional provision of Rs. 1,320 crores recorded by the Holding Company against Stage 3 loans in the quarter ended 31 March 2021. As discussed in the said note, the Holding Company has recorded the provision in addition to that required as per Ind AS, to meet the regulatory expectation of the Reserve Bank of India to bring the net NPA ratio below 4%.

Further, as described in Note 11 to the consolidated annual financial results the extent to which the COVID-19 pandemic will impact the Group's financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of these matters.

Management's and the Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/loss and other comprehensive income and other financial information of the Group including its associate and joint ventures in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management, the Board of Directors and the Trustees of the companies / trusts included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

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Independent Auditors' Report (Continued)**Mahindra & Mahindra Financial Services Limited****Management's and the Board of Directors' Responsibilities for the Consolidated Annual Financial Results (Continued)**

In preparing the consolidated annual financial results, the Management, the respective Board of Directors and the Trustees of the companies / trusts included in the Group and of its associate and joint ventures are responsible for assessing the ability of each company / trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors / Trustees either intends to liquidate the company / trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors / Trustees of the companies included in the Group and of its associate and joint ventures is responsible for overseeing the financial reporting process of each company.

Auditors' Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Management and the Board of Directors.
- Conclude on the appropriateness of the Management and the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associate and joint ventures to cease to continue as a going concern.

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Independent Auditors' Report (Continued)**Mahindra & Mahindra Financial Services Limited****Auditors' Responsibilities for the Audit of the Consolidated Annual Financial Results (Continued)**

- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associate and joint ventures to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- (a) The consolidated annual financial results include the audited financial results of four subsidiaries, whose financial statements reflect Group's share of total assets (before consolidation adjustments) of Rs. 653.21 crores as at 31 March 2021, Group's share of total revenue (before consolidation adjustments) of Rs. 281.59 crores and Group's share of total net profit after tax (before consolidation adjustments) of Rs. 41.55 crores and Group's share of net cash inflows (before consolidation adjustments) of Rs. 6.46 crores for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The consolidated annual financial results also include the Group's share of net loss (and other comprehensive income) (before consolidation adjustments) of Rs. 10.95 crores for the year ended 31 March 2021, as considered in the consolidated annual financial results, in respect of three joint ventures, whose financial statements have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

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Independent Auditors' Report (Continued)**Mahindra & Mahindra Financial Services Limited****Other Matters (Continued)**

- (b) The consolidated annual financial results also include the Group's share of net profit (and other comprehensive income) (before consolidation adjustments) of Rs. 50.53 crores for the year ended 31 March 2021, as considered in the consolidated annual financial results, in respect of one associate, whose financial information have not been audited by us or by other auditors. These unaudited financial information have been furnished to us by the Board of Directors and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of this associate is based solely on such annual financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, this financial information is not material to the Group.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Board of Directors.

- (c) The consolidated annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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

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

**SAGAR
PRAVIN
LAKHANI**Digitally signed by
SAGAR PRAVIN
LAKHANI
Date: 2021.04.23
18:14:41 +05'30'**Sagar Lakhani**
*Partner*Mumbai
23 April 2021Membership No: 111855
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Independent Auditors' Report on Standalone Annual Financial Results under Regulation 33 and Regulation 52 read with Regulation 63 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31 March 2021

Independent Auditors' Report

**To the Board of Directors of
Mahindra & Mahindra Financial Services Limited**

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Mahindra & Mahindra Financial Services Limited (hereinafter referred to as the "Company") for the year ended 31 March 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63 (2) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63 (2) of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the Standalone annual financial results.

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2017

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditors' Report (Continued)**Mahindra & Mahindra Financial Services Limited****Emphasis of Matter**

We draw attention to Note 12 to these standalone annual financial results which explains the additional provision of Rs. 1,320 crores recorded against Stage 3 loans in the quarter ended 31 March 2021. As discussed in the said note, the Company has recorded the provision in addition to that required as per Ind AS, to meet the regulatory expectation of the Reserve Bank of India to bring the net NPA ratio below 4%.

Further, as described in Note 11 to the standalone annual financial results, the extent to which the COVID-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of these matters.

Management's and the Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63 (2) of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

B S R & Co. LLP

Independent Auditors' Report (*Continued*)**Mahindra & Mahindra Financial Services Limited****Auditors' Responsibilities for the Audit of the Standalone Annual Financial Results (*Continued*)**

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and the Board of Directors.
- Conclude on the appropriateness of the Management and the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

B S R & Co, LLP

Independent Auditors' Report (*Continued*)**Mahindra & Mahindra Financial Services Limited****Other Matter**

The standalone annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co, LLP***Chartered Accountants*

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

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SAGAR PRAVIN
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Date: 2021.04.23
17:55:14 +05'30'**Sagar Lakhani**
*Partner*Mumbai
23 April 2021Membership No: 111855
ICAI UDIN: 21111855AAAACC6646

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Independent Auditors' Report on Consolidated Annual Financial Results under Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31 March 2020

Independent Auditors' Report

To the Board of Directors of
Mahindra & Mahindra Financial Services Limited

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Mahindra & Mahindra Financial Services Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate and its joint venture for the year ended 31 March 2020, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, associate and joint venture, the aforesaid consolidated annual financial results:

- a. include the annual financial results of the following entities

Name of the entity	Relationship
Mahindra & Mahindra Financial Services Limited	Holding Company
Mahindra Insurance Brokers Limited	Subsidiary
Mahindra Rural Housing Finance Limited	Subsidiary
Mahindra Asset Management Company Private Limited	Subsidiary
Mahindra Trustee Company Private Limited	Subsidiary
Mahindra & Mahindra Financial Services Limited Employees Stock Option Trust	Subsidiary
Mahindra Rural Housing Finance Limited Employee Welfare Trust	Subsidiary
Mahindra Finance CSR Foundation (with effect from 2 April 2019)	Subsidiary
Mahindra Finance USA, LLC	Associate
Ideal Finance Limited (with effect from 28 February 2020)	Joint Venture

- b. are presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group, its associate and joint venture for the year ended 31 March 2020.

B S R & Co. LLP

Independent Auditors' Report (Continued)**Mahindra & Mahindra Financial Services Limited****Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group, its associate and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Emphasis of Matter

As described in Note 11 to the consolidated annual financial results, in respect of accounts overdue but standard as on 29 February 2020 where moratorium benefit has been granted, the staging of those accounts as on 31 March 2020 is based on the days past due status as on 29 February 2020 in accordance with the Reserve Bank of India COVID-19 Regulatory Package. Further, the extent to which the COVID-19 pandemic will impact the Group's financial performance is dependent on future developments, which are highly uncertain. Our opinion is not modified in respect of the above matter.

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group including its associate and joint venture in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

B S R & Co. LLP

Independent Auditors' Report (*Continued*)

Mahindra & Mahindra Financial Services Limited

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results (*Continued*)

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint venture is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.

B S R & Co. LLP

Independent Auditors' Report (Continued)**Mahindra & Mahindra Financial Services Limited****Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results (Continued)**

- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associate and joint venture to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- (a) The consolidated annual financial results include the audited financial results of six subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 68,044.36 lakhs as at 31 March 2020, total revenue (before consolidation adjustments) of Rs. 35,874.22 lakhs and total net profit after tax (before consolidation adjustments) of Rs. 1,884.17 lakhs and net cash inflows (before consolidation adjustments) of Rs 770.45 lakhs for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.
- (b) The consolidated annual financial results also include the Group's share of net profit (and other comprehensive income) (before consolidation adjustments) of Rs. 4,589.73 lakhs for the year ended 31 March 2020, as considered in the consolidated annual financial results, in respect of one associate and one joint venture, whose financial information have not been audited by us or by other auditors. These unaudited financial information have been furnished to us by the Board of Directors and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of this associate and joint venture is based solely on such annual financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, this financial information is not material to the Group.

B S R & Co. LLP

Independent Auditors' Report (*Continued*)**Mahindra & Mahindra Financial Services Limited****Other Matters (*Continued*)**

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Board of Directors.

- (c) The consolidated annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For B S R & Co. LLP

Chartered Accountants

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

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Venkataramanan Vishwanath

Partner

Membership No. 113156

ICAI UDIN: 20113156AAAACI2260

Mumbai
15 May 2020

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Independent Auditors' Report on Standalone Annual Financial Results under Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31 March 2020

Independent Auditors' Report

To the Board of Directors of
Mahindra & Mahindra Financial Services Limited

Opinion

We have audited the accompanying standalone annual financial results of Mahindra & Mahindra Financial Services Limited (hereinafter referred to as the "Company") for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Emphasis of Matter

As described in Note 11 to the standalone annual financial results, in respect of accounts overdue but standard as on 29 February 2020 where moratorium benefit has been granted, the staging of those accounts as on 31 March 2020 is based on the days past due status as on 29 February 2020 in accordance with the Reserve Bank of India COVID-19 Regulatory Package. Further, the extent to which the COVID-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain. Our opinion is not modified in respect of the above matter.

B S R & Co. LLP

Independent Auditors' Report (*Continued*)

Mahindra & Mahindra Financial Services Limited

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

B S R & Co. LLP

Independent Auditors' Report (Continued)**Mahindra & Mahindra Financial Services Limited****Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results (Continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The standalone annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

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Venkataramanan Vishwanath
Partner

Mumbai
15 May 2020

Membership No. 113156
ICAI UDIN: 20113156AAAACH9090

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Independent Auditor's Report on Annual Financial Results of Mahindra & Mahindra Financial Services Limited pursuant to Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**To the Board of Directors of
Mahindra & Mahindra Financial Services Limited**

We have audited the accompanying standalone annual financial results of Mahindra & Mahindra Financial Services Limited ('the Company') for the year ended 31 March 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended 31 March 2019 and the corresponding quarter ended in the previous year as reported in these standalone annual financial results are the balancing figures between audited figures in respect of the full financial year and the published unaudited year to date figures upto the end of the third quarter of the relevant financial year.

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements and reviewed quarterly financial results which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



B S R & Co. LLP

Independent Auditor's Report on Annual Financial Results of Mahindra & Mahindra Financial Services Limited pursuant to Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Mahindra & Mahindra Financial Services Limited

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- (i) are presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations in this regard; and
- (ii) give a true and fair view of the standalone net profit and other comprehensive income and other financial information for the year ended 31 March 2019.

For B S R & Co. LLP

Chartered Accountants

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



Venkataramanan Vishwanath

Partner

Membership No: 113156

Mumbai
24 April 2019

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Independent Auditor's Report on Annual Consolidated Financial Results of Mahindra & Mahindra Financial Services Limited pursuant to Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**To the Board of Directors of
Mahindra & Mahindra Financial Services Limited**

We have audited the accompanying consolidated annual financial results of Mahindra & Mahindra Financial Services Limited ('the Company') for the year ended 31 March 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated annual financial results based on our audit of the consolidated annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of four subsidiaries included in the consolidated annual financial results, whose annual financial statements reflect total assets of Rs.57,051.12 lakh as at 31 March 2019 as well as the total revenue of Rs.35,541.97 lakh for the year ended 31 March 2019. These annual financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated annual financial results, to the extent they have been derived from such annual financial statements is based solely on the report of such other auditors.



Unaudited Consolidated & Standalone Results for the Quarter and Half year ended 30th September 2021

Mahindra & Mahindra Financial Services Limited CIN : L65921MH1991PLC059642 Registered Office: Gateway Building, Apollo Bunder, Mumbai 400 001. Tel. No. +91 22 22895800 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						
STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2021						
	Particulars	Quarter ended			Half year ended	
		30 September 2021	30 June 2021	30 September 2020	30 September 2021	31 March 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from operations					
I	Interest income	2,818.04	2,465.22	2,953.48	5,283.26	5,945.87
II	Dividend income	-	-	-	-	0.12
III	Rental income	4.05	4.72	4.83	8.77	8.19
IV	Fees and commission income	29.42	17.31	16.75	46.73	26.75
V	Net gain on fair value changes	16.72	15.68	15.21	32.40	35.88
VI	Sale of services	60.47	46.58	44.84	107.05	74.92
I	Total Revenue from operations	2,928.70	2,549.61	3,036.11	5,478.21	6,081.73
II	Other income	21.88	17.33	35.39	39.21	47.46
III	Total Income (I+II)	2,950.58	2,566.94	3,071.50	5,517.42	6,129.19
	Expenses					
I	Finance costs	1,142.63	1,151.08	1,368.54	2,293.71	2,769.70
II	Fees and commission expense	36.43	22.87	29.91	59.30	38.90
III	Impairment on financial instruments (refer notes 8 to 11)	(315.54)	3,005.37	665.82	2,689.83	1,614.67
IV	Employee benefits expenses	382.22	365.06	351.08	747.28	650.19
V	Depreciation, amortization and impairment	34.21	32.76	39.58	66.97	77.44
VI	Other expenses	214.53	147.94	115.61	361.47	226.51
IV	Total expenses	1,484.48	4,726.28	2,570.64	6,219.68	5,377.41
V	Profit / (Loss) before exceptional items, Share of profit / (loss) of associate & joint ventures and tax (III-IV)	1,466.10	(2,159.34)	498.86	(702.14)	751.78
VI	Exceptional item (refer note 6)	20.57	-	-	20.57	228.54
VII	Share of profit / (loss) of associate & joint ventures	11.47	16.89	(12.39)	28.36	1.02
VIII	Profit / (Loss) before tax (V+VI+VII)	1,488.14	(2,141.35)	487.67	(653.21)	981.34
IX	Tax expense :					
I	Current tax	4.74	1.43	208.95	6.17	210.06
II	Deferred tax	380.46	(569.78)	(73.89)	(189.32)	(3.34)
III	(Excess) / Short provision for income Tax - earlier years	-	0.40	-	0.40	(17.55)
X	Profit / (Loss) for the period / year (VIII-IX)	386.20	(667.95)	186.08	(182.75)	206.72
XI	Other Comprehensive Income (OCI)	1,102.94	(1,673.40)	362.61	(470.48)	784.82
A	(i) Items that will not be reclassified to profit or loss					
	- Remeasurement gain / (loss) on defined benefit plans	(0.90)	0.29	(4.56)	(0.51)	(0.82)
	- Net gain/(loss) on equity instruments through OCI	-	-	-	-	7.99
	(ii) Income tax relating to the above items	0.30	(0.20)	1.23	0.10	(1.51)
	Subtotal (A)	(0.60)	0.09	(3.33)	(0.51)	(5.10)
B	(i) Items that will be reclassified to profit or loss					
	- Exchange differences in translating the financial statements of foreign operations	3.48	4.99	(13.52)	8.47	(11.95)
	- Net gain/(loss) on debt instruments through OCI	33.12	33.02	(7.70)	66.14	(10.26)
	(ii) Income tax relating to the above items	(8.34)	(8.31)	1.93	(16.65)	2.59
	Subtotal (B)	28.26	29.70	(19.29)	57.96	(19.63)
	Other Comprehensive Income / (Loss) (A + B)	27.66	29.79	(22.62)	67.46	(14.08)
XII	Total Comprehensive Income / (Loss) for the period / year (X+XI)	1,180.80	(1,643.61)	329.89	(413.01)	770.64
	Profit / (Loss) for the period attributable to:					
	Owners of the Company	1,099.78	(1,573.72)	351.35	(473.94)	783.07
	Non-controlling interests	3.16	0.32	1.15	3.48	1.55
		1,102.94	(1,573.40)	362.60	(470.48)	784.82
	Other Comprehensive Income / (Loss) for the period / year attributable to:					
	Owners of the Company	27.64	29.89	(22.67)	57.53	(14.22)
	Non-controlling interests	0.02	(0.10)	0.05	(0.08)	0.14
		27.66	29.79	(22.62)	67.46	(14.08)
	Total Comprehensive Income / (Loss) for the period / year attributable to:					
	Owners of the Company	1,127.42	(1,543.83)	328.68	(416.41)	768.85
	Non-controlling interests	3.16	0.22	1.21	3.40	1.69
		1,130.80	(1,543.61)	329.89	(413.01)	770.64
XIII	Earnings per equity share (face value of Rs.2/- each) # (refer note 7)					
	Basic (Rupees)	8.93	(12.77)	3.31	(3.85)	7.98
	Diluted (Rupees)	8.91	(12.77)	3.30	(3.85)	7.97

Earnings per share for the interim period is not annualized.

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2021

Rs. In Crores

	Particulars	Quarter ended			Half year ended		Year ended
		30 September 2021	30 June 2021	30 September 2020	30 September 2021	30 September 2020	31 March 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from operations						
I	(i) Interest income	2,457.67	2,139.54	2,582.17	4,597.21	5,191.30	10,266.95
	(ii) Dividend income	-	-	-	-	0.02	0.02
	(iii) Rental income	4.05	4.72	4.83	8.77	8.19	17.11
	(iv) Fees and commission income	28.56	16.85	14.11	45.41	22.44	70.73
	(v) Net gain on fair value changes	17.62	14.87	11.77	32.49	31.44	40.39
	Total Revenue from operations	2,507.90	2,175.98	2,612.88	4,683.88	5,253.39	10,395.20
II	Other income	14.49	11.08	36.63	25.57	51.06	121.61
III	Total Income (I-II)	2,522.39	2,187.06	2,649.51	4,709.45	5,304.45	10,516.81
	Expenses						
	(i) Finance costs	1,015.09	1,017.94	1,221.58	2,033.03	2,486.18	4,733.19
	(ii) Fees and commission expense	13.48	5.74	11.18	19.22	13.49	31.14
	(iii) Impairment on financial instruments (refer notes 8 to 11)	(366.78)	2,818.59	619.39	2,451.81	1,462.09	3,734.82
	(iv) Employee benefits expenses	278.80	269.83	261.43	548.63	485.96	1,015.23
	(v) Depreciation, amortization and impairment	28.26	27.10	33.29	55.36	64.83	125.88
	(vi) Other expenses	170.47	117.67	90.92	288.14	178.19	460.22
IV	Total expenses	1,139.32	4,256.87	2,237.79	5,396.19	4,630.74	10,100.48
V	Profit / (Loss) before exceptional items and tax (III-IV)	1,383.07	(2,069.81)	411.72	(686.74)	613.71	416.33
VI	Exceptional item (refer note 6)	-	-	-	-	6.10	6.10
VII	Profit / (Loss) before tax (V-VI)	1,383.07	(2,069.81)	411.72	(686.74)	619.81	422.43
VIII	Tax expense :						
	(i) Current tax	-	-	202.92	-	202.92	450.30
	(ii) Deferred tax	360.17	(541.45)	(94.74)	(181.28)	(42.44)	(347.52)
	(iii) (Excess) / Short provision for Income Tax - earlier years	-	0.40	-	0.40	-	(15.50)
IX	Profit / (Loss) for the period / year (VII-VIII)	360.17	(541.05)	108.18	(180.88)	160.48	87.28
X	Other Comprehensive Income (OCI)	1,022.90	(1,528.76)	303.54	(505.86)	459.33	335.15
A)	(i) Items that will not be reclassified to profit or loss						
	- Remeasurement gain / (loss) on defined benefit plans	(0.47)	0.08	(4.59)	(0.39)	(1.17)	(2.82)
	- Net gain / (loss) on equity instruments through OCI	-	-	-	-	7.98	(4.56)
	(ii) Income tax relating to the above items	0.12	(0.02)	1.16	0.10	(1.71)	1.86
	Subtotal (A)	(0.35)	0.06	(3.43)	(0.29)	5.10	(5.52)
B)	(i) Items that will be reclassified to profit or loss						
	- Net gain / (loss) on debt instruments through OCI	33.37	33.02	(7.70)	66.39	(10.26)	(92.82)
	(ii) Income tax relating to the above items	(8.40)	(8.31)	1.94	(16.71)	2.58	23.36
	Subtotal (B)	24.97	24.71	(5.76)	49.68	(7.68)	(69.46)
	Other Comprehensive Income / (Loss) (A + B)	24.62	24.77	(9.19)	49.39	(2.58)	(74.98)
XI	Total Comprehensive Income / (Loss) for the period / year (IX+X)	1,047.52	(1,503.99)	294.35	(456.47)	456.75	260.17
XII	Earnings per equity share (face value of Rs.2/- each) # (refer note 7)						
	Basic (Rupees)	8.30	(12.41)	2.86	(4.11)	4.68	3.03
	Diluted (Rupees)	8.29	(12.41)	2.85	(4.11)	4.67	3.02

Earnings per share for the interim period is not annualized.

BALANCE SHEET

Rs. In Crores

	Particulars	CONSOLIDATED		STANDALONE	
		As at 30 September 2021	As at 31 March 2021	As at 30 September 2021	As at 31 March 2021
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
	ASSETS				
1)	Financial Assets				
	a) Cash and cash equivalents	943.78	808.53	716.37	570.58
	b) Bank balance other than (a) above	3,769.70	3,173.99	3,451.85	2,699.06
	c) Derivative financial instruments	55.43	25.72	55.43	25.72
	d) Receivables				
	- Trade receivables	58.41	54.64	15.69	8.40
	e) Loans	64,313.54	67,075.72	57,196.10	59,947.42
	f) Investments				
	I) Investments accounted using Equity Method	827.35	838.07	-	-
	II) Other investments	8,809.05	11,190.16	9,129.32	11,607.25
	g) Other financial assets	603.80	551.80	562.13	514.05
		79,391.06	83,718.33	71,126.89	75,372.48
2)	Non-financial Assets				
	a) Current tax assets (Net)	697.59	414.18	657.23	401.65
	b) Deferred tax Assets (Net)	1,117.46	944.88	1,027.02	862.36
	c) Property, plant and equipment	388.63	379.24	317.30	311.49
	d) Capital work-in-progress	-	10.34	-	10.34
	e) Intangible assets under development	1.57	1.39	-	-
	f) Goodwill	43.40	-	-	-
	g) Other intangible assets	15.11	19.80	13.48	16.63
	h) Other non-financial assets	132.52	112.83	77.16	59.50
		2,396.28	1,882.66	2,092.19	1,663.97
	Total Assets	81,787.34	85,600.99	73,219.08	77,036.45
	LIABILITIES AND EQUITY				
1)	LIABILITIES				
	Financial Liabilities				
	a) Derivative financial instruments	186.90	173.18	186.90	173.18
	b) Payables				
	I) Trade Payables				
	I) total outstanding dues of micro enterprises and small enterprises	0.09	0.07	-	-
	II) total outstanding dues of creditors other than micro enterprises and small enterprises	693.15	731.90	526.87	596.35
	II) Other Payables				
	I) total outstanding dues of micro enterprises and small enterprises	0.23	0.01	0.23	0.01
	II) total outstanding dues of creditors other than micro enterprises and small enterprises	23.56	46.96	23.53	46.73
	c) Debt Securities	22,095.15	19,671.04	18,838.25	16,834.57
	d) Borrowings (Other than Debt Securities)	27,522.68	32,454.28	24,613.71	29,142.08
	e) Deposits	9,167.23	9,366.16	9,199.21	9,450.66
	f) Subordinated Liabilities	3,742.15	3,609.47	3,281.99	3,149.37
	g) Other financial liabilities	2,629.69	3,282.71	2,122.34	2,604.26
		66,060.83	69,335.78	58,795.03	61,997.21
2)	Non-Financial Liabilities				
	a) Current tax liabilities (Net)	15.63	13.92	13.92	13.92
	b) Provisions	231.20	271.24	178.89	214.91
	c) Other non-financial liabilities	73.23	104.53	69.77	98.90
		320.26	389.69	262.58	327.73
3)	EQUITY				
	a) Equity Share capital	246.44	246.40	246.44	246.40
	b) Other Equity	15,017.87	15,529.97	13,915.03	14,465.11
	Equity attributable to owners of the Company	15,264.31	15,776.37	14,161.47	14,711.51
	Non-controlling interests	141.94	99.15	-	-
		15,406.25	15,875.52	14,161.47	14,711.51
	Total Liabilities and Equity	81,787.34	85,600.99	73,219.08	77,036.45

STATEMENT OF CASH FLOWS

		Rs. In Crores			
	Particulars	CONSOLIDATED		STANDALONE	
		Half year ended 30 September 2021	Half year ended 30 September 2020	Half year ended 30 September 2021	Half year ended 30 September 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
A)	CASH FLOW FROM OPERATING ACTIVITIES				
	Profit / (Loss) before exceptional items and taxes	(702.14)	761.78	(686.74)	613.70
	Adjustments for :				
	Depreciation, amortization and impairment	66.97	77.44	55.36	64.83
	Impairment on financial instruments (excluding bad debts and write offs)	1,997.39	443.16	1,753.11	288.65
	Bad debts and write offs	698.70	1,173.44	698.70	1,173.44
	Interest expense	2,282.72	2,615.51	2,026.13	2,334.78
	Interest income from loans	(5,003.75)	(5,782.77)	(4,329.07)	(5,036.04)
	Interest income from other deposits with banks	(93.46)	(89.50)	(83.32)	(83.30)
	Net (Gain) / loss on fair value of derivative financial instruments	(26.71)	130.93	(15.99)	130.93
	Unrealized foreign exchange gain/loss	25.46	(62.26)	25.46	(62.26)
	Share based payments to employees	7.13	11.80	6.20	10.06
	Net gain on fair value changes	(32.40)	(35.89)	(32.49)	(31.44)
	Interest income on investments	(186.41)	(73.75)	(184.82)	(71.94)
	Dividend income	-	(0.12)	(2.47)	(0.02)
	Net gain on derecognition of property, plant and equipment	(0.60)	(0.28)	(0.53)	(0.35)
	Net (gain) / loss on sale of investments	(11.12)	(34.54)	(3.10)	(33.89)
	Operating profit / (loss) before working capital changes	(978.22)	(865.05)	(773.57)	(702.83)
	Adjustments for changes in working capital -				
	Loans	(788.36)	(1,105.56)	(662.94)	(1,322.10)
	Trade receivables	(16.08)	32.61	(11.32)	(0.49)
	Other financial assets	(5.79)	(45.60)	(4.93)	(42.59)
	Other financial liabilities	(18.63)	(73.85)	(9.14)	(62.55)
	Other non-financial assets	18.26	22.98	15.79	19.62
	Trade Payables	(76.81)	(55.15)	(90.46)	(87.16)
	Other non-financial liabilities	(32.07)	(33.16)	(29.13)	(30.19)
	Derivative financial instruments	-	(0.97)	-	(0.97)
	Provisions	(40.51)	(3.64)	(35.38)	8.30
	Cash generated from / (used in) operations before adjustments for interest received and interest paid	(1,338.21)	(2,127.40)	(1,601.08)	(2,220.97)
	Interest paid	(2,900.51)	(2,717.66)	(2,480.63)	(2,435.01)
	Interest received from loans	6,019.63	6,263.46	5,294.23	5,501.02
	Interest received from other deposits with banks	62.29	67.29	62.29	66.84
	Cash generated from / (used in) operations	1,243.20	1,485.69	1,274.81	911.88
	Income taxes paid (net of refunds)	(291.61)	(339.46)	(255.98)	(294.56)
	NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)	951.59	1,146.22	1,018.83	617.32
B)	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Property, plant and equipment and intangible assets	(75.29)	(17.92)	(68.38)	(16.04)
	Proceeds from sale of Property, plant and equipment	2.27	1.21	1.64	1.02
	Purchase of investments measured at amortized cost	(24,540.62)	(2,384.33)	(23,119.00)	(717.53)
	Proceeds from sale of investments measured at amortized cost	26,740.91	1,359.27	25,420.81	38.66
	Purchase of investments measured at FVOCI	-	(879.63)	-	(879.63)
	Proceeds from sale of investments measured at FVOCI	42.17	-	42.17	-
	Purchase of investments measured at FVTPL	(8,676.91)	(26,187.17)	(8,644.66)	(26,138.87)
	Proceeds from sale of investments measured at FVTPL	8,952.60	24,907.33	8,914.85	24,879.83
	Purchase of investments measured at cost	(34.00)	(1.79)	(33.97)	-
	Consideration received on partial disposal of subsidiary, net of cash (loss of control)	-	20.80	-	20.80
	Proceeds from / (Investments in) term deposits with banks (net)	(597.95)	(2,307.80)	(764.00)	(1,500.34)
	Dividend income received	-	0.93	2.47	0.02
	Interest income received on investments measured at amortized cost, FVOCI, FVTPL and at cost	194.55	69.42	172.40	62.34
	Change in Earmarked balances with banks	0.04	0.08	0.04	0.08
	NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	2,007.77	(5,419.59)	1,924.37	(4,249.65)

STATEMENT OF CASH FLOWS (Continued ...)

Rs. In Crores

Particulars	CONSOLIDATED		STANDALONE	
	Half year ended 30 September 2021	Half year ended 30 September 2020	Half year ended 30 September 2021	Half year ended 30 September 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Issue of Equity shares, including securities premium (net of Issue expenses)	-	3,069.76	-	3,080.08
Proceeds from borrowings through Debt Securities	5,375.00	6,425.90	4,125.00	4,940.90
Repayment of borrowings through Debt Securities	(2,943.42)	(4,210.30)	(2,120.42)	(3,731.80)
Proceeds from Borrowings (Other than Debt Securities)	10,309.10	7,843.38	10,033.91	6,344.18
Repayment of Borrowings (Other than Debt Securities)	(15,324.27)	(8,142.36)	(14,598.12)	(7,147.41)
Repayment of borrowings through Subordinated Liabilities	132.15	(71.97)	132.15	(71.97)
Increase / (decrease) in Fixed deposits (net)	(250.73)	612.01	(250.73)	631.01
Payments for principal portion of lease liability	(25.40)	(26.57)	(20.37)	(22.08)
Dividend paid	(99.19)	-	(98.84)	-
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	(2,826.76)	5,499.85	(2,797.42)	4,022.90
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	132.60	1,226.48	145.79	390.57
Cash and Cash Equivalents at the beginning of the year	808.53	782.53	570.58	676.79
Cash and Cash Equivalents balance of Ideal Finance, Sri Lanka on the date of acquisition	2.65	-	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	943.78	2,009.01	716.37	1,067.36

Components of Cash and Cash Equivalents

Rs. In Crores

Particulars	CONSOLIDATED		STANDALONE	
	Half year ended 30 September 2021	Half year ended 30 September 2020	Half year ended 30 September 2021	Half year ended 30 September 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Components of Cash and Cash Equivalents:				
Cash and cash equivalents at the end of the period				
- Cash on hand	59.32	44.61	48.86	36.24
- Cheques and drafts on hand	26.75	19.43	26.75	19.43
- Balances with banks in current accounts	667.71	521.06	640.76	498.09
- Term deposits with original maturity up to 3 months	190.00	1,423.92	-	513.60
Total	943.78	2,009.01	716.37	1,067.36

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 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 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'), and other recognized accounting practices generally accepted in India. The 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 'Listing Regulations') and the Consolidated financial results are in compliance with Regulation 33 of the Listing Regulations.

Any application guidance/clarifications/directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/ applicable.

- 2) The above 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 28 October 2021.
- 3) The Consolidated financial results for the quarter and half year ended 30 September 2021 include the following entities of the group -
- i) The unaudited financial results of the subsidiaries, Mahindra Insurance Brokers Limited (80%) and Mahindra Rural Housing Finance Limited (99.41%), 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 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, Ideal Finance Limited (58.20%), in Sri Lanka. The standalone financial results of these entities does 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 does 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 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 2021 has been carried out by the Statutory Auditors.
- 5) There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company. The Segment Reporting in respect of the Consolidated Financial Results is given in Appendix 1.
- 6) **Exceptional items:**

- a) For the half year ended 30 September 2020 and year ended 31 March 2021 -

The amount shown as exceptional item for the half year ended 30 September 2020 and year ended 31 March 2021 in standalone and consolidated statement of profit and loss pertain to settlement as per 51:49 Joint Venture agreement between the Company along with Mahindra Asset Management Company Private Limited (MAMCPL) and Mahindra Trustee Company Private Limited (MTCPL), then wholly-owned subsidiaries of the Company, with Manulife Asset Management (Singapore) Pte. Ltd. (Manulife).

Pursuant to this agreement -

- i) Manulife has made an equity investment aggregating to US \$ 35.00 million to acquire 49% of the share capital of MAMCPL & MTCPL;
- ii) The Company has sold 1,47,00,000 equity shares of MAMCPL, equivalent to 7% of the fully paid up equity share capital of MAMCPL, for a consideration of Rs. 20.80 crores (equivalent to USD 2.73 million) to Manulife and recognized a pre-tax profit of Rs.5.10 crores on a standalone basis, as exceptional item on the date of settlement and the same has been carried forward in the results for the half year ended 30 September 2020 and year ended 31 March 2021; and
- iii) The shareholding of the Company in MAMCPL and MTCPL has come down from 100% to 51% of the share capital respectively. The erstwhile names of MAMCPL and MTCPL have been changed to Mahindra Manulife Investment Management Private Limited (MMIMPL) and Mahindra Manulife Trustee Private Limited (MMTPL), respectively. In the Consolidated financial statements, effective from the quarter ended 30 June 2020, MMIMPL and MMTPL have been consolidated as joint ventures under equity method of accounting and as a result, recognized a pre-tax profit of Rs. 228.54 crores, as an exceptional item on the date of settlement and the same is carried forward in the results for the half year ended 30 September 2020 and year ended 31 March 2021.

- b) For the quarter and half year ended 30 September 2021 -

Pursuant to the Share Subscription, Share Purchase and Shareholders' Agreement dated 30 August, 2019 with Ideal Finance Limited, Sri Lanka ('Ideal Finance') and its existing shareholders for investment of the third and final tranche for acquisition of shares of Ideal Finance from its existing shareholders, the Company has completed the acquisition of the balance 20% of the Equity Share Capital aggregating 2,91,29,032 Equity Shares of Ideal Finance from its existing shareholders for Rs. 33.97 crores on 8 July 2021, resulting in an increase in the Company's stake in Ideal Finance from 38.20% to 58.20%. Consequently to this investment, Ideal Finance has become a Subsidiary of the Company effective 8 July, 2021. With this change in status from associate to subsidiary, it has been consolidated as foreign subsidiary for the purpose of preparation and presentation of consolidated financial statements of the Company effective from the quarter and half year ended 30 September 2021. Based on the fair valuation of Ideal Finance and in accordance with applicable Accounting Standard, a capital gain of Rs.20.57 crores has been recognized as an exceptional item in the Consolidated Statement of profit and loss for the quarter and half year ended 30 September 2021 along with recognition of Goodwill of Rs.43.40 crores and Non-controlling interest of Rs.39.88 crores in the Consolidated Balance sheet.

- 7) Pursuant to Ind AS - 33, Earnings Per Share, the Basic and Diluted earnings per share for the previous periods have been restated for the bonus element in respect of the Rights issue of shares made during the second quarter of the financial year ended 31 March 2021.
- 8) In accordance with the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated 27 March 2020, 17 April 2020 and 23 May 2020 relating to 'COVID-19 - Regulatory Package', the Company had granted moratorium up to six months on the payment of instalments which became due between 01 March 2020 and 31 August 2020 to all eligible borrowers. This relaxation did not automatically trigger a significant increase in credit risk. The Company, in the previous year, continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period did not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The impact of COVID-19 on the global economy and how governments, businesses and consumers respond is uncertain. This uncertainty is reflected in the Company's assessment of impairment loss allowance on its loans which are subject to a number of management judgements and estimates. In relation to COVID-19, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the global economy. The Company has separately incorporated estimates, assumptions and judgements specific to the impact of the COVID-19 pandemic and the associated support packages in the measurement of impairment loss allowance. The Company has been duly servicing its debt obligations, maintains a healthy capital adequacy ratio and has adequate capital and financial resources to run its business. Taking into consideration the impact arising from the COVID-19 pandemic on the economic environment, the Company has, during the quarter, continued to undertake a risk assessment of its credit exposures and in addition to the model determined ECL provision, it has recorded a total additional ECL overlay (including on assets restructured in accordance with the guidelines issued by the RBI vide its circulars dated 6 August 2020 and 5 May 2021) of Rs.2,112.44 crores as on 30 September 2021 (as on 31 March 2021: Rs.2,316.36 crores) in the Standalone Balance sheet and Rs.2,233.51 crores (as on 31 March 2021: Rs.2,413.81 crores) in the Consolidated Balance sheet, to reflect deterioration in the macroeconomic outlook and uncertainty in credit evaluations. The deferred tax asset created on losses for the current quarter is likely to be reversed in the foreseeable future as the Company expects to make profits in subsequent quarters. The final impact of this pandemic is very uncertain and the actual impact may be different than that estimated based on the conditions prevailing as at the date of approval of these financial results. The management will continue to closely monitor the material changes in the macro-economic factors impacting the operations of the Company.

- 9) As at 30 September 2021, the gross advances and net NPA ratio amounted to Rs.63,618 crores and 6.4% respectively. The RBI has permitted the Company to reach the net NPA ratio below 4.0% by 31 March 2022. The Company shall ensure such compliance, in accordance with the regulatory expectation of the RBI to bring down the net NPA ratio below 4%, the Company had recorded an additional provision of Rs.1,320 crores on Stage 3 loans during the quarter and year ended 31 March 2021.
- 10) 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 2021 and accordingly, no amount is required to be transferred to impairment reserve.

- 11) During the current period, to relieve COVID-19 pandemic related stress, the Company has 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 on Resolution Framework 2.0 dated 5 May 2021.

- i) Disclosure as per format prescribed under circular no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020

- a) Format - A: For the quarter ended 30 September 2021

Type of borrower	Rs. in crores				
	(A) Number of accounts where resolution plan has been implemented under this window	(B) Exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	-	-	-	-	-
Corporate persons*	3	43.59	-	5.00	5.73
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	3	43.59	-	5.00	5.73

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

b) Format - B: For the half year ended 30 September 2021

Type of borrower	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)	Rs. in crores	
				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	-	-	-	-	-
Corporate persons ^A	43.88	-	-	1.70	41.64
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	43.88	-	-	1.70	41.64

^A As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

* represents the closing balance of loan accounts as on 30 September 2021

- ii) Disclosure under notification no. RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated 6 August 2020 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances having exposure less than or equal to Rs.25 crores).

No. of accounts restructured	Amount (Rs in Crores) *
210	17.08

* represents the closing balance of loan accounts as on 30 September 2021

- iii) Disclosure on Resolution Framework 2.0 Implemented in terms of RBI circular no. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 (Resolution of Covid-19 related stress of individuals and Small Businesses)

a) Format B: For the half year ended 30 September 2021

Type of borrower	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)	Rs. in crores	
				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	-	-	-	-	1,439.63
Corporate persons	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others ^A	-	-	-	-	2,366.04
Total	-	-	-	-	3,805.67

^A Others include vehicle loans for commercial purpose.

* represents the closing balance of loan accounts as on 30 September 2021

b) Format X: For the quarter ended 30 September 2021

Description	Rs. in crores		
	Individual Borrowers	Business Loans	Small Business
A) Number of requests received for invoking resolution process under Part A	45,075	54,475	1,301
B) Number of accounts where resolution plan has been implemented under this window	45,045	54,422	1,292
C) Exposure to accounts mentioned at (B) before implementation of the plan	1,455.46	2,302.58	110.84
D) Of (C), aggregate amount of debt that was converted into other securities	-	-	-
E) Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
F) Increase in provisions on account of the implementation of the resolution plan	108.38	168.26	9.51

- iv) 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))

No. of accounts restructured	Amount (Rs in Crores) *
214	250.70

* represents the closing balance of loan accounts as on 30 September 2021

- v) During the half year ended 30 September 2021, the Company's housing finance subsidiary has implemented resolution plans in 2,64,234 loan accounts with a total outstanding of Rs 2,634.47 crores as on 30 September 2021. Of these, total loan accounts which were restructured during the period for 2,33,016 cases having an outstanding amount of Rs 2,395.73 crores basis their credit assessment and the terms of restructuring, the housing finance subsidiary has classified such loan accounts as non-impaired (Stage 2 under Ind AS 109, Financial Instruments). The housing finance subsidiary has evaluated the same basis life time repayment history of the borrowers and other qualitative factors, which have been approved by the Audit Committee of the housing finance subsidiary in line with RBI circular no. RBI/2019-20/17 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020.

- 12) All secured NCDs issued by the Company are secured by pari-passu charge on Aurangabad office (wherever applicable) and / or exclusive charge on receivables under loan contracts, owned assets and book debts to the minimum extent of 100% or such higher security as per the respective term-sheets of outstanding secured NCDs.
- 13) The asset cover available as on 30 September 2021 in respect of listed secured debt securities is 1.10 and on unsecured debt is 1.46.
- 14) Pursuant to SEBI Circular no. SEBI/HO/ODHS/ODHS/CIRP/2019/115 dated 22 October 2019, the Company has listed Commercial Papers on National Stock Exchange of India (NSE).
- 15) 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.

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						
Rs. In Crores						
Particulars	Quarter ended			Half year ended		Year ended
	30 September 2021	30 June 2021	30 September 2020	30 September 2021	30 September 2020	31 March 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(a) Segment Revenue						
- Financing activities	2,893.58	2,521.18	3,026.70	5,414.75	6,066.85	11,971.46
- Others	77.66	60.56	60.62	138.23	102.29	281.11
Total	2,871.24	2,681.74	3,087.32	5,662.88	6,168.14	12,262.67
Less : Inter-segment revenue	20.66	14.30	16.82	35.56	29.95	82.07
Net revenue	2,860.68	2,688.84	3,070.60	5,617.42	6,138.19	12,170.60
(b) Segment Results (Profit / (Loss) before tax) :						
- Financing activities	1,471.37	(2,163.49)	494.46	(692.12)	981.66	840.18
- Share of profit of associate & joint ventures	11.47	16.89	(12.39)	28.36	1.02	39.54
- Others	5.30	5.25	5.50	10.55	8.66	54.42
Total	1,488.14	(2,141.35)	487.67	(863.21)	991.34	894.14
Add : Other unallocable income net of unallocable expenditure	-	-	-	-	-	-
Net Profit / (Loss) before tax	1,488.14	(2,141.35)	487.67	(863.21)	991.34	894.14
(c) Segment Assets :						
- Financing activities	79,349.39	77,943.77	86,346.36	79,349.39	86,346.36	83,614.47
- Others	638.73	631.80	578.85	638.73	578.85	641.38
- Other unallocable assets	1,799.22	1,985.52	948.96	1,799.22	948.96	1,345.14
Total	81,787.34	80,661.09	87,874.17	81,787.34	87,874.17	86,600.99
(d) Segment Liabilities :						
- Financing activities	66,246.70	66,100.06	71,852.91	66,246.70	71,852.91	69,590.73
- Others	134.39	126.03	110.17	134.39	110.17	134.74
- Other unallocable liabilities	-	-	-	-	-	-
Total	66,381.09	66,226.09	71,963.08	66,381.09	71,963.08	69,725.47

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Limited Review Report on Unaudited Quarterly Consolidated Financial Results and Consolidated Year-to-Date Results of Mahindra & Mahindra Financial Services Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To 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 ended 30 September 2021 and year to date results for the period from 1 April 2021 to 30 September 2021 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations").
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 Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report 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. A review of interim financial information consists of making inquiries, primarily of persons 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 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 Listing Regulations, to the extent applicable.

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B S R & Co. is partnership firm with Registration No. 8A612251 converted into B S R & Co. LLP is Limited Liability Partnership with LLP Registration No. AAB-81811 with effect from October 14, 2013

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Limited Review Report on Unaudited Quarterly Consolidated Financial Results and Consolidated Year-to-Date Results of Mahindra & Mahindra Financial Services Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Mahindra & Mahindra Financial Services Limited

4. The Statement includes the results of the following entities:

Name of the entity	Relationship
Mahindra & Mahindra Financial Services Limited	Holding Company
Mahindra Rural Housing Finance Limited	Subsidiary
Mahindra Insurance Brokers Limited	Subsidiary
Mahindra Finance CSR Foundation	Subsidiary
Mahindra & Mahindra Financial Services Limited – Employees' Stock Option Trust	Subsidiary
Mahindra Rural Housing Finance Limited Employee Welfare Trust	Subsidiary
Ideal Finance Limited (Joint Venture upto 7 July 2021, Subsidiary w.e.f. 8 July 2021)	Subsidiary
Mahindra Finance USA, LLC	Associate
Mahindra Manulife Investment Management Private Limited (erstwhile Mahindra Asset Management Company Private Limited) (subsidiary upto 28 April 2020 and joint venture w.e.f. 29 April 2020)	Joint Venture
Mahindra Manulife Trustee Private Limited (erstwhile Mahindra Trustee Company Private Limited) (subsidiary upto 28 April 2020 and joint venture w.e.f. 29 April 2020)	Joint Venture

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 referred to in paragraph 9 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 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. As more fully described in Note 8 to the Statement and as also reported by the auditor of the Housing Finance subsidiary, the extent to which the COVID-19 pandemic will have an impact on the financial performance is dependent on future developments, which are highly uncertain. Our review report is not modified in respect of this matter.
7. We draw attention to Note 9 to the Statement, which states that, as at 30 September 2021, the gross advances and net NPA ratio amounted to Rs. 63,618 crores and 6.4% respectively. The Company believes that no provision in addition to that required under Ind AS should be recorded in the period ended 30 September 2021, since the RBI has permitted the Company to reach the net NPA ratio below 4% by 31 March 2022. To meet the regulatory expectation of the RBI to bring down the net NPA ratio below 4%, the Company had recorded an additional provision of Rs. 1,320 crores in addition to that required under Ind AS on Stage 3 loans in the quarter ended 31 March 2021.

Our review report is not modified in respect of this matter

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Limited Review Report on Unaudited Quarterly Consolidated Financial Results and Consolidated Year-to-Date Results of Mahindra & Mahindra Financial Services Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Mahindra & Mahindra Financial Services Limited

8. As more fully described in Note 11 to the Statement (which also contains information on the restructuring done by housing finance subsidiary), the housing finance subsidiary of the Company has restructured borrower accounts in accordance with the Resolution Framework for COVID-19 related stress announced by the Reserve Bank of India vide notification dated 5 May 2021. Based on the terms of restructuring and management's credit evaluation, the housing finance subsidiary of the Company has classified certain restructured borrower accounts as non-impaired (under Ind AS 109, Financial Instruments) at 30 September 2021.

Our review report is not modified in respect of this matter.

9. We did not review the interim financial information of one subsidiary included in the Statement, whose interim financial information reflect total assets (before consolidation adjustments) of Rs. 599.71 crores as at 30 September 2021 and total revenues (before consolidation adjustments) of Rs. 76.87 crores and Rs. 136.96 crores, total net profit after tax (before consolidation adjustments) of Rs. 9.82 crores and Rs. 13.27 crores and total comprehensive income (before consolidation adjustments) of Rs. 6.62 crores and Rs. 13.00 crores for the quarter ended 30 September 2021 and for the period from 1 April 2021 to 30 September 2021, respectively, and cash flows (net) (before consolidation adjustments) of Rs. 1.02 crores for the period from 1 April 2021 to 30 September 2021, as considered in the unaudited consolidated financial results.

The Statement also include the Group's share of net loss after tax (before consolidation adjustments) of Rs. 5.47 crores and Rs. 8.07 crores and total comprehensive loss (before consolidation adjustments) of Rs. 5.51 crores and Rs. 8.10 crores for the quarter ended 30 September 2021 and for the period from 1 April 2021 to 30 September 2021, respectively, as considered in the Statement, in respect of two joint ventures, whose interim financial information have not been reviewed by us. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our review report is not modified in respect of this matter.

10. The Statement includes the interim financial information of four subsidiaries which have not been reviewed/audited, whose interim financial information reflect total assets (before consolidation adjustments) of Rs. 285.35 crores as at 30 September 2021 and total revenue (before consolidation adjustments) of Rs. 11.33 crores and Rs. 11.90 crores, total net loss after tax (before consolidation adjustments) of Rs. 5.83 crores and Rs. 5.46 crores and total comprehensive loss (before consolidation adjustments) of Rs. 5.83 crores and Rs. 5.46 crores for the quarter ended 30 September 2021 and for the period from 1 April 2021 to 30 September 2021, respectively, and cash flows (net) (before consolidation adjustments) of Rs. (6.03) crores for the period from 1 April 2021 to 30 September 2021, as considered in the Statement.

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BJS R & Co. LLP

Limited Review Report on Unaudited Quarterly Consolidated Financial Results and Consolidated Year-to-Date Results of Mahindra & Mahindra Financial Services Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Mahindra & Mahindra Financial Services Limited

The Statement also includes the Group's share of net profit after tax (before consolidation adjustments) of Rs. 16.95 crores and Rs. 35.60 crores and total comprehensive income (before consolidation adjustments) of Rs. 16.95 crores and Rs. 35.60 crores for the quarter ended 30 September 2021 and for the period from 1 April 2021 to 30 September 2021, respectively, as considered in the unaudited consolidated financial results, in respect of one associate, based on their interim financial information which have not been reviewed/audited. According to the information and explanations given to us by management, this interim financial information is not material to the Group.

Our review report is not modified in respect of this matter

For B S R & Co. LLP

Chartered Accountants

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



Sagar Lakhani

Partner

Membership No: 111855

UDIN No: 21111855AAAAFS9520

Mumbai

28 October 2021

Limited review report on Unaudited Quarterly Standalone Financial Results and Year-to-Date Standalone Financial Results of Mahindra & Mahindra Financial Services Limited under Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Mahindra & Mahindra Financial Services Limited

6. We draw attention to Note 9 to the Statement, which states that, as at 30 September 2021, the gross advances and net NPA ratio amounted to Rs. 63,618 crores and 6.4% respectively. The Company believes that no provision in addition to that required under Ind AS should be recorded in the period ended 30 September 2021, since the RBI has permitted the Company to reach the net NPA ratio below 4% by 31 March 2022. To meet the regulatory expectation of the RBI to bring down the net NPA ratio below 4%, the Company had recorded an additional provision of Rs. 1,320 crores in addition to that required under Ind AS on Stage 3 loans in the quarter ended 31 March 2021.

Our review report is not modified in respect of this matter.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022



Sagar Lakhani
Partner

Mumbai
28 October 2021

Membership No: 111855
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Limited review report on Unaudited Quarterly Standalone Financial Results and Year-to-Date Standalone Financial Results of Mahindra & Mahindra Financial Services Limited under Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To 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 ended 30 September 2021 and year to date results for the period from 1 April 2021 to 30 September 2021 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has 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, and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"). Our responsibility is to issue a report 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations including the manner in which it is to be disclosed or that it contains any material misstatement.
5. As more fully described in Note 8 to the Statement, the extent to which the COVID-19 pandemic will have an impact on the Company's financial performance is dependent on future developments, which are highly uncertain.

Our review report is not modified in respect of this matter.

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Key Operational and Financial Parameters (on Consolidated basis)

Key Operational and Financial Parameters for Financial Year 2021, 2020 & 2019 as per IND-AS accounts

For Financial Entities**(Rs. in Crore)**

Parameters (IND-AS)	FY 2020-21	FY 2019-20	FY 2018-19
Balance Sheet			
Net Fixed Assets (*incl Intangibles and Capital WIP)	410.77	455.92	202.24
Current Assets	38395.21	32709.99	32586.47
Non- Current Asssets	46795.00	48626.67	41787.25
Total Assets	85600.99	81792.58	74575.97
Non-Current Liabilities (including maturities of long-term borrowings and short term borrowings)			
Financial (borrowings, trade payables, and other financial liabilities)	42591.09	44450.69	38676.36
Provisions	121.41	109.23	96.87
Deferred tax liabilities (net)			
Other non-current liabilities	1414.03	1213.59	15.54
Current Liabilities (including maturities of long-term borrowings)			
Financial (borrowings, trade payables, and other financial liabilities)	23461.98	21946.56	24191.51
Provisions	149.83	102.16	158.07
Current tax liabilities (net)	13.92	17.38	13.92
Other current liabilities	1973.21	1894.29	76.17
Total liabilities			
Equity (equity and other equity)	15875.52	12058.69	11347.53
Total equity and liabilities	85600.99	81792.58	74575.97
Profit and Loss			
Total revenue from operations	12050.26	11882.95	10371.70
Other income	120.24	113.50	59.15
Total Expenses	11504.44	10440.32	7637.02
Total comprehensive income	666.06	1556.13	2793.83
Profit / loss			
Other comprehensive income	268.08	45.90	46.93
Profit / loss after tax	780.28	1085.82	1867.28
Earnings per equity share:			
(a) basic;	6.99	11.97	29.73
(b) and (b) diluted	6.98	11.95	29.67
Continuing operations			
Discontinued operations			
Continuing and discontinued operations			
Cash Flow			

Net cash generated from operating activities	5956.62	-3115.23	-12077.94
Net cash used in / generated from investing activities	-8479.18	-2689.10	-1213.05
Net cash used in financing activities	2548.49	6049.71	13489.53
Cash and cash equivalents	808.53	782.60	537.22
Balance as per statement of cash flows			
Additional Information			
Net worth	15875.52	12058.69	11347.53
Cash and Cash Equivalents	3982.52	1531.60	994.04
Current Investments	5188.07	3511.37	2193.41
Assets Under Management	71736.00	75959.00	70811.00
Off Balance Sheet Assets	0.00	0.00	0.00
Total Debts to Total assets	0.76	0.80	0.79
Debt Service Coverage Ratios			
Interest Income	11703.79	11457.61	9969.53
Interest Expense	5307.57	5390.56	4432.28
Interest service coverage ratio	N.A	N.A	
Provisioning & Write-offs	3998.74	2318.98	717.11
Bad debts to Account receivable ratio			
Gross NPA (%)*	8.96	8.44	6.45
Net NPA (%)*	3.97	5.98	5.28
Tier I Capital Adequacy Ratio (%)*	22.20	15.40	15.50
Tier II Capital Adequacy Ratio (%)*	3.80	4.20	4.80

* Ratios are on standalone basis.

** September 2021 parameteres available on standalone basis as given below.

Key Operational and Financial Parameters (on Standalone basis)

Key Operational and Financial Parameters for Half Year ended September 2021 & Financial Year 2021, 2020 & 2019 as per IND-AS accounts

For Financial Entities**(Rs. in Crore)**

Parameters (IND-AS)	** HY September 2021	FY 2020-21	FY 2019-20	FY 2018-19
Balance Sheet				
Net Fixed Assets (*incl Intangibles and Capital WIP)	330.78	340.46	363.50	163.06
Current Assets	32569.16	34394.04	30051.16	29951.78
Non- Current Asssets	40319.14	42301.95	43656.58	36963.14
Total Assets	73219.08	77036.45	74071.24	67077.99
Non-Current Liabilities (including maturities of long-term borrowings and short term borrowings)				
Financial (borrowings, trade payables, and other financial liabilities)	32595.69	38823.77	41448.72	33862.88
Provisions	97.88	103.02	85.88	79.30
Deferred tax liabilities (net)				
Other non-current liabilities	19.36	16.02	12.47	15.54
Current Liabilities (including maturities of long-term borrowings)				
Financial (borrowings, trade payables, and other financial liabilities)	23499.34	23173.44	21003.46	22001.36
Provisions	81.01	111.89	57.35	127.22
Current tax liabilities (net)				
Other current liabilities	64.33	96.80	99.50	83.66
Total liabilities	59057.61	62324.94	62707.38	56169.96
Equity (equity and other equity)	14161.47	14711.51	11363.86	10908.02
Total equity and liabilities	73219.08	77036.45	74071.24	67077.98
Profit and Loss				
Total revenue from operations	4683.88	10395.20	10097.85	8722.91
Other income	25.57	121.61	147.29	86.90
Total Expenses	5396.19	10100.48	8901.38	6427.37
Total comprehensive income				
Profit / loss	-686.74	416.33	1343.76	2382.44
Other comprehensive income		6.10	0.00	0.00
Profit / loss after tax	-505.86	335.15	906.40	1557.06
Earnings per equity share: (a) basic; and (b) diluted				
Continuing operations				
Discontinued operations				
Continuing and discontinued operations				
Cash Flow				
Net cash generated from operating activities	1018.83	5016.63	-3151.18	-10918.08
Net cash used in / generated from investing activities	1924.37	-7382.59	-2572.71	-1316.85

Shelf Memorandum

Private & Confidential

Net cash used in financing activities	-2797.42	2259.75	5898.99	12464.71
Cash and cash equivalents	716.37	570.58	676.79	501.68
Balance as per statement of cash flows				
Additional Information				
Net worth	14161.47	14711.51	11363.86	10908.02
Cash and Cash Equivalents	4168.22	3269.64	1425.79	958.49
Current Investments	1769.45	4345.68	3351.10	2187.75
Assets Under Management	79625.65	64608.00	68089.00	63122.00
Off Balance Sheet Assets	0.00	0.00	0.00	0.00
Total Debts to Total assets	0.76	0.76	0.80	0.79
Debt Service Coverage Ratios				
Interest Income	4597.21	10266.95	9941.71	8614.56
Interest Expense	2033.03	4733.19	4828.75	3944.56
Interest service coverage ratio				
Provisioning & Write-offs	2451.81	3734.82	2054.47	635.21
Bad debts to Account receivable ratio				
Gross NPA (%)	12.68%	8.96%	8.44%	6.45%
Net NPA (%)	6.37%	3.97%	5.98%	5.28%
Tier I Capital Adequacy Ratio (%)	22.30%	22.20%	15.40%	15.50%
Tier II Capital Adequacy Ratio (%)	3.80%	3.80%	4.20%	4.80%

Debt: Equity Ratio of the Company as of 30th September, 2021

Before the issue of Debt Securities	3.95:1
*After the issue of Debt Securities	4.51:1

**Any change in total debt and net worth after September 30, 2021 has not been considered.*

The debt to equity ratio post the Issue has been calculated assuming issuance to the full extent of ₹ 8,000 crores (Shelf Limit).

The actual debt equity ratio post each issue would depend upon the actual position of debt and equity on the date of allotment.

Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability

Please refer Contingent liabilities and commitments section in the Annual Report on Page no 260 (Note no 45) of Mahindra & Mahindra Limited . Details also given below :

<https://www.mahindrafinance.com/media/384163/mmfslannualreport2021.pdf>

	Rs. Crores
	Mar 2021
i) Contingent liabilities	
a) Demand against the Company not acknowledged as debts -	
- Income tax	32.50
- Value Added Tax (VAT)	44.70
- Service tax	80.20
b) Corporate guarantees towards assignment transactions	-
c) Credit enhancement in terms of corporate guarantee for securitization transactions	1,547.25
d) Legal suits filed by customers in consumer forums and civil courts claiming compensation from the Company	2.01
e) Guarantees issued by Banks on behalf of the Company to comply with Court orders for legal cases, BSE regulations for Retail NCD issuance. Rights Issue etc.	29.98
	1,736.64
ii) Commitments	-
a) Estimated amount of contracts remaining to be executed on capital account	12.66
b) Other commitments (loan sanctioned but not disbursed)	61.62
	74.29
	1,810.92

A brief history of the Issuer since its incorporation giving details of its following activities

a. Details of Share Capital as on 30th September, 2021

SHARE CAPITAL	AMOUNT (` In Crore)
Authorised Share Capital	550
Issued, Subscribed and Paid-up Share Capital	247.11

b. Changes in its capital structure as at 30th September 2021, for the last three years

Date of Change (AGM/EGM)	Particulars
30 th June, 2020	Increase in Authorised Share Capital of the Company from Rs. 190,00,00,000 (Rupees One Hundred Ninety Crores) divided into 70,00,00,000 (Seventy Crores) Equity Shares of Rs. 2 (Rupees Two) each of the Company and 50,00,000 (Fifty Lakhs) Redeemable Preference Shares of Rs. 100 (Rupees Hundred) each of the Company to Rs. 550,00,00,000 (Rupees Five Hundred Fifty Crores) divided into 250,00,00,000 (Two Hundred Fifty Crores) Equity Shares of Rs. 2 (Rupees Two) each of the Company and 50,00,000 (Fifty Lakhs) Redeemable Preference Shares of Rs. 100 (Rupees Hundred) each of the Company vide Special Resolution passed by the Members of the Company at Extra-Ordinary General Meeting held on 30 th June, 2020.

c. Equity Share Capital History of the Company, for the last three years

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Nature of allotment	Cumulative		
						No. of Equity Shares	Equity Share Capital (Rs.)	Equity Share Premium (Rs.)*
17-Aug-20	617764960	2	50	Cash	Rights Issue	1235529920	2471059840	71257640000

*Securities Premium Reserve is not adjusted for securities issue expenses.

d. Details of any Acquisition of or Amalgamation with any entity in the last 1 year

1. Manulife Investment Management (Singapore) Pte. Ltd., ("Manulife") has acquired a 49% stake in Mahindra Asset Management Company Private Limited ("MAMCPL") and Mahindra Trustee Company Private Limited ("MTCPL") on 29th April, 2020, pursuant to the execution of Share Subscription Agreement and Shareholders' Agreement by and amongst the Company, MAMCPL, MTCPL and Manulife on 21st June, 2019. Consequently, the shareholding of the Company in MAMCPL and MTCPL has come down from 100% to 51% of the share capital, respectively and accordingly, MAMCPL and MTCPL have ceased to be wholly-owned subsidiaries of the Company but, continue to remain the Company's subsidiaries.

The erstwhile names of MAMCPL and MTCPL have been changed to Mahindra Manulife Investment Management Private Limited and Mahindra Manulife Trustee Private Limited respectively, with effect from 19th May, 2020.

2. Pursuant to the execution of Share Subscription, Share Purchase and Shareholders' Agreement by the Company with Ideal Finance Limited (Sri Lanka) ("Ideal Finance") and its existing Shareholders:

- The Company on 28th February, 2020 has acquired 5,56,39,098 Equity Shares aggregating to 38.20% of the paid-up share capital of Ideal Finance;
- The Company on 8th July, 2021 has acquired 2,91,29,032 Equity Shares of Ideal Finance from existing shareholders, aggregating to 20% of the Equity Share Capital resulting in an increase in the Company's stake in Ideal Finance from 38.20% to 58.20%.

Consequent to this investment, Ideal Finance has become a Subsidiary of the Company effective 8th July, 2021.

e. Details of any Reorganization or Reconstruction in the last 1 year

Type of Event	Date of Announcement	Date of Completion	Details
	NA		

f. Details of the shareholding of the Company as at 30th September, 2021 as per the format specified under the listing regulations

Sr No	Particulars	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares
1	PROMOTERS BODIES CORPORATE	64,43,99,987	64,43,99,987	52.16%
2	FOREIGN PORTFOLIO - CORP	18,81,70,042	18,81,70,042	14.29%
3	MUTUAL FUNDS	11,71,50,938	11,71,50,938	9.48%
4	FOREIGN PORTFOLIO INVESTORS	4,64,20,174	4,64,20,174	3.76%
5	BODIES CORPORATES	5,31,63,417	5,31,63,417	4.30%
6	INDIAN FINANCIAL INSTITUTIONS	7,04,41,493	7,04,41,493	5.70%
7	RESIDENT INDIVIDUALS	9,07,78,713	9,07,78,713	7.35%
8	QUALIFIED INSTITUTIONAL BUYER	76,69,842	76,69,842	0.62%
9	ALTERNATIVE INVESTMENT FUND	0	0	0
10	EMPLOYEES ESOP TRUST	33,59,451	33,59,451	0.27%
11	H U F	33,31,888	33,31,888	0.27%
12	CLEARING MEMBERS	10,78,595	10,78,595	0.09%
13	DESIGNATED EMPLOYEES	22,36,517	22,36,517	0.18%
14	DIRECTORS	18,17,090	18,17,090	0.15%
15	EMPLOYEES	14,74,501	14,74,501	0.12%
16	TRUSTS	13,78,033	13,78,033	0.11%
17	NON RESIDENT INDIANS	18,12,616	18,12,616	0.15%
18	NON RESIDENT INDIAN NON REPATRIABLE	7,56,452	7,56,452	0.06%
19	I E P F	77,382	77,382	0.01%
20	NBFC	12,289	12,289	0.00%
21	DIRECTORS AND THEIR RELATIVES	500	500	0.00%
	Total	123,55,29,920	123,55,29,920	100.00

g. List of top 10 holders of equity shares of the Company as at 30th September, 2021

Sr No	Name of the Shareholders	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares
1	MAHINDRA & MAHINDRA LIMITED	64,43,99,987	64,43,99,987	52.16%
2	LIFE INSURANCE CORPORATION OF INDIA	6,11,16,509	6,11,16,509	4.95%
3	WISHBONE FUND, LTD.	3,30,00,000	3,30,00,000	2.67%
4	HDFC LIFE INSURANCE COMPANY LIMITED	2,99,72,894	2,99,72,894	2.43%
5	VALIANT MAURITIUS PARTNERS OFFSHORE LIMITED	1,68,37,305	1,68,37,305	1.36%
6	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAPOPPORTUNITIES FUND	1,45,00,000	1,45,00,000	1.17%
7	ASHISH DHAWAN	1,08,67,061	1,08,67,061	0.88%
8	BANK MUSCAT INDIA FUND	1,07,60,270	1,07,60,270	0.87%
9	SBI LIFE INSURANCE CO. LTD	1,03,45,000	1,03,45,000	0.84%
10	KOTAK EMERGING EQUITY SCHEME	94,66,732	94,66,732	0.77%

Following details regarding the directors of the Company**a. Details of the current directors of the Company as on 31st October, 2021:**

Name, Designation and DIN	Age	Address	Date of Appointment	Details of other Directorships#
Dr. Anish Shah Non-Executive Chairman DIN No. 02719429	51	D-3603, Vivarea, Sane Guruji Marg, Near Jacob Circle, Saat Rasta, Mahalaxmi, Mumbai - 400 011.	18/03/2016	
Mr. Dhananjay Mungale Independent Director DIN No. 00007563	68	10-A, Ameya Apartment, Near Kirti College, Dadar West, Mumbai - 400 028.	01/03/1999	
Mrs. Rama Bijapurkar Independent Director DIN No. 00001835	64	8, C-D, Mona Apartments, 46F Bhulabhai Desai Road, Near Mahalaxmi Temple, Mumbai 400026.	14/06/2008	
Mr. Chandrashekhar Bhaskar Bhawe Independent Director DIN No. 00059856	71	64, Tower 4, Pebble Bay, 1st Main, RMV Stage 2, Dollars Colony, Bengaluru - 560 094.	03/02/2015	
Mr. Ramesh Iyer Vice-Chairman & Managing Director DIN No. 00220759	63	D-1502 Milano Tower Lodha Fiorenza, Western Express Highway, near Hub Mall, Goregaon (E), Mumbai - 400 063.	30/04/2001	
Mr. Milind Sarwate Independent Director DIN No. 00109854	61	E-201/202, Sita Vihar, Near Damani Estate, LBS Marg, Naupada, Thane (West)- 400 602	01/04/2019	

Mr. Amit Raje Whole-time Director & Chief Operating Officer Digital Finance – Digital Business Unit DIN No. 06809197	48	B-603, Vivarea, Sane Guruji Marg, Near Jacob Circle, Saat Rasta, Mahalaxmi, Mumbai - 400 011.	18/09/2020	
Dr. Rebecca Nugent Independent Director DIN No. 09033085	45	6637 Woodwell Street, Pittsburgh, Pennsylvania 15217, United States of America	05/03/2021	
Mr. Amit Kumar Sinha Non-Executive Non- Independent Director DIN No.09127387	48	C-401, Ivy Apartment Complex, Sushant Lok 1 Block A Gurgaon - 122002, India.	23/04/2021	

* There is No director whose name is currently appearing in the RBI defaulter list and/or ECGC default list.

Details of other Directorships as on 31st October 2021

Sr. No.	Name	Other Companies in which director is interested
1.	Mr. Dhananjay Mungale	<ul style="list-style-type: none"> i. I-nestor Advisors Private Ltd; ii. Mentor Technologies Private Limited; iii. NOCIL Limited; iv. Tamilnadu Petroproducts Limited; v. Kalpataru Limited; vi. Samson Maritime Limited; vii. Mahindra CIE Automotive Limited; viii. DSP Investment Managers Private Limited; ix. LICHFL Asset Management Company Limited x. Mahindra Logistics Limited
2.	Mr. Amit Raje	<ul style="list-style-type: none"> i. Mahindra Susten Private Limited
3.	Mrs. Rama Bijapurkar	<ul style="list-style-type: none"> i. People Research on India's Consumer Economy; ii. Nestle India Limited; iii. ICICI Bank Limited; iv. Emami Limited; v. VST Industries Limited vi. Cummins India Limited vii. Sun Pharmaceutical Industries Limited viii. Sun Pharma Distributors Limited ix. Sun Pharma Laboratories Limited
4.	Mr. Chandrashekhar B. Bhawe	<ul style="list-style-type: none"> i. Indian Institute for Human Settlements; ii. Avenue Supermarts Limited; iii. Vistaar Financial Services Private Limited; iv. Tejas Networks Limited v. Max Bupa Health Insurance Company Limited

5.	Mr. Ramesh Iyer	<ul style="list-style-type: none"> i. Mahindra Insurance Brokers Limited; ii. Mahindra First Choice Wheels Limited; iii. NBS International Limited; iv. Mahindra Rural Housing Finance Limited; v. Mahindra Finance USA LLC; vi. Finance Industry Development Council; vii. Mahindra Susten Private Limited; viii. Mahindra Agri Solutions Limited ix. Mahindra Manulife Investment Management Private Limited
6.	Dr. Anish Shah	<ul style="list-style-type: none"> i. Mahindra Logistics Limited; ii. Mahindra Lifespace Developers Limited; iii. Tech Mahindra Limited; iv. Mahindra Holidays & Resorts India Limited v. Mahindra & Mahindra Limited. i. New Democratic Electoral Trust
7.	Mr. Milind Sarwate	<ul style="list-style-type: none"> i. Eternis Fine Chemicals Limited; ii. Sequent Scientific Limited; iii. Halite Personal Care India Private Limited (under Liquidation); iv. Hexaware Technologies Limited; v. Matrimony.com Limited; vi. Metropolis Healthcare Limited; vii. Omniactive Health Technologies Limited; viii. WheelsEMI Private Ltd. ; ix. Increate Foundation x. FSN E Commerce VenturesLimited
8.	Dr. Rebecca Nugent	<ul style="list-style-type: none"> i. Nil
9.	Mr. Amit Kumar Sinha	<ul style="list-style-type: none"> i. Mahindra First Choice Wheels Limited ii. Fifth Gear Ventures Limited iii. Mahindra Electric Mobility Limited iv. Mahindra Logistics Limited v. Mahindra Susten Private Limited

b. Details of change in directors since last three years

Name, Designation and DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
Mr. M. G. Bhide Independent Director DIN: 00001826	24 th October, 2000	31 st March, 2019		Ceased to be Director
Mr. Piyush Mankad Independent Director DIN: 00005001	21 st February, 2005	31 st March, 2019		Ceased to be Director

Mr. Milind Sarwate Independent Director DIN: 00109854	1 st April, 2019	N.A.	N.A.	Appointed as an Independent Director
Mr. V. Ravi Wholetime Director DIN: 00307328	25 th July, 2015	25 th July, 2020		Ceased to be Director
Mr. V. S. Parthasarathy Non-Executive Non- Independent Director DIN: 00125299	24 th July, 2014	18 th September, 2020		Ceased to be Director
Dr. Rebecca Nugent Independent Director DIN: 09033085	5 th March, 2021	N.A.	N.A.	Appointed as an Independent Director
Mr. Amit Raje* Additional Non- Executive Non- Independent Director DIN: 06809197	18 th September, 2020	N.A.	N.A.	Appointed as an Additional Non- Executive Non- Independent Director
Mr. Arvind Sonde Independent Director DIN: 00053834	9 th December, 2019	15 th March, 2021		Ceased to be an Independent Director
Mr. Amit Kumar Sinha# Additional Non- Executive Non- Independent Director DIN: 09127387	23 rd April, 2021	N.A.	N.A.	Appointed as an Additional Non- Executive Non- Independent Director

*Mr. Amit Raje was appointed as an Additional Non-Executive Non-Independent Director of the Company with effect from 18th September, 2020.

The Members of the Company have approved the appointment of Mr. Amit Raje as Non-Executive Non-Independent Director and Dr. Rebecca Nugent as Independent Director of the Company by means of a Postal Ballot through Remote E-voting mode on 3rd March, 2021, being the last date specified by the Company for the Remote E-voting process.

The Board of Directors have at their Meeting held on 5th March, 2021 appointed Mr. Amit Raje as Whole-time Director of the Company designated as “Chief Operating Officer Digital Finance – Digital Business Unit for a period of five years with effect from 1st April, 2021 to 31st March, 2026 subject to approval of Members.

The Shareholders of the Company vide Special Resolution passed at the 31st Annual General Meeting of the Company held on 26th July, 2021, have approved the appointment of Mr. Amit Raje as a Whole-time Director of the Company designated as “Chief Operating Officer Digital Finance – Digital Business Unit” for a period of 5 years with effect from 1st April, 2021 to 31st March, 2026 (both days inclusive).

Mr. Amit Kumar Sinha was appointed as an Additional Non-Executive Non-Independent Director of the Company with effect from 23rd April, 2021.

The Shareholders of the Company vide Ordinary Resolution passed at the 31st Annual General Meeting of the Company held on 26th July, 2021, have approved the appointment of Mr. Amit Kumar Sinha as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation.

Following details regarding the auditors of the Issuer:-

a. Detail of the auditor of the Issuer:-

Name	Address	Auditor since
M/s. Deloitte Haskins & Sells	19th Floor, Shapath – V, S.G. Highway, Ahmedabad – 380 015	Appointed wef. 09 th November, 2021
M/s. Mukund M. Chitale & Co.	2nd Floor, Kapur House, Paranjape B Scheme, Road no. 1, Vile Parle (East), Mumbai – 400 057	Appointed wef. 09 th November, 2021

b. Details of change in auditor for last three years:-

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of Resignation, if applicable
B S R & Co. LLP, Chartered Accountants	5th Floor, Lodha Excelus, Apollo Mills Compound, N.M Joshi Marg, Mahalaxmi, Mumbai – 400 011	-	9 th November, 2021 Retired by Rotation	-

Details of the following liabilities of the issuer, as at the end of 30th September, 2021

a. Details of Outstanding Secured Loan Facilities

Lender's name/ Name of the Bank	Nature of facility/ instrument	Amount sanctioned (Rs. In Crs)	Principal Amount outstanding (Rs. In Crs)	Repayment date / schedule	Security if applicable
Axis Bank Ltd	Term Loan	175	43.75	30-Dec-21	Future Receivable and Book Debts
			43.75	30-Jun-22	
			43.75	30-Dec-22	
			43.75	30-Jun-23	
Axis Bank Ltd	Term Loan	500	125	26-Mar-22	Future Receivable and Book Debts
			125	26-Sep-22	
			125	26-Mar-23	
Axis Bank Ltd	Term Loan	700	175	27-Dec-21	Future Receivable and Book Debts
Axis Bank Ltd	Term Loan	500	125	26-Mar-22	Future Receivable and Book Debts
Axis Bank Ltd	Term Loan	200	50	27-Dec-21	Future Receivable and Book Debts
			50	27-Jun-22	
Axis Bank Ltd	Term Loan	200	50	30-Mar-23	Future Receivable and Book Debts

			50	30-Sep-23	
			50	30-Mar-24	
			50	30-Sep-24	
Axis Bank Ltd	Term Loan	500	56.25	30-Jun-24	Future Receivable and Book Debts
			56.25	30-Dec-24	
			56.25	30-Jun-25	
			56.25	30-Dec-25	
Axis Bank Ltd	Term Loan	350	100	01-Oct-21	Future Receivable and Book Debts
Axis Bank Ltd	Term Loan	255	127.5	26-Sep-23	Future Receivable and Book Debts
			127.5	26-Mar-24	
Axis Bank Ltd	Term Loan	600	67	29-Sep-22	Future Receivable and Book Debts
			67	29-Dec-22	
			67	29-Mar-23	
			67	29-Jun-23	
			67	29-Sep-23	
			67	29-Dec-23	
			67	29-Mar-24	
			67	29-Jun-24	
			64	29-Sep-24	
	WCDL	100	100	7-Oct-21	
BNP Paribas	Term Loan	300	300	25-Jun-23	Future Receivable and Book Debts
Citibank	Term Loan	75	75	28-Feb-22	Future Receivable and Book Debts
Corporation Bank	Term Loan	100	25	16-Aug-22	Future Receivable and Book Debts
			25	16-Nov-22	
			25	16-Feb-23	
			25	16-May-23	
Deutsche Bank	Term Loan	250	62.5	29-Dec-22	Future Receivable and Book Debts
			62.5	29-Mar-23	
			62.5	29-Jun-23	
			62.5	29-Sep-23	
Federal Bank	Term Loan	150	30	31-Mar-23	Future Receivable and Book Debts
			45	30-Mar-24	
			75	31-Mar-25	
Federal Bank	Term Loan	200	66.67	13-Dec-21	Future Receivable and Book Debts
			66.67	13-Dec-22	
Federal Bank	Term Loan	150	30	11-Jun-23	Future Receivables and Book Debts
			45	11-Jun-24	
			75	11-Jun-25	
HDFC Bank Ltd	Term Loan	250	17.86	31-Dec-21	Future Receivable and Book Debts
			17.86	31-Mar-22	
HDFC Bank Ltd	Term Loan	150	10.71	29-Dec-21	Future Receivable and Book Debts
HDFC Bank Ltd	Term Loan	200	14.29	30-Oct-21	Future Receivable and Book Debts
			14.29	30-Jan-22	
			14.29	30-Apr-22	
			14.29	30-Jul-22	
HDFC Bank Ltd	Term Loan	500	41.67	28-Nov-21	Future Receivable and Book Debts
			41.63	28-Feb-22	

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HDFC Bank Ltd	Term Loan	500	41.67	29-Dec-21	Future Receivable and Book Debts
			41.63	29-Mar-22	
HDFC Bank Ltd	Term Loan	300	30	30-Nov-21	Future Receivable and Book Debts
			30	28-Feb-22	
			30	31-May-22	
			30	31-Aug-22	
HDFC Bank Ltd	Term Loan	500	50	31-Dec-21	Future Receivable and Book Debts
			50	31-Mar-22	
			50	30-Jun-22	
			50	30-Sep-22	
HDFC Bank Ltd	Term Loan	200	20	04-Dec-21	Future Receivable and Book Debts
			20	04-Mar-22	
			20	04-Jun-22	
			20	04-Sep-22	
			20	04-Dec-22	
			20	04-Mar-23	
HDFC Bank Ltd	Term Loan	200	20	30-Nov-21	Future Receivable and Book Debts
			20	28-Feb-22	
			20	31-May-22	
			20	31-Aug-22	
			20	30-Nov-22	
HDFC Bank Ltd	Term Loan	100	8.33	26-Dec-21	Future Receivable and Book Debts
			8.33	26-Mar-22	
			8.33	26-Jun-22	
			8.33	26-Sep-22	
			8.33	26-Dec-22	
			8.33	26-Mar-23	
			8.33	26-Jun-23	
HDFC Bank Ltd	Term Loan	650	54.167	30-Dec-21	Future Receivable and Book Debts
			54.167	30-Mar-22	
			54.167	30-Jun-22	
			54.167	30-Sep-22	
			54.167	30-Dec-22	
			54.167	30-Mar-23	
			54.167	30-Jun-23	
HDFC Bank Ltd	Term Loan	300	37.5	30-Nov-21	Future Receivable and Book Debts
			37.5	28-Feb-22	
			37.5	31-May-22	
			37.5	31-Aug-22	
HDFC Bank Ltd	Term Loan	200	16.67	15-Dec-21	Future Receivable and Book Debts
			16.67	15-Mar-22	
			16.67	15-Jun-22	
			16.67	15-Sep-22	
			16.67	15-Dec-22	
			16.67	15-Mar-23	
			16.67	15-Jun-23	

			16.67	15-Sep-23	
HDFC Bank Ltd	Term Loan	500	41.67	29-Dec-21	Future Receivable and Book Debts
			41.67	29-Mar-22	
			41.67	29-Jun-22	
			41.67	29-Sep-22	
			41.67	29-Dec-22	
			41.67	29-Mar-23	
			41.67	29-Jun-23	
			41.67	29-Sep-23	
HDFC Bank Ltd	Term Loan	500	41.67	10-Dec-21	Future Receivable and Book Debts
			41.67	10-Mar-22	
			41.67	10-Jun-22	
			41.67	10-Sep-22	
			41.67	10-Dec-22	
			41.67	10-Mar-23	
			41.67	10-Jun-23	
			41.66	10-Sep-23	
			41.66	10-Dec-23	
			41.66	10-Mar-24	
			41.66	10-Jun-24	
HDFC Bank Ltd	Term Loan	500	41.67	22-Dec-21	Future Receivable and Book Debts
			41.67	22-Mar-22	
			41.67	22-Jun-22	
			41.67	22-Sep-22	
			41.67	22-Dec-22	
			41.67	22-Mar-23	
			41.67	22-Jun-23	
			41.67	22-Sep-23	
			41.67	22-Dec-23	
			41.67	22-Mar-24	
			41.67	21-Jun-24	
HDFC Bank Ltd	WCDL	35	21	08-Oct-21	
National Bank for Agriculture and Rural Development	Term Loan	1000	20	31-Jan-22	Future Receivable and Book Debts
			20	31-Jul-22	
			20	31-Jan-23	
			20	31-Jul-23	
			20	31-Jan-24	
Oriental Bank of Commerce	Term Loan	500	62.5	28-May-22	Future Receivable and Book Debts
			62.5	28-Aug-22	
			62.5	28-Nov-22	
			62.5	28-Feb-23	
			62.5	28-May-23	
			62.5	28-Aug-23	
			62.5	28-Nov-23	
			62.5	28-Feb-24	

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Punjab National Bank	Term Loan	1000	166.67	24-Sep-22	Future Receivable and Book Debts
			166.67	24-Mar-23	
			166.67	24-Sep-23	
			166.67	24-Mar-24	
			166.67	24-Sep-24	
			166.67	24-Mar-25	
State Bank of India	Term Loan	1500	187.5	31-Dec-21	Future Receivable and Book Debts
			187.5	31-Mar-22	
			187.5	30-Jun-22	
			187.5	30-Sep-22	
			187.5	31-Dec-22	
Standard Chartered Bank	Term Loan	375	375	20-Sep-22	Future Receivable and Book Debts
Union Bank of India	Term Loan	500	250	13-Jun-22	Future Receivable and Book Debts
Union Bank of India	Term Loan	300	33.33	29-Dec-21	Future Receivable and Book Debts
			33.33	29-Jun-22	
			33.33	29-Dec-22	
			33.33	29-Jun-23	
			33.33	29-Dec-23	
			33.36	29-Jun-24	
Union Bank of India	Term Loan	200	22.22	29-Dec-21	Future Receivable and Book Debts
			22.22	29-Jun-22	
			22.22	29-Dec-22	
			22.22	29-Jun-23	
			22.22	29-Dec-23	
			22.24	29-Jun-24	
United Bank of India	Term Loan	500	83.33	28-Aug-22	Future Receivable and Book Debts
			83.33	28-Feb-23	
			83.33	28-Aug-23	
			83.33	28-Feb-24	
			83.33	28-Aug-24	
			83.35	28-Feb-25	
Citibank N.A	Term Loan	100	97	27-Nov-21	Future Receivable and Book Debts
Citibank N.A	Term Loan	250	2.5	27-Nov-21	Future Receivable and Book Debts
			2.5	27-Feb-22	
			2.5	27-May-22	
			2.5	27-Aug-22	
			2.5	27-Nov-22	
			2.5	27-Feb-23	
			2.5	27-May-23	
			2.5	27-Aug-23	
			222.5	27-Nov-23	
Citibank N.A	Term Loan	100	97	30-Dec-21	Future Receivable and Book Debts
Bank of Baroda	Term Loan	1000	22.22	31-Dec-21	Future Receivable and Book Debts
			22.22	30-Jun-22	
			22.22	31-Dec-22	

			22.22	30-Jun-23	
			22.22	31-Dec-23	
			22.22	30-Jun-24	
			22.22	31-Dec-24	
			22.22	30-Jun-25	
			22.22	31-Dec-25	
DBS BANK	Term Loan	500	500	15-Mar-24	Future Receivable and Book Debts
HSBC Bank	Term Loan	200	18.75	17-Jun-22	Future Receivable and Book Debts
			18.75	17-Sep-22	
			18.75	17-Dec-22	
			18.75	17-Mar-23	
			18.75	17-Jun-23	
			18.75	17-Sep-23	
			18.75	17-Dec-23	
			18.75	17-Mar-24	
Kotak Mahindra Bank	Term Loan	100	11	17-Mar-22	Future Receivable and Book Debts
			12	17-Sep-22	
			12	17-Mar-23	
			12.5	17-Sep-23	
			13	17-Mar-24	
			13.5	17-Sep-24	
			13.5	17-Mar-25	
			12.5	17-Sep-25	
RBL Bank Ltd	Term Loan	400	66.67	28-Mar-23	Future Receivable and Book Debts
			66.67	28-Sep-23	
			66.67	28-Mar-24	
			66.67	28-Sep-24	
			66.67	28-Mar-25	
			66.67	28-Sep-25	
RBL Bank Ltd	Term Loan	200	33.33	29-Mar-23	Future Receivable and Book Debts
			33.33	29-Sep-23	
			33.33	29-Mar-24	
			33.33	29-Sep-24	
			33.33	29-Mar-25	
			33.33	29-Sep-25	
SMBC	Term Loan	100	33.33	21-Sep-23	Future Receivable and Book Debts
			33.33	20-Sep-24	
			33.33	19-Sep-25	
		Total	12351.77		

b. Details of Outstanding Unsecured Loan Facilities

(Rs. In Crore)

Lender's Name	Type of Facility	Amt Sanctioned	Principal Amt outstanding	Repayment Date / Schedule
Axis Bank Ltd.	WCDL	90	90	7-Oct-21
HSBC Bank	WCDL	450	0.40	5-Oct-21
		Total	90.40	

c. Details of Outstanding Non-Convertible Securities

Details of Secured/Unsecured, Redeemable Non-Convertible Debentures issued on Private Placement basis

Series	ISIN	Tenor/ Period of maturity	Coupon	Amount issued (Rs. In Crore)	Date of allotment	Redemption date/ Schedule	Secured/ Unsecured#	Rating*
TTT	INE774D08KW4	10 years	10.05%	0.50	07-Dec-11	07-Dec-21	Unsecured	CRISIL & INDIA Ratings
UUU	INE774D08KX2	10 years	10.50%	100	12-Dec-11	13-Dec-21	Unsecured	CRISIL & INDIA Ratings
VVV	INE774D08KY0	10 years	10.15%	20	19-Jun-12	20-Jun-22	Unsecured	CRISIL & INDIA Ratings
WWW	INE774D08KZ7	10 years	10.15%	5	26-Jun-12	27-Jun-22	Unsecured	CRISIL & INDIA Ratings
XXX	INE774D08LA8	10 Years	10.02%	5	19-Oct-12	19-Oct-22	Unsecured	CRISIL & INDIA Ratings
ZZZ	INE774D08LC4	10 years	9.80%	40	17-Jan-13	17-Jan-23	Unsecured	CRISIL & INDIA Ratings
BBB2013	INE774D08LD2	10 years & 1 day	9.70%	80	23-Apr-13	24-Apr-23	Unsecured	CRISIL & INDIA Ratings
DDD2013	INE774D08LF7	10 years	9.50%	47.80	24-May-13	24-May-23	Unsecured	CRISIL & India Raings
AAA2014	INE774D08LH3	10 Years	9.60%	10	28-Aug-14	28-Aug-24	Unsecured	India Ratings & Brickwork
BBB2014	INE774D08LI1	10 Years	9.60%	5	03-Sep-14	03-Sep-24	Unsecured	India Ratings & Brickwork
CCC2014	INE774D08LJ9	9 Years & 364 days	9.50%	100	17-Nov-14	15-Nov-24	Unsecured	India Ratings & CARE Ratings
BB2014	INE774D07KT2	9 Years & 364 days	8.95%	175	15-Dec-14	13-Dec-24	Secured	India Ratings & CARE Ratings
AB2015	INE774D07KW6	10 Years	8.79%	250	23-Jan-15	23-Jan-25	Secured	India Ratings & CARE Ratings
AAA2015	INE774D08LK7	9 Years & 364 days	9.18%	100	02-Feb-15	31-Jan-25	Unsecured	India Ratings & CARE Ratings
AG2015	INE774D07LB8	10 Years	8.70%	55	10-Mar-15	10-Mar-25	Secured	India Ratings & CARE Ratings
AJ2015	INE774D07LE2	10 Years	8.72%	50	24-Mar-15	24-Mar-25	Secured	India Ratings & CARE Ratings
AT2015	INE774D07LO1	10 years	9.00%	500	22-Apr-15	22-Apr-25	Secured	India Ratings & CARE Ratings
BP2015	INE774D07MK7	10 years	9.00%	500	24-Jun-15	24-Jun-25	Secured	India Ratings & CARE Ratings
BBB2015	INE774D08LL5	10 years	9.10%	25	25-Jun-15	25-Jun-25	Unsecured	India Ratings & CARE Ratings
BQ2015	INE774D07ML5	7 years	8.95%	97	29-Jun-15	29-Jun-22	Secured	India Ratings & CARE Ratings
BR2015	INE774D07MM3	9 years & 363 days	8.95%	15	29-Jun-15	27-Jun-25	Secured	India Ratings & CARE Ratings
CCC2015	INE774D08LM3	10 years	9.00%	25	14-Aug-15	14-Aug-25	Unsecured	India Ratings & CARE Ratings
DDD2015	INE774D08LN1	10 years	9.00%	25	21-Aug-15	21-Aug-25	Unsecured	India Ratings & CARE Ratings
CS2015	INE774D07NN9	10 years	8.75%	250	09-Oct-15	09-Oct-25	Secured	India Ratings & CARE Ratings
EEE2015	INE774D08LO9	10 years	8.90%	100	27-Oct-15	27-Oct-25	Unsecured	India Ratings & CARE Ratings
CH2016	INE774D07QF8	3 years	7.50%	20	29-Nov-16	29-Nov-21	Secured	India Ratings
CI2016	INE774D07QG6	5 years	7.50%	75	30-Nov-16	30-Nov-21	Secured	India Ratings

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AV2017	INE774D07RD1	4 years & 363 days	7.85%	25	27-Mar-17	25-Mar-22	Secured	India Ratings & CARE Ratings
AC2018	INE774D08MN9	15 years	8.53%	200	19-Apr-18	19-Apr-33	Unsecured	India Ratings & CARE Ratings
AG2018	INE774D07SC1	4 years	8.25%	200	19-Apr-18	19-Apr-22	Secured	India Ratings & CARE Ratings
AH2018	INE774D07SD9	3 years & 324 days	Zero Coupon (XIRR: 8.60%)	40	08-Jun-18	28-Apr-22	Secured	India Ratings
AI2018^^	INE774D07SE7	4 years 361 years	8.24%	643	03-Jul-18	29-Jun-23	Secured	Unrated & UnListed
AP2018	INE774D07SL2	3 years 128 days	9.47%	253	14-Nov-18	22-Mar-22	Secured	India Ratings
AQ2018	INE774D07SM0	3 years 95 days	9.49%	120	19-Nov-18	22-Feb-22	Secured	India Ratings & CARE Ratings
AT2018	INE774D07SP3	1097 days	9.00%	44.90	05-Dec-18	06-Oct-21	Secured	India Ratings
AU2018	INE774D07SQ1	3 years 107 days	Zero Coupon XIRR: 9.35%	556	12-Dec-18	29-Mar-22	Secured	India Ratings
AT2018 ^	INE774D07SP3	1022 days	9.00%	55.90	19-Dec-18	06-Oct-21	Secured	India Ratings
AB2019	INE774D07TA3	1136 days	8.65%	25	29-Jan-19	10-Mar-22	Secured	India Ratings
AC2019	INE774D07TB1	2 years 334 days	8.81%	50	25-Feb-19	25-Jan-22	Secured	India Ratings
AC2018	INE774D08MN9	15 years	8.53%	200	22-Apr-19	19-Apr-33	Unsecured	India Ratings & CARE Ratings
AF2019	INE774D07TE5	4 years	Zero Coupon (XIRR: 8.75%)	400	30-May-19	30-May-23	Secured	India Ratings
AH2019	INE774D07TG0	10 years	8.48	2000	08-Aug-19	08-Aug-29	Secured	India Ratings & CARE Ratings
AI2019	INE774D07TH8	2 years & 364 days	7.55%	50	08-Nov-19	07-Nov-22	Secured	India Ratings
AI2019^	INE774D07TH8	2 years & 337 days	7.55%	175	05-Dec-19	07-Nov-22	Secured	India Ratings
AA2020	INE774D07TJ4	3 years	7.60%	310	03-Feb-20	03-Feb-23	Secured	India Ratings
AC2020	INE774D07TL0	4 years & 281 days	7.45%	400	05-Mar-20	11-Dec-24	Secured	India Ratings & CARE Ratings
AD2020	INE774D07TM8	10 years	7.75%	77.50	05-Mar-20	05-Mar-30	Secured	India Ratings & CARE Ratings
AC2018^	INE774D08MR0	15 years	8.53%	200	17-Apr-20	19-Apr-33	Unsecured	India Ratings
AE2020	INE774D07TN6	2 years & 364 days	7.5	475	29-Apr-20	28-Apr-23	Secured	India Ratings
AF2020	INE774D07TO4	2 years & 364 days	7.63	200	13-May-20	12-May-23	Secured	India Ratings
AG2020	INE774D07TP1	731 days	6.95	86	05-Jun-20	06-Jun-22	Secured	India Ratings
AG2020^	INE774D07TP1	731 days	6.75	28.50	19-Jun-20	06-Jun-22	Secured	India Ratings
AG2020^	INE774D07TP1	731 days	6.7	70.70	23-Jun-20	06-Jun-22	Secured	India Ratings
AG2020^	INE774D07TP1	731 days	6.7	75.70	09-Jul-20	06-Jun-22	Secured	India Ratings
AH2020	INE774D07TR7	2 years	6.95	395	16-Jun-20	16-Jun-22	Secured	India Ratings
AI2020	INE774D07TS5	3 years	7.25	435	16-Jun-20	16-Jun-23	Secured	India Ratings
AJ2020	INE774D07TT3	1 year & 364 days	6.55	450	29-Jun-20	28-Jun-22	Secured	India Ratings
AK2020	INE774D07TU1	2 years & 92 days	6.56	450	29-Jun-20	29-Sep-22	Secured	India Ratings
AL2020@	INE774D07TV9	3 years	5.9	275	31-Jul-20	31-Jul-23	Secured	India Ratings

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AM202@	INE774D07TW7	1 year & 29 days	4.542	250	30-Sep-20	29-Oct-21	Secured	India Ratings
AN2020@	INE774D07TX5	2 years & 28 days	5.394	250	30-Sep-20	28-Oct-22	Secured	India Ratings
AO2020@	INE774D07TY3	3 years	5.72	500	16-Oct-20	16-Oct-23	Secured	India Ratings
AP2020@	INE774D07TZ0	1 year 363 days	4.8	250	04-Dec-20	02-Dec-22	Secured	India Ratings
AQ2020@	INE774D07UA1	3 years	5.25	425	04-Dec-20	04-Dec-23	Secured	India Ratings
AC2018	INE774D08MS8	15 years	8.53	200	19-Apr-18	19-Apr-33	Unsecured	India Ratings & CARE Ratings
AA2021	INE774D07UB9	1 Year 363 Days	5.25	100	04-Jun-21	02-jun-23	Secured	India Ratings
AB2021	INE774D07UC7	3 years	3M T-Bill+ 160 BPS	500	04-Jun-21	04-Jun-24	Secured	India Ratings
AC2021	INE774D07UD5	5 years	6.35	56.25	24-Jun-21	24-Dec-24	Secured	India Ratings
AC2021	INE774D07UD5	5 years	6.35	56.25	24-Jun-21	24-Jun-25	Secured	India Ratings
AC2021	INE774D07UD5	5 years	6.35	56.25	24-Jun-21	24-Dec-25	Secured	India Ratings
AC2021	INE774D07UD5	5 years	6.35	56.25	24-Jun-21	24-Jun-26	Secured	India Ratings
AAA2021	INE774D08MT6	9 years & 364 days	7.35	132.90	05-Jul-21	04-Jul-31	Unsecured	India Ratings & CARE Ratings
AD2021	INE774D07UE3	1 year & 184 days	5.14	750	23-Jul-21	23-Jan-23	Secured	India Ratings
AE2021	INE774D07UF0	3 years	3M T-Bill+ 147 BPS	700	23-Jul-21	23-Jul-24	Secured	India Ratings
			Total	15924.4				

^ Additional Issuance

#Security for Secured debentures is Pari passu charges on Aurangabad Branch office along with other Debenture holders and exclusive charge on receivables under Hire Purchase/Lease/ Loan contracts owned Assets and Book debts.

^^ Debentures secured by way of exclusive charge on the Aurangabad property and and future receivables originating from loan contracts and owned assets to the extent of 100% of Debenture outstanding.

@Debentures secured by way of exclusive charge in favour of the Debenture Trustee on present and/or future receivables under Loan contracts/Hire Purchase/Lease, owned Assets and Book debts to the extent of 100% of Debenture outstanding.

*Credit Rating – The present rating of NCDs of the company is IND AAA / Stable by India Ratings & Research Pvt. Ltd., CARE AAA / Stable by CARE Ratings Ltd. , BWR AAA / Stable by Brickworks & CRISIL AA+ / Stable by CRISIL Ratings Ltd.

d. List of top 10 holders of non-convertible securities in terms of value

Sr No	Name of holders of Non-convertible Securities	Amount (FV in Crore)	% of total NCS outstanding
1	Life Insurance Corporation Of India	2000	9.89
2	Aditya Birla Sun Life Mutual Fund	1590	7.86
3	SBI Mutual Fund	1546	7.65
4	State Bank Of India	1000	4.95
5	Employee Provident Fund Organization	1000	4.95
6	HDFC Life Insurance Company Limited	885	4.38
7	SBI Life Insurance Co.Ltd	680	3.36
8	Postal Life Insurance Fund	670	3.31
9	International Finance Corporation	643	3.18
10	Kotak Mahindra Mutual Fund	575	2.84

*Includes NCD issuances both Private & Public.

e. Details of outstanding Commercial Paper as at the end of 30th September 2021

Sr No	ISIN of Commercial	Maturity Date	Amount Outstanding
1	INE774D14QV1	18-Feb-22	400
2	INE774D14QW9	28-Jan-22	250
3	INE774D14QX7	14-Jan-22	500
4	INE774D14QY5	25-May-22	500
	TOTAL		1650

f. Details of Outstanding ECB fund-based facilities from banks / Financial institutions

Nature of Facility	Currency and Amount of Borrowing	O/s Amount (INR crores)	Asset Classification
Citi Bank-Term Loan	EUR 24,000,000	196	Standard Asset
HSBC/SCB Term Loan	USD 175,000,000	1,231	Standard Asset
EDC-Term Loan	USD 50,000,000	355	Standard Asset
JPM A-Term Loan	USD 20,000,000	144	Standard Asset
JPM B-Term Loan	USD 20,000,000	144	Standard Asset
IFC-Term Loan	USD 75,000,000	539	Standard Asset
Axis Bank Singapore-Masala Bond – Foreign Currency / Rupee Denominated Bonds	INR 3,500,000,000	350	Standard Asset
SMBC/JICA-Term Loan	JPY 15,000,000,000	1064	Standard Asset
	Total	4,022	

Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued:

(i) in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option or not;

None

Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 3 years including the current financial year.

The Company has been servicing its existing Debentures and Term Loan on timely basis. Company has been paying all interest and principal on due date on the Debentures and on Term Loans. No default has been committed by the company in this regard and there are no overdues or defaults on company's debt.

Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities.

Nil

Any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of prospectus against the promoter of the company;

Nil

Details of default and non- payment of statutory dues

None

The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with the copy of the consent letter from the debenture trustee.

Axis Trustee Services Limited

ATSL/CO/2020-21/5320
March 16, 2021

Mahindra & Mahindra Financial Services Ltd
"Mahindra Towers" Fourth Floor,
Dr.G M Bhosale Marg,
Worli, Mumbai - 400018

Kind Attn.: Mr. Rakesh Bildani

Dear Sir / Madam,

Sub: Consent to act as Debenture Trustee for the Debentures to be issued by Mahindra and Mahindra Financial Services Limited for the period 01st April 2021 to 31st March 2022.

We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for the above mentioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as Debenture Trustee in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum and/or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustees is purely its business decision and not an indication on the Issuer Company's standing or on the Debenture Issue. By consenting to act as Debenture Trustees, ATSL does not make nor deems to have made any representation on the Issuer Company, its Operations, the details and projections about the Issuer Company or the Debentures under Offer made in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer Company, its performance and profitability and details in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document before taking their investment decision.

ATSL shall not be responsible for the investment decision and its consequence. We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of Rule 18(2) (c) of the Companies (Share Capital and Debentures) Rules, 2014.

Yours Truly,
For **Axis Trustee Services Limited**




Mangalagowri Bhat
Assistant General Manager

Corporate Identity Number: U74999MH2008PLC182264 | MSME Registered UAN: MH19E0033585

Registered Office:

Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025

Corporate Office:

The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai - 400 028

Tel No: 022-62300451 Fax No.: 022-6230 0700 Website: www.axistrustee.com



AXIS TRUSTEE

If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document:-

Not Applicable, as the Security is not backed by any guarantee or letter of comfort or any other document / letter with similar intent.

Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention

The same shall be disclosed in the respective Tranche Placement document/Term Sheet

Disclosures on Asset Liability Management (ALM) for the latest audited financials as on 31st March 2021.

1. Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by NBFC

A. Lending Policy:

Initial Evaluation

Once we identify a customer and complete his application a field executive obtains information from the customer including proof of identification and residence background potential of servicing the loan other outstanding loans loan type sought and the proposed use of the vehicle being financed. We also require that the customer provide a guarantor typically another vehicle owner and preferably an existing or former customer of ours.

For a customer seeking to finance a pre-owned vehicle our field executive prepares a vehicle inspection and evaluation report to determine the registration details condition and market value of the vehicle. The field executive also prepares a field investigation report which includes details of various movable and immovable properties of the applicant and guarantor. For an existing customer the field executive also evaluates the customer's track record of payments.

The field executive then recommends whether the loan should be approved based on our prescribed guidelines and forwards a recommendation to the office manager.

Approval Process

Our office managers evaluate proposals received from field executives. Office managers primarily evaluate a customer's ability to repay which includes permanency of residence record of past repayment income from other sources entrepreneurial attitude physical verification and operational viability of the proposed business if applicable. To minimize the time required for approvals we conduct know-your-customer procedures as required by the RBI in-house use decentralized approval authority and standardized documentation and procedures across our offices. We typically approve loans within two days of receiving a complete application together with relevant supporting documents.

For the trade advances that we provide to authorized dealers particularly for utility vehicles tractors and cars we also undertake background checks with the vehicle manufacturer credit history business volumes and seasonality. Our head office sets and communicates limits on trade advances for dealers.

For SME financing there are teams involved which comprise relationship credit risk and compliance. The relationship team collects the credit login information based on which it will visit the customer and does the assessment. The customer requirement is fulfilled with products

defined in the credit policy. After the customer accepts the product structure the proposal is provided to the approval authority as defined in the credit policy. Thereafter the compliance team takes care of the execution of conditions of approval and the disbursement of the loan. The disbursement is conducted through the centralised accounts team at our head office. All the activities from login approval compliance to disbursement are undertaken from a single software system. The credit policy and products are designed taking into consideration the customer segments and industry segment.

Disbursement

After confirming completion of the initial evaluation and approval process our disbursing officers meet the customers to execute the loan documentation ensuring that we gain security over the collateral. The field executive verifies the know-your-customer checklist with the customer and verifies the completed checklist with information in our file. The field executive explains the contents of the loan documents and based on customer's request provides copies of the executed loan documents to the customer. For pre-owned vehicles we also require endorsement of the registration certificate and the insurance policy. We aim to appraise customers and complete disbursement within the shortest amount of time while adhering to our internal standards and regulatory requirements.

Loan Administration and Monitoring

At the outset of loan disbursement we give our customers an option to pay using methods such as cash cheque automated clearing house and other digital modes of payment – at a frequency that is fixed after determining the customer's expected cash flow. For cash collections our field executives visit customers to collect instalments as they become due. We track loan repayment schedules on a monthly basis centrally through a team which monitors instalments due and loan defaults. We ensure that all customer accounts are reviewed by an office manager at regular intervals with customers who have larger exposures or missed payments reviewed more frequently.

Collection and Recovery

Our field executives are responsible for collecting instalments with each field executive typically having responsibility for a specified number of borrowers depending on the volume of loan disbursements in the area. We are considering opening a new office to handle additional customers in the region in an effort to ensure that each office can closely monitor its risks and collections.

We believe that our loan recovery procedure is well suited to rural and semi-urban markets. The entire collection process is administered in-house. If a customer misses instalment payments our field executives identify the reasons for default and initiate action pursuant to our internal guidelines.

In the event of default under a loan agreement we may initiate the process for repossessing collateral. We generally use external agencies to repossess collateral. Where appropriate our collections department co-ordinates with our legal team and external lawyers to initiate and monitor legal proceedings.

B. Classification of Loans given to associate or entities related to Board, Senior Management , Promoters, etc

List of the related parties and nature of relationship which have transactions with our Company during the year 2020-21:

a)	Holding Company	Mahindra & Mahindra Limited
b)	Subsidiary Companies:	Mahindra Insurance Brokers Limited
	(entities on whom control is exercised)	Mahindra Rural Housing Finance Limited
		Mahindra Asset Management Company Private Limited (upto 29 April, 2020)#
		Mahindra Trustee Company Private Limited (upto 29 April, 2020)#
		MRHFL Employees Welfare Trust
		Mahindra & Mahindra Financial Services Ltd Employees' Stock Option Trust
		Mahindra Finance CSR Foundation
c)	Fellow Subsidiaries:	Mahindra USA, Inc
	(entities with whom the Company has transactions)	NBS International Limited
		Mahindra First Choice Wheels Limited
		Mahindra Defence Systems Ltd.
		Mahindra Integrated Business Solutions Ltd.
		Mahindra Vehicle Manufacturers Limited
		Mahindra Construction Co. Ltd.
		Bristlecone India Limited
		Mahindra Water Utilities Limited
		Mahindra Engineering & Chemical Products Ltd
		Mahindra Holidays & Resorts India Limited
		Gromax Agri Equipment Limited
		Mahindra First Choice Services Limited
		Mahindra Intertrade Limited
		Mahindra Holidays & Resorts India Ltd
		New Democratic Electoral Trust
		Mahindra Susten Pvt Ltd
d)	Joint Ventures / Associates:	Mahindra Finance USA, Inc
	(entities on whom control is exercised)	Ideal Finance Ltd
		Mahindra Manulife Investment Management Pvt. Ltd. (w.e.f. 30th April, 2020) #
		Mahindra Manulife Trustee Pvt. Ltd. (w.e.f. 30th April, 2020) #
e)	Joint Ventures / Associates of Holding Company:	Tech Mahindra Limited
	(entities with whom the Company has transactions)	Swaraj Engines Ltd
		Smartshift Logistics Solutions Pvt. Ltd. (Formerly known as Resfeber Labs Private Limited)
		PSL Media & Communications Ltd
f)	Key Management Personnel:	Mr. Ramesh Iyer
		Mr. V Ravi (upto 24th July, 2020)
		Mr. Vivek Karve (w.e.f. 14th September, 2020)
		Mr. Dhananjay Mungale
		Mr. C. B. Bhavé
		Ms. Rama Bijapurkar
		Mr. Milind Sarwate
		Mr. Arvind Sonde (upto 14th March, 2021)
		Mr. Amit Raje (w.e.f. 18th September, 2020)
		Dr. Rebecca Nugent (w.e.f. 5th March, 2021)
g)	Relatives of Key Management Personnel (where there are transactions)	Ms. Janaki Iyer
		Ms. Ramlaxmi Iyer
		Mr. Risheek Iyer
		Ms. Girija Subramaniam

		Ms. Prema Mahadevan
		Ms. Sudha Bhave
		Mr. V Murali (upto 24th July, 2020)
		Ms. Srilatha Ravi (upto 24th July, 2020)
		Mr. Siddharth Ravi (upto 24th July, 2020)
		Ms. Asha Ramaswamy
		Ms Pallavi Kotwal (w.e.f.18th September, 2020)
		Mr. Abhijit Mungale

Pursuant to share subscription agreement and shareholders' agreement to form a 51:49 Joint Venture between Mahindra Asset Management Company Private Limited ('MAMCPL') along with Mahindra Trustee Company Private Limited ('MTCPL'), then wholly-owned subsidiaries of the Company with Manulife Asset Management (Singapore) Pte. Ltd. ('Manulife'), the erstwhile names of MAMCPL and MTCPL have been changed to Mahindra Manulife Investment Management Private Limited (MMIMPL) and Mahindra Manulife Trustee Private Limited (MMTPL), respectively effective from 30 April 2020. Consequently, MMIMPL and MMTPL have been considered as joint ventures of the Company.

The nature and volume of transactions of the Company during the year with above related parties were as follows:

Current year – FY2020-21 & Previous year –

FY2019-20

(Rs. in

crore)

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate Companies / Associate Joint Ventures		Joint Ventures/Associates		Key Management Personnel		Relatives of Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Loan income												
- Smartshift Logistics Solutions Pvt Ltd.	-	-	-	-	0.14	3.07	-	-	-	-	-	-
Subvention income												
- Mahindra & Mahindra Limited	14.11	23.10	-	-	-	-	-	-	-	-	-	-
Lease rental income												
- Mahindra & Mahindra Limited	13.66	6.07	-	-	-	-	-	-	-	-	-	-
Interest income												
- Mahindra & Mahindra Limited	2.80	-	-	-	-	-	-	-	-	-	-	-
Income from sharing services												
- Mahindra & Mahindra Limited	0.42	-										
- Mahindra Rural Housing Finance Limited	-	-	8.65	8.64	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	2.50	2.47	-	-	-	-	-	-	-	-
- Mahindra Manulife Investment Management Pvt Ltd	-	-	-	-	-	-	1.08	0.21	-	-	-	-
- Mahindra Manulife Trustee Pvt Ltd	-	-	-	-	-	-	0.01	0.01	-	-	-	-

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate Companies / Associate Joint Ventures		Joint Ventures/Associates		Key Management Personnel		Relatives of Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Dividend Income												
- Mahindra Rural Housing Finance Limited	-	-	-	24.19	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	-	6.19	-	-	-	-	-	-	-	-
Interest expense												
- Mahindra & Mahindra Limited	16.59	19.03	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	5.15	3.19	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	25.78	11.93	-	-	-	-	-	-
- Swaraj Engines Limited	-	-	-	-	0.51	0.66	-	-	-	-	-	-
- Mahindra Vehicle Manufacturers Limited	-	-	-	-	-	1.19	-	-	-	-	-	-
- Mahindra Intertrade Limited	-	-	-	-	-	0.58	-	-	-	-	-	-
- Mahindra Water Utilities Limited	-	-	-	-	0.31	0.58	-	-	-	-	-	-
- Mahindra Engineering & Chemical Products Ltd	-	-	-	-	0.17	0.01	-	-	-	-	-	-
- PSL Media & Communications Ltd	-	-	-	-	0.07	0.07	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	10.30	0.13	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	0.12	0.07	-	-
- Mr V Ravi	-	-	-	-	-	-	-	-	0.10	0.06	-	-
- Mr C. B. Bhawe	-	-	-	-	-	-	-	-	0.06	0.06	-	-
- Others	-	-	-	-	-	-	-	-	-	-	0.48	0.33

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate Companies / Associate Joint Ventures		Joint Ventures/Associates		Key Management Personnel		Relatives of Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Other expenses												
- Mahindra & Mahindra Limited	24.21	23.37	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	38.25	68.44	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	0.04	0.08	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	10.66	15.25	-	-	-	-	-	-
- Mahindra Defence Systems Ltd	-	-	-	-	1.30	0.64	-	-	-	-	-	-
- Bristlecone India Limited	-	-	-	-	0.46	1.04	-	-	-	-	-	-
- Mahindra Vehicle Manufacturers Limited	-	-	-	-	0.61	0.70	-	-	-	-	-	-
- Mahindra Integrated Business Solutions Limited	-	-	-	-	16.19	15.91	-	-	-	-	-	-
- Mahindra Engineering & Chemical Products Ltd	-	-	-	-	1.55	6.78	-	-	-	-	-	-
- Mahindra Finance CSR Foundation	-	-	10.59	0.12	-	-	-	-	-	-	-	-
- Others	-	-	-	-	0.09	0.27	-	-	-	-	-	-
Donations												
- National Democratic Electoral Trust	-	-	-	-	-	6.00	-	-	-	-	-	-
Remuneration												
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	7.11	6.56	-	-
- Mr V Ravi	-	-	-	-	-	-	-	-	3.62	3.38	-	-
- Mr Vivek Karve	-	-	-	-	-	-	-	-	1.62	-	-	-

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate Companies / Associate Joint Ventures		Joint Ventures/Associates		Key Management Personnel		Relatives of Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Sitting fees and commission												
- Mr C. B. Bhav	-	-	-	-	-	-	-	-	0.37	0.31	-	-
- Mr Dhananjay Mungale	-	-	-	-	-	-	-	-	0.45	0.39	-	-
- Ms Rama Bijapurkar	-	-	-	-	-	-	-	-	0.35	0.30	-	-
- Mr Milind Sarwate	-	-	-	-	-	-	-	-	0.38	0.31	-	-
- Mr Arvind Sonde	-	-	-	-	-	-	-	-	0.32	0.08	-	-
- Dr Rebecca Nugent	-	-	-	-	-	-	-	-	0.03	-	-	-
Reimbursement from parties												
- Mahindra & Mahindra Limited	21.31	1.70	-	-	-	-	-	-	-	-	-	-
- Gromax Agri Equipment Limited	-	-	-	-	1.85	0.59	-	-	-	-	-	-
- Mahindra Manulife Investment Management Pvt Ltd	-	-	-	-	-	-	0.29	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	0.01	0.08	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	-	0.06	-	-	-	-	-	-	-	-
Reimbursement to parties												
- Mahindra Insurance Brokers Limited	-	-	-	0.24	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	-	0.19	-	-	-	-	-	-	-	-
- Mahindra USA, Inc	-	-	-	-	1.99	2.59	-	-	-	-	-	-

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate Companies / Associate Joint Ventures		Joint Ventures/Associate s		Key Management Personnel		Relatives of Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Purchase of fixed assets												
- Mahindra & Mahindra Limited	11.63	1.91	-	-	-	-	-	-	-	-	-	-
- Mahindra First Choice Services Limited	-	-	-	-	-	1.76	-	-	-	-	-	-
Sale of fixed assets												
- Mahindra Rural Housing Finance Limited	-	-	-	0.09	-	-	-	-	-	-	-	-
Investments made												
- Mahindra Manulife Investment Management Pvt Ltd	-	-	-	-	-	-	-	50.00	-	-	-	-
- Ideal Finance Ltd	-	-	-	-	-	-	-	44.00	-	-	-	-
- Mahindra Finance CSR Foundation	-	-	-	0.00	-	-	-	-	-	-	-	-
- New Democratic Electoral Trust	-	-	-	-	0.01	-	-	-	-	-	-	-
- Smartshift Logistics Solutions Pvt Ltd.	-	-	-	-	-	2.50	-	-	-	-	-	-
Fixed deposits taken												
- Mahindra Insurance Brokers Limited	-	-	53.75	10.00	-	-	-	-	-	-	-	-
- Mahindra Engineering & Chemical Products Ltd	-	-	-	-	5.43	1.24	-	-	-	-	-	-
- PSL Media & Communications Ltd	-	-	-	-	0.70	1.00	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	15.00	15.90	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	0.69	1.72	-	-
- Mr V Ravi	-	-	-	-	-	-	-	-	-	1.00	-	-
Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate Companies /		Joint Ventures/Associate s		Key Management Personnel		Relatives of Key Management Personnel	

					Associate Joint Ventures							
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
- Mr C. B. Bhavé	-	-	-	-	-	-	-	-	-	0.30	-	-
- Others	-	-	-	-	-	-	-	-	-	-	3.78	4.20
Fixed deposits matured												
- Mahindra Insurance Brokers Limited	-	-	-	15.50	-	-	-	-	-	-	-	-
- PSL Media & Communications Ltd	-	-	-	-	0.80	0.80	-	-	-	-	-	-
- Mahindra Engineering & Chemical Products Ltd	-	-	-	-	1.24	-	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	15.90	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	1.61	0.66	-	-
- Mr C. B. Bhavé	-	-	-	-	-	-	-	-	0.15	-	-	-
- Others	-	-	-	-	-	-	-	-	-	-	2.61	2.12
Dividend paid												
- Mahindra & Mahindra Limited	-	205.54	-	-	-	-	-	-	-	-	-	-
- Mahindra & Mahindra Financial Services Ltd Employees' Stock Option Trust	-	-	-	1.86	-	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	-	0.52	-	-
- Mr V Ravi	-	-	-	-	-	-	-	-	-	0.35	-	-
- Ms Rama Bijapurkar	-	-	-	-	-	-	-	-	-	0.02	-	-
- Mr Dhananjay Mungale	-	-	-	-	-	-	-	-	-	0.03	-	-
- Mr V. S. Parthasarthy	-	-	-	-	-	-	-	-	-	0.00	-	-

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate Companies / Associate Joint Ventures		Joint Ventures/Associates		Key Management Personnel		Relatives of Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
- Others	-	-	-	-	-	-	-	-	-	-	-	0.00
Inter corporate deposits taken												
- Mahindra & Mahindra Limited	-	100.00	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	-	55.75	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	500.00	-	-	-	-	-	-	-
- Swaraj Engines Limited	-	-	-	-	-	10.00	-	-	-	-	-	-
- Mahindra Water Utilities Limited	-	-	-	-	-	15.75	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	180.00	-	-	-	-	-	-	-
Inter corporate deposits repaid / matured												
- Mahindra & Mahindra Limited	100.00	400.00	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	17.25	37.50	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	-	400.00	-	-	-	-	-	-
- Mahindra Vehicle Manufacturers Limited	-	-	-	-	-	100.00	-	-	-	-	-	-
- Swaraj Engines Limited					10.00	10.00						
- Mahindra Water Utilities Limited	-	-	-	-	5.00	10.50	-	-	-	-	-	-
- Mahindra Intertrade Limited	-	-	-	-	-	10.00	-	-	-	-	-	-

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate Companies / Associate Joint Ventures		Joint Ventures/Associates		Key Management Personnel		Relatives of Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Debentures issued												
- Mahindra & Mahindra Limited	-	195.00	-	-	-	-	-	-	-	-	-	-
Debentures matured												
- Mahindra & Mahindra Limited	100.00	-	-	-	-	-	-	-	-	-	-	-
Issue of Share Capital (incl Securities premium)												
- Mahindra & Mahindra Limited	1,640.96	-	-	-	-	-	-	-	-	-	-	-
- Mahindra & Mahindra Financial Services Ltd Employees' Stock Option Trust	-	-	10.32	-	-	-	-	-	-	-	-	-
Balances as at the end of the period												
Receivables												
- Mahindra & Mahindra Limited	-	2.98	-	-	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	1.68	1.41	-	-	-	-	-	-	-	-
- Mahindra Manulife Investment Management Pvt Ltd	-	-	-	-	-	-	0.05	0.03	-	-	-	-
- Mahindra Manulife Trustee Pvt Ltd	-	-	-	-	-	-	0.01	0.01	-	-	-	-
Loan given (including interest accrued but not due)												
- Mahindra Construction Co. Ltd.	-	-	-	-	3.34	3.34	-	-	-	-	-	-
- Smartshift Logistics Solutions Pvt Ltd.	-	-	-	-	-	18.80	-	-	-	-	-	-

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate Companies / Associate Joint Ventures		Joint Ventures/Associates		Key Management Personnel		Relatives of Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Inter corporate deposits given (including interest accrued but not due)												
- Mahindra Construction Co. Ltd.	-	-	-	-	1.13	1.13	-	-	-	-	-	-
Investments												
- Mahindra Rural Housing Finance Limited	-	-	799.30	799.30	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	0.45	0.45	-	-	-	-	-	-	-	-
- Mahindra Manulife Investment Management Pvt Ltd	-	-	-	-	-	-	195.30	210.00	-	-	-	-
- Mahindra Manulife Trustee Pvt Ltd	-	-	-	-	-	-	0.50	0.50	-	-	-	-
- Mahindra Finance CSR Foundation	-	-	0.00	0.00	-	-	-	-	-	-	-	-
- Mahindra Finance USA, Inc	-	-	-	-	-	-	210.55	210.55	-	-	-	-
- Mahindra Ideal Finance Ltd	-	-	-	-	-	-	44.00	44.00	-	-	-	-
- New Democratic Electoral Trust	-	-	-	-	0.02	0.01	-	-	-	-	-	-
- Smartshift Logistics Solutions Pvt Ltd.	-	-	-	-	9.50	9.50	-	-	-	-	-	-
Payables												
- Mahindra & Mahindra Limited	8.67	-	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	11.77	12.37	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	5.41	3.49	-	-	-	-	-	-
- Mahindra USA, Inc	-	-	-	-	0.25	1.61	-	-	-	-	-	-

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate Companies / Associate Joint Ventures		Joint Ventures/Associates		Key Management Personnel		Relatives of Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
- Mahindra Integrated Business Solutions Limited	-	-	-	-	1.59	1.29	-	-	-	-	-	-
- NBS International Limited	-	-	-	-	0.18	0.23	-	-	-	-	-	-
- Mahindra Defence Systems Ltd	-	-	-	-	0.80	-	-	-	-	-	-	-
- Mahindra Engineering & Chemical Products Ltd	-	-	-	-	-	0.93	-	-	-	-	-	-
- Others	-	-	-	-	0.15	0.17	-	-	-	-	-	-
Inter corporate deposits taken (including interest accrued but not due)												
- Mahindra & Mahindra Limited	-	102.12	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	4.02	21.52	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	523.85	-	-	-	-	-	-	-
- Swaraj Engines Limited	-	-	-	-	-	10.20	-	-	-	-	-	-
- Mahindra Water Utilities Limited	-	-	-	-	4.03	8.82	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	188.55	-	-	-	-	-	-	-
Debentures (including interest accrued but not due)												
- Mahindra & Mahindra Limited	102.71	201.09	-	-	-	-	-	-	-	-	-	-

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate Companies / Associate Joint Ventures		Joint Ventures/Associates		Key Management Personnel		Relatives of Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Fixed deposits (including interest accrued but not due)												
- Mahindra Insurance Brokers Limited	-	-	90.49	32.99	-	-	-	-	-	-	-	-
- Mahindra Engineering & Chemical Products Ltd	-	-	-	-	5.51	1.25	-	-	-	-	-	-
- PSL Media & Communications Ltd	-	-	-	-	0.94	1.04	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	15.02	16.02	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	0.83	1.76	-	-
- Mr V Ravi	-	-	-	-	-	-	-	-	1.24	1.14	-	-
- Mr C. B. Bhav	-	-	-	-	-	-	-	-	0.71	0.88	-	-
- Others	-	-	-	-	-	-	-	-	-	-	6.27	4.86

Key Management Personnel as defined in Accounting Standard 18

C. Classification of loans into several maturity profile denomination**Denomination of loans outstanding by ticket size**

Sr. No.	Ticket Size	Percentage of AUM
1	Upto Rs. 2 Lakh	4.98%
2	Rs. 2 to 5 Lakh	37.30%
3	Rs. 5 to 10 Lakh	39.63%
4	Rs. 10 to 25 Lakh	9.35%
5	Rs. 25 to 50 Lakh	6.94%
6	Above Rs. 50 Lakh	1.80%
	Total	100%

Denomination of loans outstanding by LTV

Sr. No.	LTV	Percentage of AUM
1	Upto 40%	0.8%
2	40%-50%	2.4%
3	50%-60%	4.3%
4	60%-70%	9.4%
5	70%-80%	23.2%
6	80%-90%	39.5%
7	Above 90%	20.4%
	Total	100.00%

D. Details of top 20 borrowers advances with respect to concentration of advances.

Particulars	Rs. (In Crs)
Total Advances to 20 Largest borrower	750.56
% of Advances to 20 largest borrower to Total Advances to our Company	1.2%

Details of top 20 borrowers with respect to concentration of exposure.

Particulars	Rs. (In Crs)
Total Exposure to 20 Largest borrower	750.56
% of exposure to 20 largest borrower to Total Exposure to our Company	1.2%

E. Details of loans, overdue and classified as Non-performing assets (NPA) in accordance with RBI Stipulations:

Movement of gross NPA	Amount (Rs. in Crore)
Opening gross NPA	5,746.74
- Additions during the year	3,151.30
-Reductions during the year	(3,112.10)
Closing balance of gross NPA	5,785.94

Movement of provisions for NPA	Amount (Rs. in Crore)
Opening balance	1,780.26
- Provisions made during the year	2,559.47
-Write-off / write back of excess provisions	(987.67)
Closing balance	3,352.06

2. Details of borrowings made by NBFC

a. Portfolio Summary of borrowings made by NBFC

Sr No	Instrument	Amount (Rs. Crs)
1.	NCDs	145,911
2.	Retail NCD	4,298
3.	Bank Loans	14,384
4.	Offshore Borrowings	4,022
5.	Fixed Deposits	9,481
6.	CP, ICD, TREPS	1,188
7.	Securitisation / Assignment	10,391
	Total	58,675

b. Quantum and percentage of Secured vs. Unsecured borrowings

Particulars	Amount (Rs In Crs)	% of Borrowing
Secured	44107.61	75%
Unsecured	14469.07	25%
Total	58576.68	100%

3. Details of change in shareholding

Any change in promoters holding in NBFC during last financial year beyond the threshold prescribed by Reserve Bank of India

None

4. Disclosure of Assets under Management

a. Segment wise break up

Sr. No.	Segment-wise break-up of AUM	Percentage of AUM
1	Agriculture & allied activities	19.4%
2	Auto loans	74.9%
3	MSME	2.8%
4	Corporate borrowers	2.6%
5	Unsecured personal loans	0.3%
	Total	100%

b. Type of loans

Sr. No.	Type of Loans	Amount (Rs. in Crore)
1	Secured	62242.21
2	Unsecured	2350.46
	Total	64592.67

5. Details of Borrowers**a. Geographical location wise**

Sr. No.	Top 5 States	Percentage of AUM
1	UTTAR PRADESH	11.6%
2	MAHARASHTRA	9.3%
3	MADHYA PRADESH	7.7%
4	BIHAR	7.2%
5	RAJASTHAN	5.7%
	Total	41.50%

6. Details of Gross NPA**a. Segment wise**

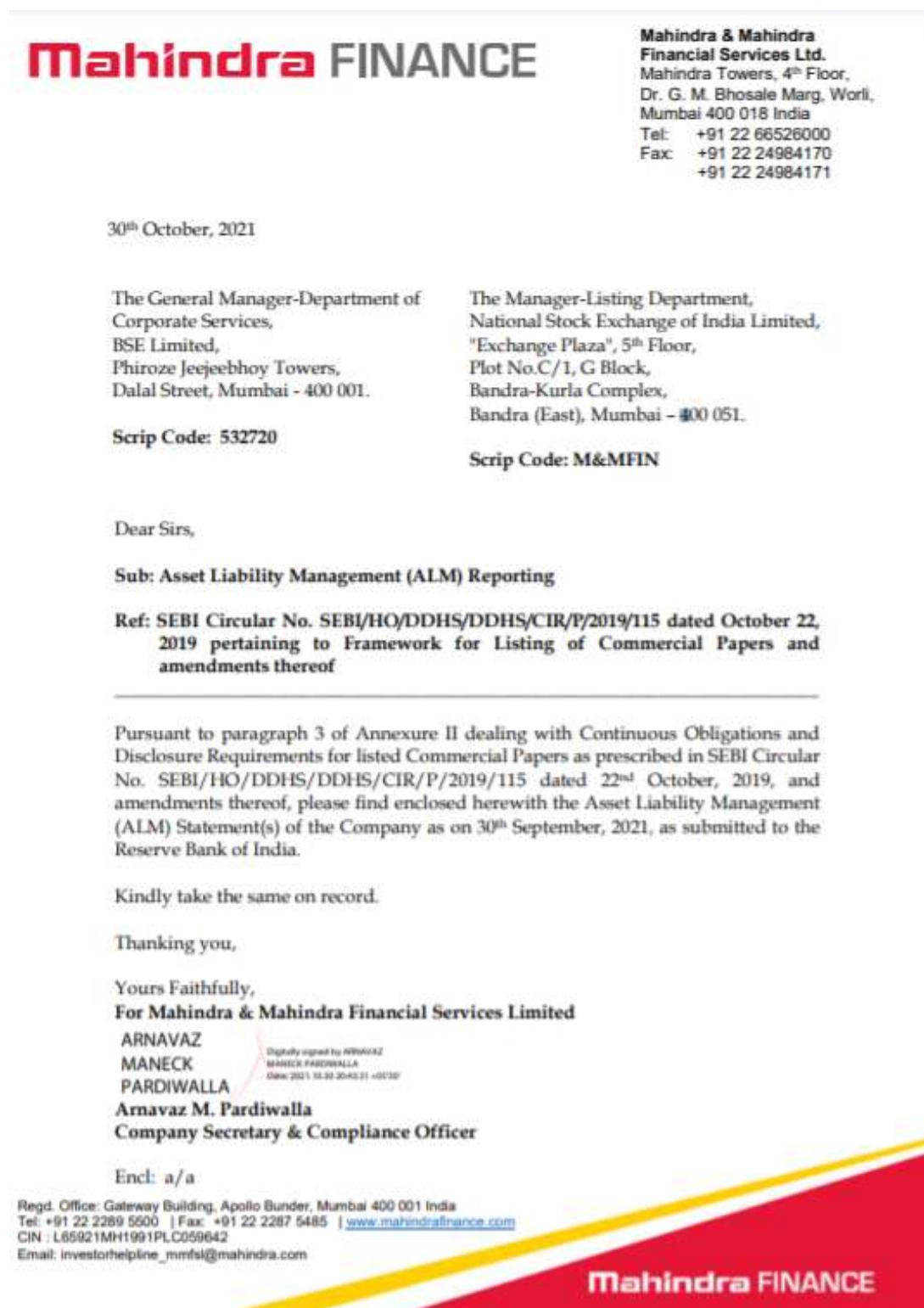
Sr. No.	Segment-wise gross NPA	Gross NPA (%)
1	Agriculture & allied activities	12.5%
2	Auto loans	8.2%
3	MSME	2.5%
4	Corporate borrowers	11.7%
5	Unsecured personal loans	10.5%

Percentage of NPAs to Total Advances in that sector

7. Details of Assets and Liabilities**a. Residual maturity profile wise into several bucket****As at March 31 2021**

Rs. in crore

Particulars	Up to 30/31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months up to 1 year	Over 1 year up to 3 years	Over 3 year up to 5 years	Over 5 years	Total
Deposits	184.84	202.67	254.76	997.02	2,241.26	4,612.21	957.90	-	9,450.66
Advances	6,756.57	2,199.23	2,156.17	5,177.86	10,188.72	27,159.17	6,269.69	40.01	59,947.42
Reserves & surplus	-	-	-	-	-	-	-	14,465.11	14,465.11
Investments	4,081.41	16.27	5.86	210.46	31.68	880.83	2,315.14	4,065.60	11,607.25
Borrowings	650.25	1,581.41	2,713.09	3,238.94	6,933.59	20,340.49	4,116.08	5,871.62	45,445.47
Foreign Currency Assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	1,484.64	1,536.01	659.90	-	3,680.55

Disclosure of latest ALM statements to stock exchange

Complete ALM disclosed on exchange available on the below URL

URL : https://archives.nseindia.com/corporate/M&MFIN_30102021214008_ALM3009202s1.pdf

Disclosures pertaining to wilful defaulter**a. The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter:**

- i. Name of the bank declaring as a wilful defaulter : Nil
- ii. The year in which it was declared as a wilful defaulter : Nil
- iii. Outstanding amount when declared as a wilful defaulter : Nil
- iv. Name of the entity declared as a wilful defaulter : Nil
- v. Steps taken, if any, for the removal from the list of wilful defaulters : Nil
- vi. Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions : Nil
- vii. Any other disclosure as specified by the Board : Nil

b. The fact that the issuer or any of its promoters or directors is a wilful defaulter shall be disclosed prominently on the cover page with suitable cross-referencing to the pages.

Not Applicable

UNDERTAKING BY THE ISSUER

- i) "Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given on page number 105 under the section 'General Risks'."
- ii) "The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Offer Document contains all information with regard to the issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."
- iii) "The issuer has no side letter with any debt securities holder except the one(s) disclosed in the offer document/placement memorandum. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed."

General Risks**Risk Factors**

The following are the risks envisaged by the management, and Investors should consider the following risk factors, together with all other information contained in this Offer Document, carefully for evaluating the Company and its business before making any investment decision. Unless the context requires otherwise, the risk factors described below apply to Mahindra & Mahindra Financial Services Limited. These risks and uncertainties are not the only issues that we face; additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have a material adverse effect on our financial condition or business success. If anyone, or a combination, of the following stated risks actually occurs, the Company's business, financial conditions and results of operations could suffer and therefore the value of the Company's debt securities could decline.

Note: Unless specified in the relevant risk factors, the Company is not in a position to quantify the financial or other implications of any risk mentioned herein below:

INTERNAL RISKS**1. The extent of the impact of the Coronavirus disease (COVID-19) on our business, results of operations and financial condition is uncertain and cannot be predicted.**

The World Health Organization declared the COVID-19 outbreak a "Public Health Emergency of International Concern" and on March 11, 2020 it was declared a pandemic.

The spread of the COVID-19 virus has affected millions across the globe and the same coupled with measures taken by the governments including lockdowns/ curfew has not only affected day to day lives of the people but has also given a hard blow to the supply chain of factories, with trade routes being disturbed and slowing down of the industry, trade, commerce and business activities across all sectors.

The COVID-19 virus pandemic is however also adversely affecting, and is expected to continue to adversely affect, our operations, liquidity and cashflows.

While the extent of negative financial impact cannot be reasonably estimated at this time, a sustained economic slowdown may significantly affect our business, financial condition, liquidity, cashflows and results of operations and the same will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the COVID-19 virus and the actions to contain the COVID-19 virus or treat its impact, among others. Consequently, there may be a negative effect on the Issuer's ability to service the obligations in relation to the Debentures.

2. The risk of non-payment or default by borrowers may adversely affect our financial condition and results of operations.

We are one of the leading NBFCs in the rural and semi-urban markets of India and cater primarily to customers without formal credit histories and which typically have less financial wherewithal and may be particularly susceptible to adverse economic conditions. In addition, our customer portfolio principally consists of farmers, car-owners, transport agencies, small businessmen and home-owners with underdeveloped banking habits, and individual borrowers generally are less financially resilient than large corporate borrowers, and as a result, they can be more adversely affected by declining economics.

The borrowers and their guarantors under our loan agreements may default in their repayment obligations due to various reasons including insolvency, lack of liquidity, increase in operating costs, including fuel costs and business failure, including poor agricultural production. Besides macroeconomic conditions, we face risks specific to each line of business, which may also result

in increased defaults. In addition, our customers often do not have credit histories supported by tax returns and other documents that would enable us to assess their creditworthiness, and we may not receive updated information regarding any change in the financial condition of our customers or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation by our customers or employees. Furthermore, as a nationwide credit bureau has only recently become operational in India, there is less financial information available about individuals, particularly in our customer segment, which primarily consists of low to middle income earners. This segment also has limited access to other financing sources and is located in the rural and semi-urban markets. It may therefore be difficult to carry out precise credit risk analyses on all of our customers.

Although we follow certain procedures to evaluate the credit profiles of our customers at the time of sanctioning a loan, we typically rely on a system of referrals from the local community and the value of the vehicle provided as underlying collateral rather than focusing solely on the credit profile of our customers.

3. Any disruption in our sources of funding could adversely affect our liquidity and financial condition.

The liquidity and profitability of our business depend, in large part, on our timely access to, and the costs associated with, raising funds. Our funding requirements historically have been met from various sources, including shareholder funding, assigned and securitized receivables, and secured and unsecured loans, including rupee-denominated term loans and cash credit facilities from banks and financial institutions, non-convertible debentures, unsecured, non-convertible debentures, commercial paper, fixed deposits and inter-corporate deposits. Our business thus depends and will continue to depend on our ability to access a variety of funding sources. Our ability to raise funds on acceptable terms and at competitive rates depends on various factors including our current and future results of operations and financial condition, our risk management policies, our credit ratings, our brand equity, the regulatory environment and policy initiatives in India, developments in the international markets affecting the Indian economy and the perceptions of investors and lenders of the demand for debt and equity securities of nonbanking financial companies ("NBFCs"). For example, regulatory developments in the past have affected NBFCs' access to select funding sources and have affected their costs of borrowings including through funding from banks and the assignment and securitization transactions.

Changes in economic, regulatory and financial conditions or any lack of liquidity in the market could adversely affect our ability to access funds at competitive rates, which could adversely affect our liquidity and financial condition.

4. Any adverse developments in the industries we operate in, including the new and pre-owned vehicle financing industry could adversely affect our business and results of operations.

The Company is primarily engaged in providing financing for new auto and utility vehicles, tractors, cars and commercial vehicles, and for pre-owned vehicles to customers in rural and semi-urban markets. Our asset portfolios include, and will likely continue to include, a high concentration of financing arrangements for vehicles in rural and semi-urban markets. The success of our business thus depends on various factors that affect demand for such vehicles, including the demand for transportation services in India, the housing and the insurance market in India, changes in Indian regulations and policies affecting utility vehicles, tractors, commercial vehicles and cars, natural disasters, calamities, fuel prices and other macroeconomic conditions in India and globally. Moreover, demand for such vehicles from our customers who are individuals or small enterprises that typically have less financial wherewithal than corporate borrowers or fleet owners or demand for rural housing, is more likely to be adversely affected by these factors. This may result in a decline in the sales or value of new and pre-owned vehicles. Such factors may also affect the business of our customers, which in turn will affect their ability to perform their obligations under the existing financing agreements. Any decline in sales of, or in demand for financing for, utility

vehicles, tractors, cars or commercial vehicles or non-performance of the existing financing agreements could adversely affect our business and results of operations.

5. Our inability to recover the full value of collateral or amounts outstanding under defaulted loans in a timely manner or at all could adversely affect our results of operations.

For each vehicle financing arrangement, we sanction an amount of credit that is less than the value of the vehicle which we take as collateral. We regulate this amount through our restrictions on the loan to value ("LTV") ratio of each financing. We take other collateral such as houses for our housing finance business. The value of the collateral, however, may decline during the term of the loan for a variety of reasons, including depreciation and deterioration. As a result, if our customers default, we may receive less money from liquidating collateral than is owed under the relevant financing facility, and, in turn, incur losses, even where we successfully repossess and liquidate the collateral. While we require each customer to secure a guarantee, we may not be able to enforce or collect the amount owed under such guarantee, if at all.

We may also encounter difficulties in repossessing and liquidating collateral. When a customer defaults under a financing facility, we typically re-possess and then sell the collateral through an auction. There is no assurance, however, that we will be able to successfully repossess the collateral in the event of default under a loan agreement. We may also not be able to sell the collateral at a price sufficient to cover the amount owed under the financing facility, or at all. We may face additional delay and expense in conducting an auction to sell the collateral and may face significant delay in repossessing collateral, as litigation against defaulting customers, even if governed by an arbitration clause, can be slow and expensive in India. If we are unable or delay to repossess and liquidate the collateral securing loans in default, we may incur losses, which could adversely affect our results of operations and financial condition

6. Our inability to compete effectively in an increasingly competitive industry may adversely affect our net interest margins, income and market share.

We provide loans primarily to customers residing in rural and semi-urban markets. Our primary competitors have been private unorganized lenders who typically operate in rural and semi-urban markets and, increasingly, banks and NBFCs who have entered these markets. In addition to these private unorganized lenders, due to the significant growth in vehicle financing, we have recently begun to face competition from banks, NBFCs and housing finance companies, some of which may have superior technology, more resources, access to cheaper funding or existing office networks, have expanded their reach to rural and semi-urban markets and may have a better understanding of and relationships with customers in these markets. In addition, interest rate deregulation and other liberalization measures affecting the vehicle financing sector, together with increased demand for capital, have resulted in increased competition.

Our ability to compete effectively will depend, in part, on our ability to maintain or increase our margins. Our margins are affected in part by our ability to continue to secure low-cost funding, and the interest rates at which we lend to our customers. Our ability to secure low-cost funding has been impacted by recent regulatory developments.

In light of this pressure, our ability to maintain or increase our margins will be dependent on our ability to pass on increases in the interest rates on our interest-bearing liabilities to our customers. Moreover, any increases in the interest rates on the loans we extend may also result in a decrease in business or increase in our NPAs.

We cannot assure you that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive vehicle finance industry. Increasing competition may adversely affect our net interest margins, income and market share.

7. If our Company's provisioning requirements are insufficient to cover our existing or future levels of non-performing loans, our ability to raise additional capital and debt funds as well as our results of operations and financial condition could be adversely affected.

We adhere to provisioning requirements related to our loan assets pursuant to the Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("Master Directions"). We cannot be sure that we will be able to improve our collections and recoveries in relation to our NPAs, or otherwise adequately control our level of NPAs in future.

Though our own existing provisioning are more stringent than prescribed by the RBI, our provisioning requirements may be inadequate to cover increases in non-performing loans. If our provisioning requirements are insufficient to cover our existing or future levels of non-performing loans, our ability to raise additional capital and debt funds as well as our results of operations and financial condition could be adversely affected.

8. Our Promoter holds majority shareholding in us, which will allow it to exercise significant influence over us and could create conflicts of interest.

Our Promoter beneficially owns approximately 52.16% of our Equity Shares as on March 31, 2021. Our Promoter will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholder approval, including the composition of our Board of Directors, the adoption of amendments to our articles of association, the approval of mergers, strategic acquisitions and joint ventures and the sale of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoter. The interests of our Promoter as our controlling shareholder could conflict with our interests or the interests of our other shareholders. We cannot be sure that our Promoter will act to resolve any conflicts of interest in our favor or in the favor of other shareholders. We operate in a competitive environment, and we believe that our brand recognition is a significant competitive advantage to us. We leverage on the goodwill of the Mahindra group. We believe that this goodwill ensures a steady inflow of business. In the event Mahindra group is unable to maintain the quality of its services or its goodwill deteriorates for any reason whatsoever, our business and results of operations may be adversely affected.

9. We may face asset-liability mismatches, which could affect our liquidity and consequently may adversely affect our operations and profitability.

We face potential liquidity risks because our assets and liabilities mature over different periods. As is typical for NBFCs, we meet a portion of our funding requirements through short-term funding sources, such as by issuing commercial paper, short-term loans from banks, fixed deposits and unsecured debentures. The majority of our loan assets, however, mature over the medium term. Consequently, our inability to obtain additional credit facilities or renew our existing credit facilities in a timely and cost-effective manner or at all may lead to mismatches between our assets and liabilities, which in turn may adversely affect our operations and profitability.

10. We are affected by volatility in interest rates for both our lending and treasury operations, which could cause our net interest income to decline and adversely affect our return on assets and profitability.

A significant component of our income is the interest income we receive from the loans we disburse. Our interest income is affected by any volatility in interest rates in our lending operations. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors, which have historically generated a relatively high degree of volatility in interest rates in India. Persistently high inflation

in India may discourage the Government from implementing policies that would cause interest rates to decrease. Moreover, if there is an increase in the interest rates we pay on our borrowings that we are unable to pass to our customers, we may find it difficult to compete with our competitors, who may have access to low-cost deposit funds. Further, to the extent our borrowings are linked to market interest rates, we may have to pay interest at a higher rate than lenders that borrow only at fixed interest rates.

Fluctuations in interest rates may also adversely affect our treasury operations. In a rising interest rate environment, especially if the rise is sudden or sharp, we could be adversely affected by the decline in the market value of our securities portfolio and other fixed income securities. In addition, the value of any interest rate hedging instruments we may enter into in the future would be affected by changes in interest rates, which could adversely affect our ability to hedge against interest rate volatility. We cannot assure that we will continue to enter into such interest rate hedging instruments or that we will be able to enter into the correct amount of such instruments to adequately hedge against interest rate volatility in the future.

Further, pursuant to our loan agreements with customers, we may lend money on a long-term, fixed interest rate basis, typically without including a provision that interest rates due under our loan agreements will increase if interest rates in the market increase. Any increase in interest rates over the duration of such loans may result in our losing interest income. Such increase will also affect the maturity period of the loan and may lead to increase in the amount of monthly installments due from borrowers and hence increasing the chances of default by the borrowers. Our inability to effectively and efficiently manage interest rate variations and our failure to pass on increased interest rates on our borrowings may cause our net interest income to decline, which would decrease our return on assets and could adversely affect our business, future financial performance and result of operations.

11. A significant portion of our collections from customers is in cash, exposing us to certain operational risks.

A significant portion of our collections from our customers is in cash. Large cash collections expose us to the risk of theft, fraud, misappropriation or unauthorized transactions by employees responsible for dealing with such cash collections. These risks are exacerbated by the high levels of responsibility we delegate to our employees and the geographically dispersed nature of our network. We primarily cater to customers in rural and semi-urban markets, which carry additional risks due to limitations on infrastructure and technology.

While we have implemented technology that tracks our cash collections, taken insurance policies, including fidelity coverage and coverage for cash in safes and in transit, and undertaken measures to detect and prevent unauthorized transactions, fraud or misappropriation, this may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our operations and profitability. Further, we may be subject to regulatory or other proceedings in connection with any unauthorized transactions, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill. We may also be party to criminal proceedings and civil litigation related to our cash collections.

Our business is also susceptible to fraud by dealers, distributors and other agents with whom we deal on account of forgery of documents, multiple financing on same vehicle, customer identification and unauthorized collection of instalments on behalf of our Company.

Given the high volume of transactions involving cash processed by us, certain instances of fraud and misconduct by our representatives or employees may go unnoticed for some time before they are discovered, and others successfully rectified. Even when we discover instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, there can be no assurance that we will recover any amounts lost through such fraud or other misconduct. Our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of such systems will result in losses that are difficult to detect or rectify.

Further, the Government has by the Finance Act, 2017 introduced Section 269(ST) to the Income Tax Act which restricts cash transactions above Rs. 2.00 lakhs. Cash has been a preferred mode of payment for many of our customers and may continue to be in the future. Due to the amendments to the Income Tax Act, some of our high value collections may be affected till such time these customers start servicing our repayments through banking channels.

12. Any downgrade in our credit ratings could increase borrowing costs and adversely affect our access to capital and lending markets and could also affect our interest margins, business, results of operations and financial condition.

The cost and availability of capital depends in part on our short-term and long-term credit ratings. Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. Certain factors that influence our credit ratings may be outside of our control. For example, our credit ratings may depend on the financial performance and business prospects of M&M and its majority shareholding in our Company. India Ratings & Research Private Limited has assigned IND AAA/Stable rating, CARE Ratings Limited (Formerly known as Credit Analysis and Research Limited) has assigned CARE AAA; Stable rating and CRISIL Ratings Limited has assigned CRISIL AA+/Stable rating to our long-term and subordinated debt. Brickwork Ratings India Private Limited has assigned BWR AAA rating with Stable Outlook to our long-term subordinated debt. India Ratings & Research Private Limited has assigned IND PP-MLD AAA emr/Stable rating to our Principal Protected Market Linked Debentures (PP-MLD). CRISIL Rating Limited has rated our fixed deposit program FAAA/Stable. Our Commercial paper programme is rated CRISIL A1+ and IND A1+ by CRISIL Ratings Limited & India Ratings & Research Private Limited respectively, which is the highest rating for short-term instruments. These ratings may be suspended, withdrawn or revised at any time. Any revision or downgrading in the credit rating may lower the trading price of the NCDs and may also affect our ability to raise further debt.

Any downgrade in our credit ratings could increase borrowing costs and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business and results of operations. In addition, any downgrade in our credit ratings could increase the probability that our lenders impose additional terms and conditions to any financing or refinancing arrangements we enter into in the future. However, these ratings are not recommendations to buy, sell or hold securities and prospective investors should take their own decisions.

13. We depend on the services of our management team and employees, our inability to recruit and retain them may adversely affect our business.

Our future success depends substantially on the continued service and performance of members of our management team and employees. There is intense competition for experienced senior management and other qualified personnel, particularly office managers, field executives and employees with local knowledge in client procurement, loan disbursement and installment collections. If we cannot hire additional or retain existing management personnel and employees, our ability to expand our business will be impaired and our revenue could be adversely affected. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, divert management resources, adversely affect our origination and collection rates, increase our exposure to high-risk credit and impose significant costs on us. While we have an incentive based remuneration structure, employee stock option scheme and training and development programs designed to encourage employee retention, our inability to attract and retain talented professionals, or the resignation or loss of key management personnel, may have an adverse impact on our business and future financial performance.

14. We face difficulties and incur additional expenses in operating in rural and semi-urban markets, where infrastructure may be limited.

We cater primarily to customers in rural and semi-urban markets, which may have limited infrastructure, particularly for transportation and electricity. At offices in remote markets, we may face difficulties in conducting operations, such as accessing power facilities, transporting people and equipment, implementing technology measures. We may also face increased costs in conducting our business and operations, implementing security measures and expanding our advertising. We cannot assure you that such costs will not increase in the future as we expand our network in rural and semi urban markets, which could adversely affect our profitability.

Moreover, a significant number of our customers are farmers residing in rural and semi-urban areas and our results of operations are affected by risks specific to their businesses. For example, the agriculture industry in India is substantially dependent on monsoons. Extreme weather conditions such as drought, insufficient rainfall or floods may potentially affect the quality and quantity of farming production in a given year, thereby adversely affecting the ability of our farmer customers to repay their loans.

15. A decline in our Company's capital adequacy ratio could restrict our future business growth.

Pursuant to the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998, as amended, we are required to maintain a capital adequacy ratio of at least 15.0% of our risk-weighted assets of our balance sheet and of risk adjusted value of off-balance sheet items, consisting of Tier I capital and Tier II capital, on an ongoing basis. The total Tier I capital, at any point is required to be at least 10% by March 31, 2017. If we continue to grow our loan portfolio and asset base, we will be required to raise additional Tier I and Tier II capital in order to continue to meet applicable capital adequacy ratios with respect to our business. There can be no assurance that we will be able to raise adequate additional capital in the future on terms favorable to us or at all, which could result in non-compliance with applicable capital adequacy ratios and may adversely affect the growth of our business.

16. Governmental and statutory regulations, including the imposition of an interest-rate ceiling, may adversely affect our operating results and financial position.

As a deposit taking NBFC, we are subject to regulation by Government authorities, including the RBI. The RBI, however, has not established a ceiling on the rate of interest that can be charged by NBFCs in the asset finance sector. Currently, the RBI requires that the board of directors of each NBFCs adopts an interest rate model that takes into account relevant factors such as the cost of funds, margin and risk premium. It is unclear whether NBFCs are required to comply with the provisions of state money lending laws that establish ceilings on interest rates.

The High Court of Kerala, in relation to a notice received by us from the Sales Tax Commissioner, Kerala, has held in an order that we are required to be registered under the Kerala Money Lenders Act, 1958. We have filed a special leave petition in the Supreme Court against this order and the matter is currently pending. The Supreme Court has granted an interim stay against the enforcement of this notice. In the event we are required to register under the Kerala Money Lenders Act, 1958 or any other state money lending laws, there may be interest rate ceiling caps and other restrictions on operations of our business. Further, we have also received such notices in some other states in the past. If any regulatory authority or court imposes any penalty against us or our Directors or our officers including for prior non-compliance with respect to state money lending laws, our business, results of operations and financial condition may be adversely affected.

In addition, on November 8, 2016, the RBI and the Ministry of Finance of the Government withdrew the legal tender status of the then in circulation ₹ 500 and ₹ 1,000 currency notes pursuant to a notification dated November 8, 2016. The short-term impact of these developments was, among other things, a decrease in liquidity of cash and consequently, spending, in India and we experienced a short-term impact on our operations as a result of the demonetization. The introduction of such regulations in the future could adversely affect our operating results and financial position.

17. We are subject to supervision and regulation by the RBI as a systemically important deposit taking NBFC, and changes in RBI's regulations governing us could adversely affect our business.

We are subject to the RBI's guidelines on financial regulation of NBFCs, including capital adequacy, exposure and other prudential norms. The RBI also regulates the credit flow by banks to NBFCs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to NBFCs. The RBI's regulations of NBFCs could change in the future which may require us to restructure our activities, incur additional cost, raise additional capital or otherwise adversely affect our business and our financial performance.

The RBI, from time to time, amends the regulatory framework governing NBFCs to address concerns arising from certain divergent regulatory requirements for banks and NBFCs. Pursuant to two notifications dated December 6, 2006, (Notifications No. DNBS. 189 / CGM (PK)-2006 and DNBS.190 / CGM (PK)- 2006), the RBI amended the NBFC Acceptance of Public Deposits Directions, 1998, reclassifying deposit taking NBFCs, such as us. We are also subject to the requirements of the Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016, as amended.

The laws and regulations governing the banking and financial services industry in India have become increasingly complex and cover a wide variety of issues, such as interest rates, liquidity, investments, ethical issues, money laundering and privacy. Moreover, these laws and regulations can be amended, supplemented or changed at any time such that we may be required to restructure our activities and incur additional expenses to comply with such laws and regulations, which could materially and adversely affect our business and our financial performance.

Compliance with many of the regulations applicable to our operations in India, including any restrictions on investments and other activities currently being carried out by us, involves a number of risks, particularly in markets where applicable regulations may be subject to varying interpretations. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and our business could be adversely affected. We are also subject to changes in laws, regulations and accounting principles and practices. There can be no assurance that the laws governing the financial services sector will not change in the future or that such changes or the interpretation or enforcement of existing and future laws and rules by governmental and regulatory authorities will not adversely affect our business and future financial performance.

Additionally, we are required to make various filings with the RBI, the Registrar of Companies and other relevant authorities pursuant to the provisions of RBI regulations, the Companies Act and other regulations. If we fail to comply with these requirements, or a regulator claims we have not complied with these requirements, we may be subject to penalties and compounding proceedings.

18. We may be unsuccessful in expanding into new lines of business and implement our new business strategies, and such new strategies may not achieve desired result which could adversely affect our growth and business.

We continue to pursue opportunities to expand into new lines of business. For example, to complement our existing mutual fund distribution business, we incorporated an asset management company and during Fiscal 2016, obtained a certificate of registration as a registered mutual fund from SEBI. This growth strategy, and other growth strategies we pursue, may put a strain on our resources and may require us to obtain new regulatory approvals. Moreover, neither we nor Mahindra & Mahindra Limited (our Promoter or M&M) has significant operational experience in the mutual fund or banking sectors. Pursuing these business opportunities, including the setting up of an asset management company and our investments in a mutual fund business, will require significant capital, which we may not be able to raise in a timely manner, or at all. There can be no assurance that we will be successful in expanding these new lines of business, which could adversely affect our business, operations and profitability.

19. Any failure, inadequacy and security breach in our computer systems and servers may adversely affect our business.

Our operations depend on our ability to process a large number of transactions on a daily basis across our network of offices, most of which are connected through computer systems and servers to our head office. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are beyond our control, including a disruption of electrical or communications services, particularly in the rural and semi-urban markets in which we primarily operate. Our business is particularly susceptible to such disruptions because of our reliance on handheld GPRS devices, expected implementation of mobile offices and the higher cost of installation and implementation of technology in the rural and semi-urban markets. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. The information available to and received by our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of products.

Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, servers, software, including software licensed from vendors and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security and result in identity theft including customer data, employee data and propriety business data, for which we could potentially be liable. Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our business.

20. Our ability to assess, monitor and manage risks inherent in our business differs from the standards of some of our counterparts in India and in some developed countries

The effectiveness of our risk monitoring and management is limited by the quality, timeliness and availability of data required for the assessment of the risks such as, information regarding market, customers, proposed policy changes, etc. These data may not be accurate or complete in all the cases thereby affecting our ability to access, monitor and manage the risk. Our hedging strategies and other risk management techniques may not be fully effective in mitigating all the types of risks that we face or may face in the market. Largely, our risk management is based on the study of historical market behaviour and as a result these studies may not predict the future risks exposures. Our risk management policies therefore may not in all cases adequately address unidentified or unanticipated risks. Our inadequacy in properly assessing the risks and hence moulding accordingly to ward of these risks may have an adverse effect on our business and results of operations.

1. Our business is affected by prevailing economic, political and other prevailing conditions in India and the markets we currently service.

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- infectious disease outbreaks or other serious public health concerns;
- prevailing regional or global economic conditions, including in India's principal export markets; and
- other significant regulatory or economic developments in or affecting India or its financial services sectors.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the NCDs. Our performance and the growth of our business depend on the performance of the Indian economy and the economies of the regional markets we currently serve. These economies could be adversely affected by various factors, such as political and regulatory changes including adverse changes in liberalization policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors.

The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States, Europe or China, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material adverse effect on our business, financial condition and results of operations.

2. Political instability, changes in the Government or natural calamities may adversely affect economic conditions in India, which may impact our business, financial results and results of operations.

The Government has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian Governments have pursued policies of economic liberalisation and financial sector reforms. Various factors could trigger significant changes in India's economic liberalization and deregulation policies, disrupt business and economic conditions in India generally and our business in particular. Our financial performance may be adversely affected by changes in

inflation, exchange rates and controls, interest rates, Government, social stability or other political, economic or diplomatic developments affecting India in the future.

India has experienced and may continue to experience natural calamities such as earthquakes, floods and drought. The extent and severity of these natural disasters determines their effect on the Indian economy. Such natural calamities could have a negative effect on the Indian economy, adversely affecting our business.

3. Terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may adversely affect the Indian and worldwide financial markets. These acts may also result in a loss of business confidence and adversely affect our business, financial condition and results of operations. In addition, any deterioration in relations between India and its neighboring countries might result in concern about stability in the region, which may adversely affect the price of our NCDs.

India has also witnessed civil unrest including communal disturbances and riots in recent years. If such events recur, our operational and marketing activities may be adversely affected, resulting in a decline in our income. Such incidents may also create a greater perception that investment in Indian companies involves a higher degree of risk and may have an adverse impact on the price of our NCDs.

4. Financial difficulty and other problems in certain financial institutions in India could adversely affect our business.

As an Indian NBFC, we are exposed to the risks of the Indian financial system, which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact on a daily basis and who may default on their obligations due to bankruptcy, lack of liquidity, operational failure or other reasons. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and hence could adversely affect our business. As the Indian financial system operates within an emerging market, it faces risks of a nature and extent not typically faced in more developed economies, including the risk of deposit runs, notwithstanding the existence of a national deposit insurance scheme.

5. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. The limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

6. Any downgrade of credit ratings of India may adversely affect our ability to raise debt financing.

India's sovereign ratings reflect an assessment of the Indian government's overall financial capacity to pay its obligations and its ability or willingness to meet its financial commitments as they become due.

No assurance can be given that any statistical rating organisation will not downgrade the credit ratings of India. Any such downgrade could adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance.

7. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition.

Flows to foreign exchange reserves can be volatile, and past declines may have adversely affected the valuation of the Rupee. Further declines in foreign exchange reserves, as well as other factors, could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our future financial performance and the market price of the NCDs.

8. Security may be insufficient to redeem the Debentures

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Trustee may enforce the Security as per the terms of the Trust Deed and other related documents. The Investors' recovery in relation to the Debentures will be subject to (i) the market value of the assets offered as security, and (ii) the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

9. Refusal of listing of any security of the Issuer during last three years by any of the stock exchanges in India or abroad.

As of date, the issuer has not been refused listing of any of its securities during the last 3 (three) years by any of the stock exchanges in India or abroad and therefore, this would not be applicable.

10. Limited or sporadic trading of non-convertible securities of the issuer on the stock exchanges.

As of date, the Issuer is not aware of any limited or sporadic trading of the non-convertible securities of the Issuer on stock exchanges and therefore, this would not be applicable.

The NCDs have no established trading market. There can be no assurance that an active public market for the NCDs will develop or be sustained. The liquidity and market prices of the NCDs can be expected to vary with changes in market and economic conditions, our financial condition and prospects and other factors that generally influence market price of NCDs. Such fluctuations may significantly affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs.

11. In case of outstanding debt instruments or deposits or borrowings, any default in compliance with the material covenants such as creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, non-creation of debenture redemption reserve, default in payment of penal interest wherever applicable.

As of date, the Issuer has not defaulted in compliance with any material covenants agreed to by the Issuer and therefore, this would not be applicable.

12. Tax Considerations and Legal Considerations

Special tax considerations and legal considerations may apply to certain types of potential investors. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of an investment into the Debentures.

ADDITIONAL RISK FACTORS THAT ARE SPECIFIC TO ISSUE OF MARKET LINKED DEBENTURES:

1. The NCDs proposed to be issued are subject to model risk, i.e., the securities are created on the basis of complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models.
2. The NCDs proposed to be issued being principal/capital protected, the principal amount is subject to the credit risk of the issuer whereby the investor may or may not recover all or part of the funds in case of default by the issuer. Thus, the investments in such NCDs may also result in a loss.
3. The valuations as may be provided by the Valuation Agency, on the website of the Issuer and the Valuation Agency or otherwise, do not represent the actual price of the Debentures that may be received upon sale or redemption of Debentures. They merely represent the Valuation Agency's computation of the valuation which may in turn be based on several assumptions. A Debenture Holder understands and is aware that the valuation is not in any manner reflective of the actual returns that can be obtained by such Investor on the Debentures.

The return on an investment in the Debentures (which are linked with securities) may differ from the return an investor might earn on a direct investment in the securities over a similar period.

Other details**a. Creation of Debenture Redemption Reserve (DRR) / Capital Redemption Reserve (CRR) – relevant legislations and applicability**

Pursuant to Rule 18(7)(b)(iii) of the Companies (Share Capital and Debentures) Rules, 2014, as amended vide the Companies (Share Capital and Debentures) Amendment Rules, 2019, the Company, being an NBFC registered with the Reserve Bank of India under Section 45 IA of the RBI Act, 1934, is not required to create a Debenture Redemption Reserve, in respect of private issue of debentures.

b. Issue/instrument specific regulations - relevant details (Companies Act, Reserve Bank of India guidelines, etc.).

The Debentures are governed by and will be construed in accordance with the Indian Law. The Issuer, the Debentures and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of the Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), Stock Exchanges, Companies Act, 2013 and other applicable laws and regulations from time to time. The Debenture-holders, by purchasing the Debentures, agree that the Mumbai High Court shall have exclusive jurisdiction with respect to matters relating to the Debentures.

Over and above, the said debentures shall be subject to the term and conditions as contained in the offer letter / term sheet, application form and the Debenture Trust Deed / Trustee Agreement.

c. Delay in Listing

In case of delay in listing, the company will pay penal interest of 1% p.a. over the coupon rate for the period of delay to the investor (i.e. from date of allotment to the date of listing) Exchanges.

d. Application process**Application for the Debentures****♦ How to Apply**

Applications for the Debentures must be made in the prescribed Debenture Application Form which would be attached with the respective Issue term sheet and must be completed in block letters in English by investors. Debentures Application forms must be accompanied by either a demand draft or cheque or Electronic transfer drawn or made payable in favour of "**Mahindra & Mahindra Financial Services Ltd**". In case of issuance not through the Electronic Bidding Platform (EBP), the remittance should be made to the following account number of MMFSL

Bank Name & Address: HDFC Bank Ltd, Novartis House,
Dr Annie Besant Road,
Worli, Mumbai -400018

IIFSC Code: HDFC0000240
Bank Account No: 02400310005952
Type of Account: Current A/c

In case of issuance through the Electronic Bidding Platform (EBP), Successful Bidders to transfer funds from bank account(s) registered with BSE BOND to the bank account of ICCL to the extent of funds pay-in obligation on or before 10:30 hours on the pay-in date.

The Designated Bank Accounts of ICCL are as under:

Bank	ICICI Bank Limited
Beneficiary Name	INDIAN CLEARING CORPORATION LTD
Account Number	ICCLEB
IFSC Code	ICIC0000106
Mode	NEFT/RTGS
Bank	YES Bank Limited
Beneficiary Name	INDIAN CLEARING CORPORATION LTD
Account Number	ICCLEB
IFSC Code	YESB0CMSNOC
Mode	NEFT/RTGS
Bank	HDFC Bank Limited
Beneficiary Name	INDIAN CLEARING CORPORATION LTD
Account Number	ICCLEB
IFSC Code	HDFC0000060
Mode	NEFT/RTGS

For each issue, separate funds payment instructions should be given by the participants. Funds payment for each issue has to be initiated separately. The funds should not be clubbed for two different issues settling on the same day.

The full amount of the Issue price of the Debentures applied for has to be paid along with the delivery of the fully completed and executed Debenture Application Form together with other applicable documents described below.

Cheques / demand drafts / Electronic transfer may be drawn on any bank which is situated and is a member or sub-member of the Banker's Clearing House located at Mumbai. Investors are required to make payments only through Cheque /demand drafts / Electronic transfer payable at Mumbai.

The Issuer assumes no responsibility for any applications / cheques / demand drafts lost in mail or in transit.

♦ **Who can apply**

Only eligible Investors who have been specifically addressed through a communication by or on behalf of the company directly are eligible to apply. The following categories of investors (not an exhaustive list) may apply for the debentures, subject to fulfilling their respective investment norms by submitting all the relevant documents along with the application form.

- Banks
- Mutual Funds
- Companies registered in India
- Insurance Companies
- Non-Banking Financial Companies (NBFCs) and Residuary NBFCs
- Bodies Corporate
- Limited Liability Partnerships
- Foreign Institutional Investors
- Foreign Portfolio Investors
- Financial Institutions
- Foreign Financial Institutions
- Foreign Companies
- Venture Capital Funds
- Alternative Investment Funds
- Individuals
- Hindu Undivided Family
- Association of Persons
- Qualified Institutional Buyers as defined under the SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2018
- Trusts
- Pension FundGratuity Fund
- Provident Fund
- Superannuation Fund
- Multilateral Agencies
- Any other investor may be permitted under applicable Legislation / Regulations.

All Investors are required to comply with the relevant the regulations/ guidelines Applicable to them for investing in the issue of Debentures.

Private Placement of Debentures shall be restricted to not more than 49 investors.

♦ Application by Banks / Corporate Bodies / Mutual Funds / FIIs / Trusts / Statutory Corporations.

The following is an indicative list of documents, the certified true copies of which should be provided with the application:

• Application by Banks / eligible FIIs

- resolution authorizing investment and containing operating instructions or letters of authorisations and power of attorney, of applicable;
- specimen signatures of authorized signatories;
- necessary form for claiming exemption from deduction of tax at source on interest, if applicable; and
- Registration certificate as may be applicable.

• Application by Corporate Bodies FIIs / Trusts / Statutory Corporations.

- Memorandum and Articles;
- resolution authorizing investment and containing operating instructions or letters of authorisations and power of attorney, of applicable;
- specimen signatures of authorized signatories;
- necessary form for claiming exemption from deduction of tax at source on interest, if applicable; and
- Registration certificate as may be applicable.

• Application by Mutual Funds/ Custodians of Mutual Funds/Insurance Companies

- SEBI registration certificate/ IRDA registration certificate, as may be applicable;
- resolution authorizing investment and containing operating instructions or letters of authorisations and power of attorney, of applicable;
- application form for application made by asset management company or custodian of mutual fund shall clearly indicate the name of the concerned scheme for which application is being made.

♦ Application under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signatures of all authorised signatories must be lodged along with the submission of the completed Debenture Application form. Further modifications/additions in the power of attorney or authority should be delivered to the Issuer at Corporate Office.

♦ Know your Customer (KYC)

The applicants should submit the required KYC documents as prescribed by the RBI along with the application forms. Applications which are not in compliance with the above requirement shall be liable to be rejected.

♦ Interest on Application Money

Interest on application money (if any) at the applicable coupon rate (or as notified in the term sheet) will be paid via interest cheques / credit to the allottee's bank account through electronic transfer. Such interest will be paid for the period commencing from the date of realization of the cheque(s) / demand drafts(s) / RTGS up to but excluding the Deemed Date of Allotment. The interest cheques / instruction to credit allottee's bank account for the interest payable on application money will be dispatched by Registered Post/ Courier / hand delivery within two working days from the Deemed Date of Allotment.

The payment will be subject to deduction of tax at source at the rates prescribed under the provisions of the Income Tax Act, 1961 or any other statutory modification or re-enactment thereof. Such interest would be paid on all the valid applications.

Tax exemption certificates, if applicable, in respect of non-deduction of tax on interest on application money must be submitted along with the Debenture Application Form. It is clarified that interest shall not be paid on invalid and incomplete applications.

♦ PAN / GIR No:

All Applicants should mention their Permanent Account number (PAN) allotted under Income Tax Act, 1961 or where the same has not been allotted, the GIR Number and the IT Circle/Ward/District should be mentioned. In case where neither the PAN nor the GIR number has been allotted, or the applicant is not assessed to Income Tax, the fact of such a non allotment should be mentioned in the application form. Applications without this will be considered incomplete and are liable to be rejected.

♦ Basis of Allotment

The Issuer has sole and absolute right to allot the Debentures to any applicant.

♦ Right to Accept or Reject Applications

The Issuer is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason. Debenture Application Forms that are not complete in all respects shall be rejected at the sole and absolute discretion of the Issuer. The rejected applicant(s) will be intimated along with the refund warrant(s) within 15 days of the closure of the issue.

Our Competitive Strengths

Our competitive strengths are as follows:

Knowledge of rural and semi-urban markets

We have over 20 years of operating experience primarily in rural and semi-urban markets, which has led to a significant understanding of local characteristics of these markets and has allowed us to address the unique needs of our customers. Of our Company's 1,388 offices spanning across 27 states and 7 union territories, as of March 31, 2021, majority cater to customers located in rural and semi-urban markets. We have adapted to markets that are affected by limitations of rural infrastructure and have developed a diversified customer base of farmers, car-owners, transport agencies, small businessmen and home-owners. For origination and collection, we hire employees with knowledge of the local markets and have also implemented a de-centralized process to approve loans that meet pre-determined criteria. Further, our field executives use hand-held general packet radio service ("GPRS") devices to record data while collecting loan payments at the customer's home or business location. This leads to face-to-face interaction that improves our understanding of the needs of our customers and enables us to be more responsive to local market demand. We believe that our knowledge of the rural and semi-urban markets is a key strength that has enabled us to become one of India's leading NBFCs.

We were early entrants into the rural and semi-urban markets, initially providing financing solely for products of M&M which has been selling its products in those markets for over 6 decades. Credit in these markets was principally provided by banks from the organised finance sector or by the local money lenders. There was a large section of the rural population which did not have access to credit largely due to their inability to meet the lending covenants of the banks or because they could not service the high rates of the money lenders. We identified this opportunity and positioned ourselves to service this population. We adopted simple and prompt loan approval and documentation procedures and set our offer rates between those of the banks and the money lenders. In addition, the markets we serve are largely cash driven and we understand the challenges and limitations of rural infrastructure and have created processes/systems to overcome such limitations and challenges. For example, our field executives collect cash at the customer's premises saving them the need to travel to one of our offices or a bank. These visits also enable us to develop our customer relationships and importantly allow us to understand their businesses. This understanding enables us to be proactive and develop future products for our customers. Our nationwide network, locally recruited employees, regular visits and our close relationship with the dealers enables us to understand the needs of our customers. We believe that due to our early entry, our client relationships and our relationship with OEMs, we have built a recognisable brand in the rural and semi-urban markets of India.

Extensive network of offices

We operate an extensive network of our 1,388 offices spanning across 27 states and 7 union territories, as of March 31, 2021. The reach of our offices allows us to service our existing customers and attract new customers as a result of personal relationships cultivated through proximity and frequent interaction by our employees. Our widespread office network reduces our reliance on any one region in India and allows us to apply best practices developed in one region to other regions. Our geographic diversification also mitigates some of the regional, climatic and cyclical risks, such as heavy monsoons or droughts. In addition, our extensive office network benefits from a de-centralized approval system, which allows each office to grow its business organically as well as leverage its customer relationships by offering distribution of insurance products and mutual funds. We service multiple products through each of our offices, which reduces operating costs and improves total sales. We believe that the challenges inherent in developing an effective office network in rural and semi-urban areas provide us with a significant first mover advantage over our competitors in these areas.

Streamlined Approval and Administrative Procedures and Effective Use of Technology

We believe that we benefit from our streamlined company-wide approval and administrative procedures that are supplemented by our employee training and integrated technology. Our local offices are responsible for appraisal, disbursement, collection and delinquency management of loans. We require simple documentation to comply with the regulatory norms and for the collateral on the vehicle or equipment purchased. Typically, we disburse loan funds within two business days from receiving the complete loan application. Each of our security agreements contains alternate dispute resolution provisions for arbitration, re-possession and sale of assets that secure defaulting loans. We also require that the customer provides a guarantor as part of a reference check prior to disbursing the funds, a process which we believe acts as a social enforcement mechanism for timely repayment by customers.

We believe that our de-centralized streamlined origination process is successful because of our employee training and integrated technology. We train our employees to use soft skills and offer customised financial products based on the credit requirements and credit history of customers. Moreover, we are able to regularly monitor origination, disbursement and collection with our integrated technology. In addition, hand-held GPRS devices used by our employees provide us with installment collection, customer and certain risk management information in a prompt manner, thus enabling better monitoring. The recording of data in this manner enables us to provide intimation by SMS to customers in a prompt manner at every stage of the transaction and we believe, it also allows us to handle customer queries more efficiently.

History of strong customer and dealer relationships

We believe that we benefit from strong relationships with our customers, forged from long-term in-person customer contact, the reach of our office network, local knowledge and our continued association with automotive, farm equipment and car dealers. As part of our customer-centric approach, we recruit employees locally to increase our familiarity with the local customers and area. We believe that this personal contact, which includes visits by our employees to a customer's home or business to collect installment payments, increases the likelihood of repayment, encourages repeat business, establishes personal relationships and helps build our reputation for excellent customer service. We also believe that our Company's close relationships with dealers help us develop and maintain strong customer relationships.

Brand recall and synergies with the Mahindra group

M&M, our Promoter and the flagship company of the Mahindra group has been selling automotive and farm equipment in semi-urban and rural markets for over 6 decades. The Mahindra group is one of the largest business conglomerates in India and has a strong presence in utility vehicles, tractors, information technology, financial services, aerospace, real estate, hospitality and logistics sectors. We believe that our relationship with the Mahindra group provides brand recall and we will continue to derive significant marketing and operational benefits.

Access to cost-effective funding

We believe that we are able to access cost-effective debt financing due to our strong brand equity, stable credit history, superior credit ratings and conservative risk management policies. Historically, we have secured cost-effective funding from a variety of sources. Our Company maintains borrowing relationships with several banks, mutual funds and insurance companies. We adhere to write-off and provisioning standards that are stricter than norms prescribed by RBI. Our long-term and subordinated debt is presently rated IND AAA, BWR AAA, CARE AAA and CRISIL AA+ by India Ratings & Research Private Limited, Brickwork Ratings India Private Limited, CARE Ratings Limited (Formerly Known as Credit Analysis & Research Limited) and CRISIL respectively. India Ratings & Research Private Limited has assigned IND PP-MLD AAA emr/Stable rating to our Principal Protected Market Linked Debentures (PP-MLD). India Ratings & Research Private Limited and CRISIL has rated our short-term debt as Ind A1+ and A1+ respectively, which is the highest rating for short-term debt instruments, and CRISIL has rated our fixed deposit program FAAA.

Experienced management team

We have an experienced management team, which is supported by a capable and motivated pool of employees. Our senior managers have diverse experience in various financial services and functions related to our business. Our senior managers have an in-depth understanding of the specific industry, products and geographic regions they cover, which enables them to appropriately support and provide guidance to our employees. We also have an in-house experienced legal team consisting of qualified professionals, well-equipped to handle all our legal requirements ranging from loan and security documentation to recovery, repossession, security enforcement and related litigation, if any. In addition, our management has a track record of entering and growing new lines of business, such as insurance broking and housing finance. Our Board, including the independent directors, also has extensive experience in the financial services and banking industries in India.

Our Strategies

Our business strategy is designed to capitalize on our competitive strengths to become the preferred provider of financing services to customers in the rural and semi-urban areas of India. Our key strategic priorities are as follows:

Focus on the rural and semi-urban markets to grow our market share

We plan to continue to expand our office network and increase the market share of our existing products and services in the rural and semi-urban markets of India. We intend to grow our market share by expanding our customer base and strengthening our relationships with dealers. We have grown our office network to 1,388 offices as of March 31, 2021 from 657 offices as of March 31, 2013. In opening each office site, we analyse the local market and proximity to target customers. We believe our customers appreciate this convenience and that well-placed office sites allow us to attract new customers. In addition to our branch and region-based organisational structure, we have also formed a separate vertical for each of our key products, which works with our employees across offices to customize our products based on customers feed-back.

We also seek to expand our dealer relationships by strengthening our presence at dealers and by continuing to engage dealers beyond M&M for customer relationships. We believe that this strategy will increase our customer base and revenues and mitigate risks associated with deriving a substantial percentage of our vehicle financing revenues from purchasers of M&M vehicles. In order to enhance our dealer relationships, we also provide trade funding to assist with the working capital requirements of these dealers. We believe that we are in a position to leverage our existing distribution infrastructure to increase our penetration in markets where we already have a presence.

Focus on effective use of technology

As we continue to expand our geographic reach and scale of operations, we intend to further develop and integrate our technology to support our growth and improve the quality of our services. We intend to increase the number of offices connected to the centralized data centre in Mumbai. We also intend to expand our use of hand-held GPRS devices, which collect data used to monitor our operations and risk exposure. We have also rolled out an advanced version of the GPRS devices, which functions as a “mobile office” and is equipped with portable camera, scanning, voice recording and biometric features that allows our employees to originate loans, issue receipts and conduct know-your-customer checks at a customer’s home or business location. We believe that as we develop and integrate such programs into our business, we can further capitalize on the reach of our offices and increase our market share. Our use of technology will also allow us to continue providing streamlined approval and documentation procedures and reduce incidence of error.

Further, our continued focus on the effective use of technology is aimed at allowing employees across our office network to collect and feed data to a centralized management system, providing our senior management with prompt operational data and assisting with treasury management. We believe that the accurate and timely collection of such data gives us the ability to operate our business in a centralized manner and develop better credit procedures and risk management

Diversify product portfolio

We also intend to further improve the diversity of our product portfolio to cater to the various financial needs of our customers and increase the share of income derived from sale of financial products. We intend to improve the diversity of our product portfolio both within our vehicle financing business as well as through the introduction and growth of other financial products. We intend to grow the share of our disbursements to pre-owned vehicles and light and heavy commercial vehicles to capture market share in what we believe is a growth area and improve the diversity of our loan exposure. We also intend to leverage our OEM relationships and our existing office network to diversify and expand our product portfolio.

Beyond our vehicle financing business, we intend to leverage our brand and office network, develop complementary business lines and become the preferred provider of financial products in rural and semi-urban markets—a one-stop shop for customers' financial needs. We have also launched a direct marketing initiative to target our existing and former customers to cater to all their financing requirements, thus generating new business and diversifying our loan portfolio. We expect that complementary business lines will allow us to offer new products to existing customers while attracting new customers as well. To this end, we intend to grow our housing finance, SME financing and increase distribution of mutual funds and insurance products. We will continue to focus on growing our rural housing portfolio through our subsidiary MRHFL, which we believe is in a unique position to cater to a large and untapped customer base.

Continue to attract and retain talented employees

We are focused on attracting and retaining high quality talent. We recognize that the success of our business depends on our employees, particularly as we continue to expand our operations. We have successfully recruited and retained talented employees from a variety of backgrounds, including credit evaluation, risk management, treasury, technology and marketing. We will continue to attract talented employees through our retention initiatives and recruitment from local graduate colleges. Our retention initiatives include job rotation, secondments, quarterly reviews, incentive-based compensation, employee recognition programs, an employee stock option plan, training at our training facility and on-the-job training. We invest a significant amount of time and resources for training our employees, which we believe fosters mutual trust, improves the quality of our customer service and puts further emphasis on our continued retention.

Brief particulars of the management of the company:**Mr. Ramesh Iyer, Vice-Chairman & Managing Director**

Mr. Iyer has been the Managing Director of our Company since April 30, 2001 and has been associated with our Company since inception. He is the President – Financial Services Sector and is also a member of Group Executive Board of M&M. Mr. Iyer is also on the board of several M&M Group companies as well as Mahindra Finance USA LLC, a joint venture between our Company and a subsidiary of the Rabo Bank Group.

Mr. Iyer has been conferred with the following awards: (i) Indian Achievers award for corporate leadership by Indian Achievers Forum; (ii) Business Leadership award by the Institute of Economic Studies, New Delhi; (iii) CEO with Human Resource Orientation award by Employer Branding Institute, CMO Asia with their strategic partner CMO Council; (iv) Udyog Rattan Award by the Institute of Economic Studies, New Delhi; (v) Rashtriya Udyog Pratibha Award by the Council for Economic Growth and Research, Pune; and (vi) Bhartiya Udyog Ratna award by the National Education and Human Resource Development Organisation, Mumbai. Mr. Iyer has featured in Business World's special report on –India's most Valueable CEOs. He has been ranked at Number 5 out of 65 in the Mid-Sized Companies (Revenue: ` 100 – ` 300 Billion) category and at Number 6 out of 65 in the same category based on one-year performance. He is also ranked at Number 20 out of 100, based on our Company's five year performance and Number 3 out of 12, based on ranking by sector in the Financial Sector.

Amit Raje – Chief Operating Officer Digital Finance – Digital Business Unit

Amit joined the Mahindra Group in July 2020 as Executive Vice President – Partnerships & Alliances and was responsible for leading M&A and Investor Relations. Prior to joining Mahindra Group, Amit was the Managing Director in the Principal Investing Area of Goldman Sachs. He was a Nominee Director of Goldman Sachs on the Boards of Noveltech Feeds Private Limited, Good Host Spaces Private Limited and Global Consumer Products Private Ltd. Amit has cumulative experience of over 20 years in Corporate Finance, Mergers & Acquisitions and Private Equity. Prior to Goldman Sachs, he worked with Kotak Investment Advisors Ltd, the alternate asset arm of Kotak Mahindra Bank, and Deloitte & Co in the Transaction Advisory Services.

Amit is a postgraduate from Mumbai University and an MBA with a specialization in Finance & Private Equity, from the London Business School.

Raul Rebello – Chief Operating Officer – Core Business

Rebello has jointed as Chief Operating Officer (COO) in September 2021. *Raul is a* career banker with nearly two decades of extensive work in the domain of Rural banking and Financial Inclusion. Prior to joining Mahindra Finance, he was associated with Axis Bank Limited as EVP & Head- Rural Lending & Financial Inclusion. In his nearly two decades with Axis Bank, Raul led key businesses including Farmer Funding, Gold Loans, MSME lending, Commodity loans, Tractor & Farm Equipment lending, Agri-Value chain finance, Microfinance (Retail & Wholesale) and the Financial Inclusion department. He also led the business correspondent channel including 15000+ partner outlets and the Micro ATM channel of the Bank. He played a pivotal role to increase the Banks distribution in Rural and Semi-Urban areas through light format Banking outlets, Micro-ATMs and Rural ecosystem partnerships. Raul is credited with several transformational interventions viz. introducing various end-to-end digital initiatives and paperless loan journeys for low-income households besides launching suitable phygital tools and customer journeys. A Post Graduate in Management from Goa Institute of Management, Raul is an active member on various industry and trade association bodies.

Mr. Vivek Karve, Chief Financial Officer

Mr. Vivek is the Chief Financial Officer of the Financial Services Sector. He is a Chartered Accountant (1994), a Cost Accountant (1993) and a B. Com. from the University of Bombay (1991). He has over 25 years of rich experience across different sectors viz. Consumer goods, IT consulting and Project Finance during his stints at P&G, Siemens Information Systems and ICICI. Before joining Mahindra

Finance, for nearly 20 years, he has been with Marico Limited, a listed FMCG Company. In his last role as the Group CFO of Marico, he has successfully led various functions like Business Finance & Commercial, Treasury and Insurance, Investor Relations, Internal Audit and Governance, Risk & Compliance (GRC), Accounting & Payroll, Taxation and M&A.

Mr. Vivek has served as a member of FICCI's Corporate Finance Committee. He is currently a member of FICCI's CFO Conclave.

Mr. Dinesh Prajapati, Head - Accounts, Treasury and Corporate Affairs

Mr. Dinesh Prajapati, Head - Accounts, Treasury and Corporate Affairs, is a Chartered and Cost Accountant by profession. Prior to joining our Company, he worked as an auditor in a company in the steel sector. He joined our Company in the year 1995 and is amongst the first few employees who helped the set-up of operations. He has more than 20 years of experience in Accounting, Treasury, MIS and Budgeting, System Implementation and Functional Specification, Risk Management and Project Implementation Functions. He is presently heading the Treasury Function, Investor Relationship Cell and Risk Management Team. He was the Chairman of the shadow board from 2004 to 2006.

Rajnish Agarwal – Managing Director, Mahindra Rural Housing Finance Limited

Prior to joining MRHFL, Rajnish was Executive Vice President, Operations at MMFSL. He is a Graduate in Science from Lucknow University and has a master's degree in Management Studies from Mumbai University. He is also a member of Steering Committee. He has over 19 years of experience in retail credit auto loans, asset risk management, rural management, business and product development, channel and relationship management along with people management. He has pursued short term courses in General Management and Business Leadership from reputed institutes such as Indian Institute of Management – Bangalore and Indian Institute of Management – Calcutta. He has won the Rise young potential leadership award in 2011.

Mr. Mohit Kapoor, Executive VP and Group Chief Technology Officer (Mahindra Group) & Head of Technology at Mahindra Finance

Mr. Mohit joined the Mahindra Group in October 2020 from DBS Bank where he was the head of Technology optimization and head of Asia Hub at Hyderabad, bank's first technology development center outside Singapore. He led the development of digital banking capabilities focusing on technology innovation across mobile, data, AI and cloud, amongst other deep engineering and tech areas. He brings with him around 30 years of experience in the Technology & Operations space with the last 17 years in Banking and financial services industry. Prior to joining DBS, he was the Chief Technology Officer for Bank of Americas global business service center across the world and before that the CIO for Mphasis.

Mr. R. Balaji, Sr. Vice President – Marketing & Strategy

Mr. Balaji is a Bachelor of Technology in Aerospace Engineering from Indian Institute of Technology, Madras and a Post Graduate Diploma in Management from Indian Institute of Management, Calcutta. He has about 16 years of experience across marketing and strategy. He is at present the Vice President-Marketing & Strategy of our Company. Before moving to our Company, he was the General Manager - Corporate Strategy of M&M. Prior to joining the Mahindra group, he has spent nearly nine years in marketing assignments in ITC Agrotech Limited and Nestle India Limited.

Mr. Rajesh Vasudevan, Sr. Vice President – Accounts

Mr. Rajesh Vasudevan is at present Senior Vice President – Accounts of our Company and is a commerce graduate from Mumbai University and a qualified Cost Accountant. Mr. Rajesh Vasudevan has more than 20 years of experience in accounts and taxation with companies such as Tata Finance Limited and Asian Paints (India) Limited. In his current capacity he is responsible for the accounts and taxation functions.

Mr. Atul Joshi, Chief – HR & Admin

Mr. Atul Joshi heads HR and Admin function for Mahindra & Mahindra Financial Services Limited and our subsidiary Mahindra Manulife Investment Management Pvt Ltd.

Mr. Joshi brings in a total of 28 years of experience with a blend of Business and HR expertise. During his versatile career journey, he has led HR function for diverse business within Mahindra & Mahindra (M&M). These include Automobiles, Trucks & Buses, Tractors, DG Sets, Construction equipment and Agri business. He is an expert in Strategic & Transformational HR Management, Organization Design, Change Management, Talent Management, Capability Building, Employee Engagement, HR Shared Services and PMS. In his last assignment, Mr. Joshi was the Vice President & Head – HR for the Automotive sector of M&M. He was a member of the Automotive Executive Council (AEC) which is accountable for the holistic business performance including P&L. He is an Associate Certified Coach (ACC) by International Coach Federation and also has Certification in MBTI.

Mallika Mittal – Chief Risk Officer

Mallika Mittal has joined the company as the Chief Risk Officer with effect from November 9, 2021. Mallika Mittal is a senior risk management professional with 23 years of experience in design and implementation of risk assessment frameworks for Retail credit, SME credit, Enterprise Risk, Operational Risk and Vendor Risk management. She has spearheaded pivotal roles as Head of Credit Policy or Credit risk for various Retail Asset products or as Head - Enterprise Risk/Head – Vendor Risk Management at India's leading private sector Banks. Prior to joining Mahindra Finance, she was Sr VP & Head Risk Review Analysis at HDFC Bank. Mallika holds a BSc degree in Mathematics, Economics and Statistics from the University of Rajasthan and an MBA in Finance from the J.N.V. University, Jodhpur.

Remuneration of directors (during the current year and last three financial years)**Details of Remuneration Paid to Directors for the Financial Year 2018 – 19**

(Rs. In Lakh)

Employee Stock Option Scheme 2010+
(ESOS 2010)

Name of the Director	Sitting Fees (excluding GST)	Salary	Perquisites	Superannuation and Provident Fund#	Commission for the year ended 31st March, 2018 paid during the year under review	Total	Number of Stock Options granted in February, 2011 Grant 1\$	Number of Stock Options granted in October, 2014 Grant 5\$	Number of Stock Options Granted in October, 2015 Grant 6\$	Number of Stock Options Granted in October, 2018 Grant 9\$
Whole-time Directors										
Mr. Ramesh Iyer*	N.A.	440.02	146.04 @	26.05	116.69	728.80	2,00,140	1,62,173	10,812	1,29,149
Mr. V. Ravi**	N.A.	215.49	13.23@@	10.63	53.05	292.40	77,815	61,319	NIL	25,283
Non-Executive Directors										
Mr. Dhananjay Mungale	10.00	N.A.	N.A.	N.A.	26.00	36.00	NIL	NIL	NIL	NIL
Mr. M. G. Bhide	11.10	N.A.	N.A.	N.A.	19.00	30.10	NIL	NIL	NIL	NIL
Mr. Piyush Mankad	9.90	N.A.	N.A.	N.A.	19.00	28.90	NIL	NIL	NIL	NIL
Ms. Rama Bijapurkar	6.70	N.A.	N.A.	N.A.	19.00	25.70	NIL	NIL	NIL	NIL
Mr. C. B. Bhawe	9.10	N.A.	N.A.	N.A.	19.00	28.10	N.A.	N.A.	NIL	NIL
Mr. V. S. Parthasarathy	N.A.	N.A.	N.A.	N.A.	N.A.	NIL	N.A.	NIL	NIL	NIL
Dr. Anish Shah	N.A.	N.A.	N.A.	N.A.	N.A.	NIL	N.A.	N.A.	N.A.	NIL

Notes:

@ This includes Rs. 139.91 lakhs being perquisite value of ESOPs of the Company/Subsidiary company exercised during the year. @@ This includes Rs. 1.21 lakhs being perquisite value of ESOPs of the Company/Subsidiary company exercised during the year.

#Aggregate of the Company's contributions to Superannuation Fund and Provident Fund.

+Options issued at an Exercise Price of Rs. 2 being the Face Value of the underlying shares.

\$ ESOS – 2010

Grant-1: The Stock Options have been granted on 7th February, 2011. Of this, all the five tranches of 20% each totaling 100% of the total options have vested on 7th February, 2012, 7th February, 2013, 7th February, 2014, 7th February, 2015 and 7th February, 2016, respectively.

Grant-5: The Stock Options have been granted on 21st October, 2014. Of this, four equal tranches of 20% each totaling 80% of the total options have vested on 21st October, 2015, 21st October, 2016, 21st October, 2017 and 21st October, 2018 respectively, and the balance 20% options would vest on 21st October, 2019 on expiry of 60 months from the date of grant.

Grant-6: The Stock Options have been granted on 21st October, 2015. Of this, 20% of the options have vested on 21st October, 2016, 21st October, 2017 and 21st October, 2018, and the balance number of options would vest in two equal tranches of 20% each on 21st October, 2019 and 21st October, 2020 on expiry of 48 months and 60 months, respectively, from the date of grant.

Grant-9: The Stock Options have been granted on 24th October, 2018. These options would vest in five equal tranches of 20% each on 24th October, 2019, 24th October, 2020, 24th October, 2021, 24th October, 2022 and 24th October, 2023 on expiry of 12 months, 24 months, 36 months, 48 months and 60 months respectively, from the date of grant.

* The notice period for the Vice-Chairman & Managing Director is three months. Commission and Stock Options are the only components of remuneration that are performance linked. All other components are fixed. The term of appointment is for a period of 5 years with effect from 30th April, 2016. There is no separate provision for the payment of severance fees.

** The notice period for the Executive Director & Chief Financial Officer is three months. Commission and Stock Options are the only components of remuneration that are performance linked. All other components are fixed. The term of appointment is for a period of 5 years with effect from 25th July, 2015. There is no separate provision for the payment of severance fees.

During 2018-19, the Company did not advance loans to any of its Directors.

Details of Remuneration Paid to Directors for the Financial Year 2019 – 20**(Rs. in Lakhs)**

Name of the Director	Sitting Fees (excluding GST)	Salary	Perquisites	Superannuation and Provident Fund#	Commission for the year ended 31st March, 2019 paid during the year under review	Total	Number of Stock Options granted in February, 2011 Grant 1\$	Number of Stock Options granted in October, 2014 Grant 5\$	Number of Stock Options granted in October, 2015 Grant 6\$	Number of Stock Options granted in October, 2018 Grant 9\$
Whole-time Directors										
Mr. Ramesh Iyer*	N.A.	462.84	13.98	29.70	164.12	670.64	200140	162173	10812	129149
Mr. V. Ravi**	N.A.	227.18	15.25	9.00	95.07	346.50	77815	61319	Nil	25283
Non-Executive Directors										
Mr. Dhananjay Mungale	11.30	N.A.	N.A.	N.A.	28.00	39.30	NIL	NIL	NIL	NIL
Mr. C. B. Bhawe	9.90	N.A.	N.A.	N.A.	21.00	30.90	N.A.	N.A.	NIL	NIL
Ms. Rama Bijapurkar	8.50	N.A.	N.A.	N.A.	21.00	29.50	NIL	NIL	NIL	NIL
Mr. Milind Sarwate	9.70	N.A.	N.A.	N.A.	N.A.	9.70	N.A.	N.A.	N.A.	N.A.
Mr. Arvind V. Sonde	1.40	N.A.	N.A.	N.A.	N.A.	1.40	N.A.	N.A.	N.A.	N.A.
Mr. V. S. Parthasarathy	N.A.	N.A.	N.A.	N.A.	N.A.	NIL	N.A.	NIL	NIL	NIL
Dr. Anish Shah	N.A.	N.A.	N.A.	N.A.	N.A.	NIL	N.A.	N.A.	N.A.	NIL

Notes:

@This includes Rs. 7.10 lakhs being perquisite value of ESOPs of the Company exercised during the year.

Aggregate of the Company's contributions to Superannuation Fund and Provident Fund.

+ Options issued at an Exercise Price of Rs. 2/- being the Face Value of the underlying shares.

\$ ESOS – 2010

Grant-1: The Stock Options have been granted on 7th February, 2011. Of this, all the five tranches of 20% each totaling 100% of the total options have vested on 7th February, 2012, 7th February, 2013, 7th February, 2014, 7th February, 2015 and 7th February, 2016, respectively.

Grant-5: The Stock Options have been granted on 21st October, 2014. Of this, four equal tranches of 20% each totaling 80% of the total options have vested on 21st October, 2015, 21st October, 2016, 21st October, 2017 and 21st October, 2018 respectively, and the balance 20% options would vest on 21st October, 2019 on expiry of 60 months from the date of grant.

Grant-6: The Stock Options have been granted on 21st October, 2015. Of this, 20% of the options have vested on 21st October, 2016, 21st October, 2017 and 21st October, 2018, and the balance number of options would vest in two equal tranches of 20% each on 21st October, 2019 and 21st October, 2020 on expiry of 48 months and 60 months, respectively, from the date of grant.

Grant-9: The Stock Options have been granted on 24th October, 2018. These options would vest in five equal tranches of 20% each on 24th October, 2019, 24th October, 2020, 24th October, 2021, 24th October, 2022 and 24th October, 2023 on expiry of 12 months, 24 months, 36 months, 48 months and 60 months respectively, from the date of grant.

* The notice period for the Vice-Chairman & Managing Director is three months. Commission and Stock Options are the only components of remuneration that are performance linked. All other components are fixed. The term of appointment is for a period of 5 years with effect from 30th April, 2016. There is no separate provision for the payment of severance fees.

** The notice period for the Executive Director & Chief Financial Officer is three months. Commission and Stock Options are the only components of remuneration that are performance linked. All other components are fixed. The term of appointment is for a period of 5 years with effect from 25th July, 2015. There is no separate provision for the payment of severance fees.

During 2019-20, the Company did not advance loans to any of its Directors

Details of Remuneration paid to Directors for the Financial Year 2020-21

(Rs. in Crores)										
Employee Stock Option Scheme (ESOS-2010)						2010+				
Name of the Director	Sitting Fees (excluding GST)	Salary	Perquisites	Superannuation and Provident Fund #	Commission for the year ended 31st March, 2020 paid during the year under review	Total	Number of Stock Options granted in February, 2011 Grant 1\$	Number of Stock Options granted in October, 2014 Grant 5\$	Number of Stock Options Granted in October, 2015 Grant 6\$	Number of Stock Options Granted in October, 2018 Grant 9\$
Whole-time Directors										
Mr. Ramesh Iyer*	Nil	4.63	0.96	0.31	1.28	7.19	168116	162173	12976 (including ESOP Rights of 2164)	232468 (including ESOP Rights of 103319)
Mr. V. Ravi**	Nil	2.24	0.62	Nil	0.76	3.62	65363	61319	Nil	45509 (including ESOP Rights of 20226)
Non-Executive Directors										
Mr. Dhananjay Mungale	0.13	Nil	Nil	Nil	0.28	0.41	Nil	Nil	Nil	Nil
Mr. C. B. Bhavne	0.12	Nil	Nil	Nil	0.21	0.33	Nil	Nil	Nil	Nil
Ms. Rama Bijapurkar	0.10	Nil	Nil	Nil	0.21	0.31	Nil	Nil	Nil	Nil
Mr. Milind Sarwate	0.13	Nil	Nil	Nil	0.21	0.34	Nil	Nil	Nil	Nil
Mr. Arvind V. Sonde	0.08	Nil	Nil	Nil	0.07	0.15	Nil	Nil	Nil	Nil
Mr. V. S. Parthasarathy	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Anish Shah	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Amit Raje	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Rebecca Nugent	0.01	Nil	Nil	Nil	Nil	0.01	Nil	Nil	Nil	Nil

Notes:

*This includes Rs. 0.90 crores being perquisite value of ESOPs of the Company exercised during the year.

**This includes Rs. 0.50 crores being perquisite value of ESOPs of the Company exercised during the year.

Aggregate of the Company's contributions to Superannuation Fund and Provident Fund.

+ Options issued at an Exercise Price of Rs. 2/- being the Face Value of the underlying shares.

\$ ESOS – 2010

Grant-1: The Stock Options have been granted on 7th February, 2011. Of this, all the five tranches of 20% each totaling 100% of the total options have vested on 7th February, 2012, 7th February, 2013, 7th February, 2014, 7th February, 2015 and 7th February, 2016, respectively.

Grant-5: The Stock Options have been granted on 21st October, 2014. Of this, all the five tranches of 20% each totaling 100% of the total options have vested on 21st October, 2015, 21st October, 2016, 21st October, 2017, 21st October, 2018 and 21st October, 2019 respectively.

Grant-6: The Stock Options have been granted on 21st October, 2015. Of this, all the five tranches of 20% of each totalling 100% of the total options have vested on 21st October, 2016, 21st October, 2017, 21st October, 2018, and 21st October, 2019 and the 21st October, 2020 respectively.

Grant-9: The Stock Options have been granted on 24th October, 2018. Of this 20% of the each options have vested on 24th October, 2019 and 24th October, 2020, and the balance number of options would vest in three equal tranches of 20% each on 24th October, 2021, 24th October, 2022 and 24th October, 2023 on expiry of 36 months, 48 months and 60 months respectively, from the date of grant.

* The notice period for the Vice-Chairman & Managing Director is three months. Commission and Stock Options are the only components of remuneration that are performance linked. All other components are fixed. The term of appointment is for a period of 5 years with effect from 30th April, 2016. There is no separate provision for the payment of severance fees.

** The notice period for the Executive Director & Chief Financial Officer is three months. Commission and Stock Options are the only components of remuneration that are performance linked. All other components are fixed. The term of appointment is for a period of 5 years with effect from 25th July, 2015. There is no separate provision for the payment of severance fees.

Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provide

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A) List of the related parties and nature of relationship which have transactions with our Company during the year:

Holding Company :	Mahindra and Mahindra Limited
Subsidiary Companies :	Mahindra Insurance Brokers Limited
	Mahindra Rural Housing Finance Limited Mahindra Asset Management Co. Pvt. Ltd. Mahindra Trustee Co. Pvt. Ltd. Mahindra & Mahindra Financial Services Limited Employees' Stock Option Trust.
Fellow subsidiaries	
(entities with whom the Company has transactions)	Mahindra USA, Inc NBS International Limited Mahindra First Choice Wheels Limited Mahindra Defence Systems Ltd. Mahindra Retail Private Limited Mahindra Integrated Business Solutions Ltd. Mahindra Vehicle Manufacturers Limited Mahindra Construction Co. Ltd. Bristlecone India Limited Mahindra Water Utilities Limited Orizonte Business Solutions Limited Gromax Agri Equipment Limited Mahindra First Choice Services Limited Mahindra Agri Solutions Limited Mahindra Intertrade Limited New Democratic Electoral Trust
Associate	Mahindra Finance USA, LLC
Associates of Holding Company	Tech Mahindra Limited Swaraj Engines Ltd
Key Management Personnel	Mr. Ramesh Iyer
Relatives of Key Management Personnel	Ms. Janaki Iyer
(where there are transactions)	Ms. Ramlaxmi Iyer
	Mr. Risheek Iyer
	Ms. Girija Subramaniam

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- i) The nature and volume of transactions of the Company during the year with above related parties were as follows:
Rs. in lakhs

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate of Holding Company		Associate Companies		Key Management Personnel		Relatives of Key Management Personnel	
	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018
Loan income												
- 2 x 2 Logistics Private Limited	-	-	-	-	-	86.34	-	-	-	-	-	-
Subvention / Disposal loss income												
- Mahindra & Mahindra Limited	5,848.41	6,771.00	-	-	-	-	-	-	-	-	-	-
- Gromax Agri Equipment Limited	-	-	-	-	9.24	1.51	-	-	-	-	-	-
Interest income												
- Mahindra Rural Housing Finance Limited	-	-	37.97	77.00	-	-	-	-	-	-	-	-
- NBS International Limited	-	-	-	-	0.66	0.97	-	-	-	-	-	-
- Mahindra First Choice Services Limited	-	-	-	-	9.68	-	-	-	-	-	-	-
- Mahindra Asset Management Co. Ltd.	-	-	7.10	-	-	-	-	-	-	-	-	-
Income from sharing services												
- Mahindra Rural Housing Finance Limited	-	-	744.98	740.77	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	272.88	309.08	-	-	-	-	-	-	-	-
- Mahindra Asset Management Co. Ltd.	-	-	48.04	60.17	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	1,636.09	1,248.61	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	371.13	383.38	-	-	-	-	-	-	-	-

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Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate of Holding Company		Associate Companies		Key Management Personnel		Relatives of Key Management Personnel	
	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018
Interest expense												
- Mahindra & Mahindra Limited	3,524.01	1,060.53	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	552.53	1,025.79	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	2,112.45	1,162.07	-	-	-	-	-	-
- Swaraj Engines Limited	-	-	-	-	45.62	-	-	-	-	-	-	-
- Mahindra Vehicle Manufacturers Limited	-	-	-	-	731.87	-	-	-	-	-	-	-
- Mahindra Intertrade Limited	-	-	-	-	35.12	-	-	-	-	-	-	-
- Mahindra Water Utilities Limited	-	-	-	-	2.20	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	4.28	4.78	-	-
- Others	-	-	-	-	-	-	-	-	-	-	16.41	14.56
Other expenses												
- Mahindra & Mahindra Limited	2,865.67	2,684.84	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	6,971.18	3,212.27	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	19.96	-	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	1,402.17	980.63	-	-	-	-	-	-
- Mahindra Vehicle Manufacturers Limited	-	-	-	-	124.38	109.52	-	-	-	-	-	-
- Mahindra USA, Inc	-	-	-	-	188.00	178.38	-	-	-	-	-	-
- Mahindra Integrated Business Solutions Limited	-	-	-	-	943.39	131.63	-	-	-	-	-	-
- Mahindra Retail Pvt Limited	-	-	-	-	642.91	0.56	-	-	-	-	-	-
- Others	-	-	-	-	202.39	67.89	-	-	-	-	-	-

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate of Holding Company		Associate Companies		Key Management Personnel		Relatives of Key Management Personnel	
	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018
Donations												
- New Democratic Electoral Trust	-	-	-	-	240.00	-	-	-	-	-	-	-
Remuneration												
- Mr Ramesh Iyer		-		-		-		-	728.80	608.30		-
Purchase of fixed assets												
- Mahindra & Mahindra Limited	275.91	180.61	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	10.27	-	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	11.97	63.40	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	118.00	-	-	-	-	-	-	-
- Others	-	-	-	-	-	6.91	-	-	-	-	-	-
Sale of fixed assets												
- Mahindra Rural Housing Finance Limited	-	-	2.51	-	-	-	-	-	-	-	-	-
- Mahindra & Mahindra Limited	-	21.14	-	-	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	8.94	49.55	-	-	-	-	-	-
- Mahindra First Choice Services Limited	-	-	-	-	300.34	-	-	-	-	-	-	-
Investments made												
- Mahindra Rural Housing Finance Limited	-	-	15,000.00	13,000.00	-	-	-	-	-	-	-	-
- Mahindra Asset Management Co. Ltd.	-	-	4,000.00	2,900.00	-	-	-	-	-	-	-	-
- Mahindra Finance USA, Inc	-	-	-	-	-	-	963.21	1,662.44	-	-	-	-
- Orizonte Business Solutions Limited	-	-	-	-	-	700.00	-	-	-	-	-	-

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Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate of Holding Company		Associate Companies		Key Management Personnel		Relatives of Key Management Personnel	
	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018
Fixed deposits taken												
- Mahindra Insurance Brokers Limited	-	-	2,075.00	3,650.00	-	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	40.39	61.48	-	-
- Others	-	-	-	-	-	-	-	-	-	-	243.06	193.61
Fixed deposits matured												
- Mahindra Insurance Brokers Limited	-	-	5,725.00	8,315.00	-	-	-	-	-	-	-	-
- Mr. Ramesh Iyer	-	-	-	-	-	-	-	-	61.48	55.01	-	-
- Others	-	-	-	-	-	-	-	-	-	-	193.61	180.74
Dividend paid												
- Mahindra & Mahindra Limited	12,648.31	6,988.98	-	-	-	-	-	-	-	-	-	-
- Mahindra & Mahindra Financial Services Ltd Employees' Stock Option Trust	-	-	129.64	88.80	-	-	-	-	-	-	-	-
- Mr. Ramesh Iyer	-	-	-	-	-	-	-	-	31.12	17.84	-	-
Inter corporate deposits taken												
- Mahindra & Mahindra Limited	70,000.00	40,000.00	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	10,175.00	8,970.00	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	40,000.00	10,000.00	-	-	-	-	-	-
- Mahindra Vehicle Manufacturers Limited	-	-	-	-	30,000.00	-	-	-	-	-	-	-
- Swaraj Engines Limited	-	-	-	-	1,000.00	-	-	-	-	-	-	-
- Mahindra Water Utilities Limited	-	-	-	-	350.00	-	-	-	-	-	-	-
- Mahindra Intertrade Limited	-	-	-	-	1,100.00	-	-	-	-	-	-	-

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate of Holding Company		Associate Companies		Key Management Personnel		Relatives of Key Management Personnel	
	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018
Inter corporate deposits repaid / matured												
- Mahindra & Mahindra Limited	70,000.00	25,000.00	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	11,900.00	7,145.00	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	10,000.00	30,000.00	-	-	-	-	-	-
- Mahindra Vehicle Manufacturers Limited	-	-	-	-	20,000.00	-	-	-	-	-	-	-
- Mahindra Intertrade Limited	-	-	-	-	100.00	-	-	-	-	-	-	-
Subordinated debt repaid		-		-		-		-		-		-
- Mahindra Rural Housing Finance Limited	-	-	700.00	-	-	-	-	-	-	-	-	-
Inter corporate deposits given												
- Mahindra First Choice Services Limited	-	-	-	-	700.00	-	-	-	-	-	-	-
- Mahindra Asset Management Co. Ltd.	-	-	1,000.00	-	-	-	-	-	-	-	-	-
Inter corporate deposits refunded												
- Mahindra First Choice Services Limited	-	-	-	-	700.00	-	-	-	-	-	-	-
- Mahindra Asset Management Co. Ltd.	-	-	1,000.00	-	-	-	-	-	-	-	-	-
Issue of Share Capital (incl Securities premium)												
- Mahindra & Mahindra Limited		105,500.00		-		-		-		-		-

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iii) Balances as at the end of the year:

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate of Holding Company		Associate Companies		Key Management Personnel		Relatives of Key Management Personnel	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Balances as at the end of the period												
Receivables												
- Mahindra & Mahindra Limited	2744.91	1,544.96		-		-		-		-		-
- Mahindra Rural Housing Finance Limited		-	82.64	47.28		-		-		-		-
- Mahindra Asset Management Co. Ltd.		-	3.08	4.62		-		-		-		-
- NBS International Limited		-		-	26.11	-		-		-		-
- 2 x 2 Logistics Private Limited		-		-	135.09	-		-		-		-
Loan given (including interest accrued but not due)												
- Mahindra Construction Co. Ltd.		-		-	334.33	334.33		-		-		-
Inter corporate deposits given (including interest accrued but not due)												
- Mahindra Construction Co. Ltd.		-		-	113.38	113.38		-		-		-
Investments												
- Mahindra Rural Housing Finance Limited		-	51,252.22	36,252.22	-	-	-	-		-		-
- Mahindra Insurance Brokers Limited		-	45.16	45.16	-	-	-	-		-		-
- Mahindra Asset Management Co. Ltd.		-	16,000.00	12,000.00	-	-	-	-		-		-
- Mahindra Trustee Co. Pvt. Ltd.		-	50.00	50.00	-	-	-	-		-		-
- Mahindra Finance USA, Inc.		-	-	-	-	-	21,054.81	20,091.60		-		-
- New Democratic Electoral Trust		-	-	-	1.00	1.00	-	-		-		-
- Orizonte Business Solutions Limited		-	-	-	700.00	700.00	-	-		-		-

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate of Holding Company		Associate Companies		Key Management Personnel		Relatives of Key Management Personnel	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Subordinate debt held (including interest accrued but not due)												
- Mahindra Rural Housing Finance Limited		-	-	700.76		-		-		-		-
Payables												
- Mahindra & Mahindra Limited	-	-		-		-		-		-		-
- Mahindra Insurance Brokers Limited	-	-	2,815.15	1,483.26		-		-		-		-
- Mahindra First Choice Wheels Limited	-	-		-	239.58	339.52		-		-		-
- Tech Mahindra Limited	-	-		-		-		-		-		-
- Mahindra USA, Inc.	-	-		-	58.60	192.38		-		-		-
- Mahindra Integrated Business Solutions Limited	-	-		-	53.94	21.17						
- Others	-	-		-	96.13	40.06		-		-		-
Inter corporate deposits taken (including interest accrued but not due)												
- Mahindra & Mahindra Limited	41718.79	40,388.84		-	-	-		-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	316.23	2,035.25	-	-		-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	41,642.19	10,375.48		-	-	-	-	-
- Mahindra Vehicle Manufacturers Limited	-	-	-	-	10,066.88	-		-	-	-	-	-
- Swaraj Engines Limited	-	-	-	-	1,041.05	-		-	-	-	-	-
- Mahindra Water Utilities Limited	-	-	-	-	351.98	-		-	-	-	-	-
- Mahindra Intertrade Limited	-	-	-	-	1,029.78	-		-	-	-	-	-

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate of Holding Company		Associate Companies		Key Management Personnel		Relatives of Key Management Personnel	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Fixed deposits (including interest accrued but not due)												
- Mahindra Insurance Brokers Limited	-	-	4,001.72	8,042.61		-		-		-		-
- Mr. Ramesh Iyer	-	-		-		-		-	41.83	63.30		-
- Others	-	-		-		-		-		-	252.13	201.03

- iv) Details of related party transactions with Key Management Personnel (KMP) are as under :

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company or its employees. The Company considers its Managing Director to be key management personnel for the purposes of IND AS 24 Related Party Disclosures.

							Rs. in lakhs
Nature of transactions						31 March 2019	31 March 2018
Name of the KMP - Mr. Ramesh Iyer							
Gross Salary including perquisites						446.15	345.35
Commission						116.69	97.65
Stock Option						139.91	142.98
Others Contribution to Funds						26.05	22.32
						728.80	608.30

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- v) Disclosure required under Section 186 (4) of the Companies Act, 2013
As at 31 March 2019

Rs. in lakhs

Particulars	Relation	Balance as on 1 April 2018	Advances / investments	Repayments/ sale	Balance as on 31 March 2019
(A) Loans and advances					
Mahindra Rural Housing Finance Ltd.	Subsidiary	-	-	-	-
Mahindra Retail Pvt Ltd	Fellow subsidiary	-	-	-	-
2 x 2 Logistics Pvt Ltd	Fellow subsidiary	-	-	-	-
(B) Unsecured redeemable non-convertible subordinate debentures					
Mahindra Rural Housing Finance Ltd.	Subsidiary	700.00	-	700.00	-
		700.00	-	700.00	-
(C) Investments					
Mahindra Insurance Brokers Ltd.	Subsidiary	45.16	-	-	45.16
Mahindra Rural Housing Finance Ltd.	Subsidiary	36,252.22	15,000.00	-	51,252.22
Mahindra Asset Management Company Pvt. Ltd.	Wholly owned Subsidiary	12,000.00	4,000.00	-	16,000.00
Mahindra Trustee Company Pvt. Ltd.	Wholly owned Subsidiary	50.00	-	-	50.00
Mahindra Finance USA, LLC	Joint Venture	20,091.60	963.21	-	21,054.81
Orizonte Business Solutions Limited	Fellow subsidiary	700.00	-	-	700.00
		69,138.98	19,963.21	-	89,102.19
Total		69,838.98	19,963.21	700.00	89,102.19

Notes :

i) Above loans & advances and investments have been given for general business purposes.

ii) There were no guarantees given / securities provided during the year

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As at 31 March 2018

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Rs. in lakhs

Particulars	Relation	Balance as on 1 April 2017	Advances / investments	Repayments/ sale	Balance as on 31 March 2018
(A) Loans and advances					
Mahindra Rural Housing Finance Ltd.	Subsidiary	-	-	-	-
Mahindra Retail Pvt Ltd	Fellow subsidiary	-	-	-	-
2 x 2 Logistics Pvt Ltd	Fellow subsidiary	2,114.46	-	2,114.46	-
		2,114.46	-	2,114.46	-
(B) Unsecured redeemable non-convertible subordinate debentures					
Mahindra Rural Housing Finance Ltd.	Subsidiary	700.00	-	-	700.00
		700.00	-	-	700.00
(C) Investments					
Mahindra Insurance Brokers Ltd.	Subsidiary	47.98	-	2.82	45.16
Mahindra Rural Housing Finance Ltd.	Subsidiary	23,252.22	13,000.00		36,252.22
Mahindra Asset Management Company Pvt. Ltd.	Wholly owned Subsidiary	9,100.00	2,900.00		12,000.00
Mahindra Trustee Company Pvt. Ltd.	Wholly owned Subsidiary	50.00	-	-	50.00
Mahindra Finance USA, LLC	Joint Venture	18,429.16	1,662.44	-	20,091.60
Orizonte Business Solutions Limited	Fellow subsidiary	-	700.00	-	700.00
		50,879.36	18,262.44	2.82	69,138.98
Total		53,693.82	18,262.44	2,117.28	69,838.98

Notes :

i) Above loans & advances and investments have been given for general business purposes.

ii) There were no guarantees given / securities provided during the year

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As per Ind AS 24 on 'Related party disclosures', the related parties of the Company are as follows:

a) Holding Company	Mahindra & Mahindra Limited
b) Subsidiary Companies: (entities on whom control is exercised)	Mahindra Insurance Brokers Limited Mahindra Rural Housing Finance Limited Mahindra Asset Management Co.Pvt. Ltd. Mahindra Trustee Co. Pvt. Ltd. Mahindra & Mahindra Financial Services Ltd Employees' Stock Option Trust MRHFL Employees Welfare Trust Mahindra Finance CSR Foundation
c) Fellow Subsidiaries: (entities with whom the Company has transactions)	Mahindra USA, Inc NBS International Limited Mahindra First Choice Wheels Limited Mahindra Defence Systems Ltd. Mahindra Retail Private Limited Mahindra Integrated Business Solutions Ltd. Mahindra Vehicle Manufacturers Limited Mahindra Construction Co. Ltd. Bristlecone India Limited Mahindra Water Utilities Limited Mahindra Engineering & Chemical Products Ltd Mahindra Holidays & Resorts India Limited Gromax Agri Equipment Limited Mahindra First Choice Services Limited Mahindra Agri Solutions Limited Mahindra Intertrade Limited New Democratic Electoral Trust
d) Joint Ventures / Associates: (entities on whom control is exercised)	Mahindra Finance USA, Inc Ideal Finance Limited (newly formed Joint Venture in Sri Lanka)
e) Joint Ventures / Associates of Holding Company: (entities with whom the Company has transactions)	Tech Mahindra Limited Swaraj Engines Ltd Smartshift Logistics Solutions Pvt. Ltd. (Formerly known as Resfeber Labs Private Limited) Mahindra Summit Agriscience Ltd PSL Media & Communications Ltd
f) Key Management Personnel:	Mr. Ramesh Iyer (Vice-Chairman & Managing Director) Mr. V Ravi (Executive Director & Chief Financial Officer) Mr. Dhananjay Mungale (Chairman & Independent Director)

	<p>Mr. C. B. Bhawe (Independent Director)</p> <p>Ms. Rama Bijapurkar (Independent Director)</p> <p>Mr. Milind Sarwate (Independent Director)</p> <p>Mr. Arvind Sonde (Independent Director)</p> <p>Mr. V. S. Parthasarthy (Director)</p>
g) Relatives of Key Management Personnel (where there are transactions)	<p>Ms. Janaki Iyer</p> <p>Ms. Ramlaxmi Iyer</p> <p>Mr. Risheek Iyer</p> <p>Ms. Girija Subramaniam</p> <p>Ms. Prema Mahadevan</p> <p>Ms. Sudha Bhawe</p> <p>Mr. V Murali</p> <p>Ms. Srilatha Ravi</p> <p>Mr. Siddharth Ravi</p> <p>Ms. Asha Ramaswamy</p>

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The nature and volume of transactions of the Company during the year with above related parties were as follows:

Rs. In
Lakh

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate of Holding Company		Associate Companies		Key Management Personnel		Relatives of Key Management Personnel	
	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019
Loan income												
- Smartshift Logistics Solutions Pvt Ltd.	-	-	-	-	306.59	-	-	-	-	-	-	-
Subvention income												
- Mahindra & Mahindra Limited	2,310.08	3,183.79	-	-	-	-	-	-	-	-	-	-
Lease rental income												
- Mahindra & Mahindra Limited	607.29	-	-	-	-	-	-	-	-	-	-	-
Interest income												
- Mahindra Rural Housing Finance Limited	-	-	-	37.97	-	-	-	-	-	-	-	-
- NBS International Limited	-	-	-	-	-	0.66	-	-	-	-	-	-
- Mahindra First Choice Services Limited	-	-	-	-	-	9.68	-	-	-	-	-	-
- Mahindra Asset Management Co. Ltd.	-	-	-	7.10	-	-	-	-	-	-	-	-
Income from sharing services												
- Mahindra Rural Housing Finance Limited	-	-	863.83	744.98	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	247.42	272.88	-	-	-	-	-	-	-	-
- Mahindra Asset Management Co. Ltd.	-	-	21.29	48.04	-	-	-	-	-	-	-	-
- Mahindra Trustee Company Pvt Ltd.	-	-	1.12	-	-	-	-	-	-	-	-	-

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Dividend Income												
- Mahindra Rural Housing Finance Limited	-	-	2,419.05	1,636.09	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	618.56	371.13	-	-	-	-	-	-	-	-
Interest expense												
- Mahindra & Mahindra Limited	1,903.06	3,524.01	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	319.48	552.53	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	1,193.42	2,112.45	-	-	-	-	-	-
- Swaraj Engines Limited	-	-	-	-	65.97	45.62	-	-	-	-	-	-
- Mahindra Vehicle Manufacturers Limited	-	-	-	-	118.90	731.87	-	-	-	-	-	-
- Mahindra Intertrade Limited	-	-	-	-	58.41	35.12	-	-	-	-	-	-
- Mahindra Water Utilities Limited	-	-	-	-	57.86	2.20	-	-	-	-	-	-
- Mahindra Engineering & Chemical Products Ltd	-	-	-	-	1.16	-	-	-	-	-	-	-
- PSL Media & Communications Ltd	-	-	-	-	6.63	-	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Limited	-	-	-	-	13.36	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	7.16	4.28	-	-
- Mr V Ravi	-	-	-	-	-	-	-	-	6.36	0.07	-	-
- Mr C. B. Bhav	-	-	-	-	-	-	-	-	6.33	3.97	-	-
- Others	-	-	-	-	-	-	-	-	-	-	32.84	19.71

Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate of Holding Company		Associate Companies		Key Management Personnel		Relatives of Key Management Personnel	
	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019
Other expenses												
- Mahindra & Mahindra Limited	2,336.78	2,865.67	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	6,843.80	6,971.18	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	8.25	19.96	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	1,524.77	1,402.17	-	-	-	-	-	-
- Bristlecone India Limited	-	-	-	-	103.66	91.68	-	-	-	-	-	-
- Mahindra Vehicle Manufacturers Limited	-	-	-	-	70.49	124.38	-	-	-	-	-	-
- Mahindra Integrated Business Solutions Limited	-	-	-	-	1,591.19	943.39	-	-	-	-	-	-
- Mahindra Retail Pvt Limited	-	-	-	-	678.48	642.91	-	-	-	-	-	-
- Mahindra Finance CSR Foundation	-	-	11.50	-	-	-	-	-	-	-	-	-
- Others	-	-	-	-	91.32	110.71	-	-	-	-	-	-
Donations												

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- National Democratic Electoral Trust	-	-	-	-	600.00	240.00	-	-	-	-	-	-
Remuneration												
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	655.94	715.72	-	-
Reimbursement from parties												
- Mahindra & Mahindra Limited	170.15	2,664.63	-	-	-	-	-	-	-	-	-	-
- Gromax Agri Equipment Limited	-	-	-	-	58.86	9.24	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	8.26	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	6.09	-	-	-	-	-	-	-	-	-
Reimbursement to parties												
- Mahindra Insurance Brokers Limited	-	-	23.54	-	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	18.97	-	-	-	-	-	-	-	-	-
- Mahindra USA, Inc	-	-	-	-	259.41	188.00	-	-	-	-	-	-
Purchase of fixed assets												
- Mahindra & Mahindra Limited	191.31	275.91	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	-	10.27	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	-	11.97	-	-	-	-	-	-
- Mahindra First Choice Services Limited	-	-	-	-	176.09	118.00	-	-	-	-	-	-

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Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate of Holding Company		Associate Companies		Key Management Personnel		Relatives of Key Management Personnel	
	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019
Sale of fixed assets												
- Mahindra Rural Housing Finance Limited	-	-	9.18	2.51	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	-	8.94	-	-	-	-	-	-
- Mahindra First Choice Services Limited	-	-	-	-	-	300.34	-	-	-	-	-	-
Investments made												
- Mahindra Rural Housing Finance Limited	-	-	-	15,000.00	-	-	-	-	-	-	-	-
- Mahindra Asset Management Co. Ltd.	-	-	5,000.00	4,000.00	-	-	-	-	-	-	-	-
- Mahindra Finance USA, Inc	-	-	-	-	-	-	-	963.21	-	-	-	-
- Ideal Finance Ltd	-	-	-	-	-	-	4,399.60	-	-	-	-	-
- Mahindra Finance CSR Foundation	-	-	0.10	-	-	-	-	-	-	-	-	-
- Smartshift Logistics Solutions Pvt Ltd.	-	-	-	-	250.00	-	-	-	-	-	-	-
Fixed deposits taken												
- Mahindra Insurance Brokers Limited	-	-	1,000.00	2,075.00	-	-	-	-	-	-	-	-
- Mahindra Engineering & Chemical Products Ltd	-	-	-	-	124.00	-	-	-	-	-	-	-
- PSL Media & Communications Ltd	-	-	-	-	100.00	-	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Limited	-	-	-	-	1,590.00	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	172.10	40.39	-	-

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- Mr V Ravi	-	-	-	-	-	-	-	-	100.00	8.13	-	-
- Mr C. B. Bhawe	-	-	-	-	-	-	-	-	30.00	30.00	-	-
- Others	-	-	-	-	-	-	-	-	-	-	420.23	247.97
Fixed deposits matured												
- Mahindra Insurance Brokers Limited	-	-	1,550.00	5,725.00	-	-	-	-	-	-	-	-
- PSL Media & Communications Ltd	-	-	-	-	80.00	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	65.72	61.48	-	-
- Others	-	-	-	-	-	-	-	-	-	-	212.33	200.23
Dividend paid												
- Mahindra & Mahindra Limited	20,553.50	12,648.31	-	-	-	-	-	-	-	-	-	-
- Mahindra & Mahindra Financial Services Ltd Employees' Stock Option Trust	-	-	186.00	129.64	-	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	51.52	31.12	-	-
- Mr V Ravi	-	-	-	-	-	-	-	-	34.53	21.25	-	-
- Ms Rama Bijapurkar	-	-	-	-	-	-	-	-	1.95	1.20	-	-
- Mr Dhananjay Mungale	-	-	-	-	-	-	-	-	3.25	2.00	-	-
- Mr V. S. Parthasarthy	-	-	-	-	-	-	-	-	0.02	0.01	-	-
- Others	-	-	-	-	-	-	-	-	-	-	0.07	0.03

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Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate of Holding Company		Associate Companies		Key Management Personnel		Relatives of Key Management Personnel	
	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019
Inter corporate deposits taken												
- Mahindra & Mahindra Limited	10,000.00	70,000.00	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	5,575.00	10,175.00	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	-	40,000.00	-	-	-	-	-	-
- Mahindra Vehicle Manufacturers Limited	-	-	-	-	-	30,000.00	-	-	-	-	-	-
- Swaraj Engines Limited	-	-	-	-	1,000.00	1,000.00	-	-	-	-	-	-
- Mahindra Water Utilities Limited	-	-	-	-	1,575.00	350.00	-	-	-	-	-	-
- Mahindra Intertrade Limited	-	-	-	-	-	1,100.00	-	-	-	-	-	-
Inter corporate deposits repaid / matured												
- Mahindra & Mahindra Limited	40,000.00	70,000.00	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	3,750.00	11,900.00	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	40,000.00	10,000.00	-	-	-	-	-	-
- Mahindra Vehicle Manufacturers Limited	-	-	-	-	10,000.00	20,000.00	-	-	-	-	-	-
- Swaraj Engines Limited					1,000.00							
- Mahindra Water Utilities Limited	-	-	-	-	1,050.00	-	-	-	-	-	-	-
- Mahindra Intertrade Limited	-	-	-	-	1,000.00	100.00	-	-	-	-	-	-
Debentures issued												
- Mahindra & Mahindra Limited	19,500.00	-	-	-	-	-	-	-	-	-	-	-

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Subordinated debt repaid												
- Mahindra Rural Housing Finance Limited	-	-	-	700.00	-	-	-	-	-	-	-	-
Inter corporate deposits given												
- Mahindra First Choice Services Limited	-	-	-	-	-	700.00	-	-	-	-	-	-
- Mahindra Asset Management Co. Ltd.	-	-	-	1,000.00	-	-	-	-	-	-	-	-
Inter corporate deposits refunded												
- Mahindra First Choice Services Limited	-	-	-	-	-	700.00	-	-	-	-	-	-
- Mahindra Asset Management Co. Ltd.	-	-	-	1,000.00	-	-	-	-	-	-	-	-

Balances as at the end of the year:

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Particulars	Holding Company		Subsidiary Companies		Fellow Subsidiaries / Associate of Holding Company		Associate Companies		Key Management Personnel		Relatives of Key Management Personnel	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Balances as at the end of the period												
Receivables												
- Mahindra & Mahindra Limited	297.83	2,744.91	-	-	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	140.59	82.64	-	-	-	-	-	-	-	-
- Mahindra Asset Management Co. Ltd.	-	-	3.08	3.08	-	-	-	-	-	-	-	-
- Mahindra Trustee Co. Pvt. Ltd.	-	-	1.00	-	-	-	-	-	-	-	-	-
- NBS International Limited	-	-	-	-	-	26.11	-	-	-	-	-	-
- Mahindra First Choice Services Limited	-	-	-	-	-	135.09	-	-	-	-	-	-
Loan given (including interest accrued but not due)												
- Mahindra Construction Co. Ltd.	-	-	-	-	334.33	334.33	-	-	-	-	-	-
- Smartshift Logistics Solutions Pvt Ltd.	-	-	-	-	1,879.96	1,700.00	-	-	-	-	-	-
Inter corporate deposits given (including interest accrued but not due)												
- Mahindra Construction Co. Ltd.	-	-	-	-	113.38	113.38	-	-	-	-	-	-
Investments												
- Mahindra Rural Housing Finance Limited	-	-	79,929.79	51,252.22	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	45.16	45.16	-	-	-	-	-	-	-	-

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- Mahindra Asset Management Co. Ltd.	-	-	21,000.00	16,000.00	-	-	-	-	-	-	-	-
- Mahindra Trustee Co. Pvt. Ltd.	-	-	50.00	50.00	-	-	-	-	-	-	-	-
- Mahindra Finance CSR Foundation	-	-	0.10	-	-	-	-	-	-	-	-	-
- Mahindra Finance USA, Inc	-	-	-	-	-	-	21,054.81	21,054.81	-	-	-	-
- Ideal Finance Ltd	-	-	-	-	-	-	4,399.60	-	-	-	-	-
- New Democratic Electoral Trust	-	-	-	-	1.00	1.00	-	-	-	-	-	-
- Smartshift Logistics Solutions Pvt Ltd.	-	-	-	-	950.00	700.00	-	-	-	-	-	-
Payables												
- Mahindra Insurance Brokers Limited	-	-	1,237.38	2,815.15	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	349.46	239.58	-	-	-	-	-	-
- Mahindra USA, Inc	-	-	-	-	161.38	58.60	-	-	-	-	-	-
- Mahindra Integrated Business Solutions Limited	-	-	-	-	129.08	53.94	-	-	-	-	-	-
- NBS International Limited					23.34	-						
- Mahindra Retail Pvt Ltd					93.36	39.24						
- Others	-	-	-	-	16.96	56.89	-	-	-	-	-	-
Inter corporate deposits taken (including interest accrued but not due)												
- Mahindra & Mahindra Limited	10,212.46	41,718.79	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	2,152.13	316.23	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	-	41,642.19	-	-	-	-	-	-
- Mahindra Vehicle Manufacturers Limited	-	-	-	-	-	10,066.88	-	-	-	-	-	-
- Swaraj Engines Limited	-	-	-	-	1,019.65	1,041.05	-	-	-	-	-	-

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- Mahindra Water Utilities Limited	-	-	-	-	881.66	351.98	-	-	-	-	-	-
- Mahindra Intertrade Limited	-	-	-	-	-	1,029.78	-	-	-	-	-	-
Debentures (including interest accrued but not due)												
- Mahindra & Mahindra Limited	20,109.37	-	-	-	-	-	-	-	-	-	-	-
Fixed deposits (including interest accrued but not due)												
- Mahindra Insurance Brokers Limited	-	-	3,299.05	4,001.72	-	-	-	-	-	-	-	-
- Mahindra Engineering & Chemical Products Ltd	-	-	-	-	125.04	-	-	-	-	-	-	-
- PSL Media & Communications Ltd	-	-	-	-	104.25	-	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Limited	-	-	-	-	1,602.03	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	175.82	41.83	-	-
- Mr V Ravi	-	-	-	-	-	-	-	-	113.97	8.19	-	-
- Mr C. B. Bhav	-	-	-	-	-	-	-	-	88.24	52.54	-	-
- Others	-	-	-	-	-	-	-	-	-	-	486.47	288.74

Key Management Personnel as defined in Ind AS 24

Details of related party transactions with Key Management Personnel (KMP) are as under

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company or its employees. Accordingly, the Company considers any Director, including independent and non-executive directors, to be key management personnel for the purposes of IND AS 24 - Related Party Disclosures.

Rs. in lakhs

Name of the KMP	Nature of transactions	31 March 2020	31 March 2019
Mr. Ramesh Iyer (Vice-Chairman & Managing Director)	Gross Salary including perquisites	469.72	446.15
	Commission	164.12	116.69
	Stock Option	7.10	139.91
	Others - Contribution to Funds	29.70	26.05
		<u>670.64</u>	<u>728.80</u>
Mr. V. Ravi (Executive Director & Chief Financial Officer)	Gross Salary including perquisites	242.43	227.51
	Commission	95.07	53.05
	Stock Option	-	1.21
	Others - Contribution to Funds	9.00	10.63
		<u>346.49</u>	<u>292.40</u>
Mr. Dhananjay Mungale (Chairman & Independent Director)	Commission	28.00	26.00
	Other benefits	11.30	10.00
		<u>39.30</u>	<u>36.00</u>
Ms. Rama Bijapurkar (Independent Director)	Commission	21.00	19.00
	Other benefits	8.50	6.70
		<u>29.50</u>	<u>25.70</u>

	Mr. C.B. Bhawe (Independent Director)	Commission	21.00	19.00
		Other benefits	9.90	9.10
			<u>30.90</u>	<u>28.10</u>
	Mr. Milind Sarwate (Independent Director) (Appointed w.e.f. 1 April 2019)	Commission	-	-
		Other benefits	9.70	-
			<u>9.70</u>	-
	Mr. Arvind V. Sonde (Independent Director) (Appointed w.e.f. 9 December 2019)	Commission	-	-
		Other benefits	1.40	-
			<u>1.40</u>	-

Disclosure required under Section 186 (4) of the Companies Act, 2013

As at 31 March 2020

Rs. in lakhs

Particulars	Relation	Balance as on 1 April 2019	Advances / investments	Repayments/ sale	Balance as on 31 March 2020
(A) Loans and advances					
Mahindra Rural Housing Finance Ltd.	Subsidiary	-	-	-	-
Mahindra Retail Pvt Ltd	Fellow subsidiary	-	-	-	-
2 x 2 Logistics Pvt Ltd	Fellow subsidiary	-	-	-	-
Smartshift Logistics Solutions Pvt. Ltd. (refer note no. (iii))	Fellow Associate	1,700.00	800.00	637.18	1,862.82
		1,700.00	800.00	637.18	1,862.82
(B) Unsecured redeemable non-convertible subordinate debentures					
Mahindra Rural Housing Finance Ltd.	Subsidiary	-	-	-	-
		-	-	-	-
(C) Investments					
Mahindra Insurance Brokers Ltd.	Subsidiary	45.16	-	-	45.16
Mahindra Rural Housing Finance Ltd.	Subsidiary	51,252.22	28,677.57	-	79,929.79
Mahindra Asset Management Company Pvt. Ltd.	Wholly owned Subsidiary	16,000.00	5,000.00	-	21,000.00
Mahindra Trustee Company Pvt. Ltd.	Wholly owned Subsidiary	50.00	-	-	50.00
Mahindra Finance CSR Foundation	Wholly owned Subsidiary	-	0.10	-	0.10
Mahindra Finance USA, LLC	Joint Venture	21,054.81	-	-	21,054.81
Ideal Finance Limited, Sri Lanka	Joint Venture	-	4,399.60	-	4,399.60
Smartshift Logistics Solutions Pvt. Ltd. (refer note no. (iii))	Fellow Associate	700.00	250.00	-	950.00
New Democratic Electoral Trust	Fellow subsidiary	1.00	-	-	1.00
		89,103.19	38,327.27	-	1,27,430.46
Total		90,803.19	39,127.27	637.18	1,29,293.28

As at 31 March 2019

Rs. in lakhs

Particulars	Relation	Balance as on 1 April 2018	Advances / investments	Repayments/ sale	Balance as on 31 March 2019
(A) Loans and advances					
Mahindra Rural Housing Finance Ltd.	Subsidiary	-	-	-	-
Mahindra Retail Pvt Ltd	Fellow subsidiary	-	-	-	-
2 x 2 Logistics Pvt Ltd	Fellow subsidiary	-	-	-	-
Smartshift Logistics Solutions Pvt. Ltd. (refer note no. (iii))	Fellow Associate	-	1,700.00	-	1,700.00
		-	1,700.00	-	1,700.00
(B) Unsecured redeemable non-convertible subordinate debentures					
Mahindra Rural Housing Finance Ltd.	Subsidiary	700.00	-	700.00	-
		700.00	-	700.00	-
(C) Investments					
Mahindra Insurance Brokers Ltd.	Subsidiary	45.16	-	-	45.16
Mahindra Rural Housing Finance Ltd.	Subsidiary	36,252.22	15,000.00	-	51,252.22
Mahindra Asset Management Company Pvt. Ltd.	Wholly owned Subsidiary	12,000.00	4,000.00	-	16,000.00
Mahindra Trustee Company Pvt. Ltd.	Wholly owned Subsidiary	50.00	-	-	50.00
Mahindra Finance USA, LLC	Joint Venture	20,091.60	963.21	-	21,054.81
Smartshift Logistics Solutions Pvt. Ltd. (refer note no. (iii))	Fellow Associate	700.00	-	-	700.00
New Democratic Electoral Trust	Fellow subsidiary	1.00	-	-	1.00
		69,139.98	19,963.21	-	89,103.19
Total		69,839.98	21,663.21	700.00	90,803.19

Notes:

i) Above loans & advances and investments have been given for general business purposes and figures are at historical cost.

ii) There were no guarantees given / securities provided during the year

iii) Formerly known as Resfeber Labs Private Limited (RLPL) post merger of Horizonte Business Solutions Limited with the former. Horizonte Business Solutions Limited was acquired by or merged with Resfeber Labs Private Limited (RLPL) in June 2019 and then the name of RLPL was changed to Smartshift Logistics Solutions Private Limited w.e.f. 22 July 2019. The closing balance at the end of the respective years includes additional investment made and fair value gain recognised as per Ind AS 109 - Financial Instruments.

Basic Terms of The Present Offer/ Purchase**Authority for the Placement**

This private placement of Secured / Unsecured Redeemable Non Convertible Debentures (subordinated or not) is being made pursuant to the special resolution of shareholders passed on 14th June 2018 authorising the board to borrow monies by way of issue of Non- Convertible debentures and resolution of the Board of Directors passed at its meeting held on 28th January, 2021 which has approved the placement of Debentures aggregating upto Rs.40000 Crores, comprising of amount to be borrowed through issue of Secured Redeemable Non-Convertible Debentures including Secured Redeemable Principal Protected Non-Convertible Market Linked Debentures and Unsecured Redeemable Non-Convertible Debentures upto a limit not exceeding Rs.35000 Crores and in the form of subordinated debt upto a limit of Rs.5000 crores.

The present /proposed issue of Rs. 8000 Crores of debentures is within the overall limit approved by shareholders through special resolution passed on 14th June 2018 by means of postal ballot. The borrowings under Debentures will be within the overall Borrowing Limits i.e. Rs.90,000 crores as approved by the Shareholders at Annual General Meeting held on 10th August 2020.

Subordinated debt

Subordinated debt means an instrument, which is fully paid-up, is unsecured and is subordinated to the claims of other creditors, and is free from restrictive clauses and is not redeemable at the instance of the holder or without the consent of the supervisory authority of NBFC.

Rights of Debenture-holders

Debentureholders do not carry any rights regarding voting, dividend, lien on shares.

Market Lot

The market lot will be 1 Debenture and in multiples of 1 thereafter.

Minimum Subscription

10 debentures and in multiples of 1 thereafter.

Record Date

The record date for determining eligibility for interest / principal payments shall be mentioned in the respective Term Sheet. Interest / Principal will be paid to the person whose name appears in the Register of Debentureholders as sole / first Debenture holder or as per the list of beneficiaries provided by the Depository as on the record date. In case of delay in lodgment of the instrument of transfer, all claims on interest / principal shall be inter-se between the transferor and transferee.

Place and Currency of Payment

All obligations under these Debentures are payable at Mumbai in Indian Rupees only.

Payment of Interest

Interest will be paid only to the Debenture holders registered in the Register of Debenture holders of the Issuer, which shall be maintained at the Corporate Office of the Issuer at Mumbai or to the debenture holder(s) whose names appear in the list of Beneficial Owners furnished by NSDL to the company as on the Record date for this purpose.

In the case of joint holders, interest shall be payable to the first named Debenture holder. The persons whose names are registered in the Register of Debenture holders or NSDL record on that date shall be entitled to receive the interest for the preceding interest period. For the purpose of registering a transfer of Debentures prior to the Record Date, the Debenture certificate(s)/letter(s) of the allotment, a duly stamped transfer deed and all supporting documents must reach the Issuer at its Corporate Office at least seven days before the Record Date. In case of the Debentures in demat mode the provisions of NSDL would be complied by the Registrar & Transfer Agent for facilitating interest payment by the Issuer Company on Due date.

The interest shall be calculated on Actual/Actual basis, i.e The interest shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year to comprise of a period of 365 days.

In case of a leap year, if February 29 falls during the tenor of a security, then the number of days shall be reckoned as 366 days (Actual/Actual day count convention) for a whole one year period, irrespective of whether the interest is payable annually, half yearly, quarterly or monthly etc. It is thus emphasized that for a half yearly interest payment, 366 days would be reckoned twice as the denominator; for quarterly interest, four times and for monthly interest payment, twelve times.

The interest warrant will be payable at par at Mumbai only. Please refer the illustration mentioned at the end of Section A

Redemption

The payment of the redemption amount of the Debentures will be made by the Company to the Registered Debentureholders recorded in the books of the Company and in the case of joint holders, to the one whose name appears first in the Register of Debentureholders as on the record date. In the event of the Company not receiving any notice of transfer along with the original Debenture certificates, before the record date, the transferee(s) for the Debenture(s) shall not have any claim against the Company in respect to the amount so paid to the Registered Debentureholders.

On the final maturity date, the Debentures held in the physical form will be redeemed by the Company as a legal discharge of the liability of the Company towards the Debentureholders and the applicant has to surrender the duly discharged Debenture certificates/letter of allotment to the Company by registered post with acknowledgement due or by hand delivery to the Company at the Corporate Office or to such other person(s) at such address as may be notified by the Company from time to time, before the record date for redemption.

The Debentures held in the Dematerialized Form shall be taken as discharged on payment of the redemption amount by the Company on maturity to the registered Debentureholders whose name appears in the Register of Debentureholders on the record date. Such payment will be a legal discharge of the liability of the Company towards the Debentureholders. On such payment being made, the Company will inform NSDL and accordingly, the depository account of the Debentureholders with NSDL will be debited.

The Company's liability to the Debentureholders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due dates of redemption in all events. Further, the Company will not be liable to pay any interest or compensation from the dates of such redemption.

On the Company dispatching the amount as specified above in respect of the Debentures, the liability of the Company shall stand extinguished.

The interest as well as the redemption payments shall be made through instruments payable at par at Mumbai or through RTGS / ECS / transfer instructions.

Tax Deduction at Source

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source on the interest payable on the debentures. Tax exemption certificate / document / form, under Section 193 of the Income Tax Act, 1961, if any, must be lodged at the Corporate Office, at least thirty days before the relevant interest payment becoming due.

Issue Of Debentures in Dematerialized Form

The Company has made depository arrangements with National Securities Depository Limited (NSDL) for issue of the Debentures in the demat form. The investors will have the option to hold the debentures in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 and Rules as notified by NSDL from time to time.

Unless the investors specifically request for physical debenture certificates all the Debenture Certificates will be issued in the dematerialized form and the investors should mention their Depository Participant's name, DP-ID and beneficiary account number in the appropriate place in the application form. Debentures allotted to successful allottee(s) having depository account shall be credited to their depository account against surrender of letter of allotment.

In case of incorrect details provided by the investors the Registrar will not credit the debentures to the Depository Account until the details are corrected by the investors.

Issue of Letter of Allotment/ Allotment Advice and Debenture Certificates

The Issuer will execute and dispatch or credit Letters of Allotment/ Allotment advice in favour of the allottees, not later than two business days after the Deemed Date of Allotment. After completion of all legal formalities, the Issuer will issue the Debentures certificate(s) / credit the Depository account of the allottee against surrender of the letter(s) of allotment within three month(s) of the Deemed Date of Allotment, or such extended period subject to obtaining the approvals, if any. Interest at coupon rate will be paid via interest warrants on the application money to the applicants. Such interest will be paid for the period commencing from the date of receipt of funds till one day prior to the deemed date of allotment.

Right to Re-purchase and Re-issue the Debentures

The Company will have power, exercisable at its sole and absolute discretion from time to time to repurchase a part or all of its Debentures from the secondary markets or otherwise at any time prior to the date of maturity as per the prevailing guidelines/regulations of Reserve Bank of India and other Authorities.

In the event of a part or all of its Debentures being repurchased as aforesaid or redeemed under any circumstances whatsoever, the Company shall have, and shall be deemed always to have had, the power to reissue the Debentures either by reissuing the same Debentures or by issuing other Debentures in their place.

Further the Company, in respect of such repurchased / redeemed Debentures shall have the power, exercisable either for a part or all of those Debentures, to cancel, keep alive, appoint nominee(s) to hold or reissue at such price and on such terms and conditions as it may deem fit and as permitted by law.

Transfer of Debentures

Debentures shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL / CDSL, Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

The debentures shall be freely transferable subject to the applicable law and prevailing guidelines of Reserve Bank of India (RBI) and Securities and Exchange Board of India (SEBI). The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Company, and the Company shall not be liable in this regard in any manner, whatsoever.

Succession

In the event of demise of a Registered Debenture holder of the Debentures, or the first holder in the case of joint holders, the Issuer will recognize the executor or administrator of the demised Debenture holder or the holder of succession certificate or other legal representative of the demised

Debenture holder as the Registered Debentures holder of such Registered Holder's Debentures if such a person obtains probate or letter of administration or is the holder of succession certificate or other legal representation, as the case may be, from a Court of India having jurisdiction over the matter and delivers a copy of the same to the Issuer. The Issuer may in its absolute discretion, where it thinks fit, dispense with the production of the probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the demised debentures holder on production of sufficient documentary proof or indemnity. In case a person other than individual holds the debentures, the rights in the debentures shall vest with the successor acquiring interest therein, including liquidator or such any person appointed as per the applicable laws.

Modifications of Rights

Subject to Applicable Laws, the rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with Special Resolution: provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions governing the Debentures and the same are not acceptable to the Company.

Notices

The notices, communications and writings to the Debenture holder(s) required to be given by the Issuer shall be deemed to have been given if sent by Registered Post to the Registered Debenture holder(s) at the address of the Debenture holder(s) registered with the Corporate Office.

All notices, communications and writings to be given by the Debenture holder(s) shall be sent by Registered Post or by hand delivery to the Issuer at Corporate Office or to such persons at such address as may be notified by the Issuer from time to time and shall be deemed to have been received on actual receipt.

Rights of Debentureholders

The Debenture holder (s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Statutory Act. The Debenture shall not confer upon the holders the right to receive notice(s) or to attend and to vote out any General Meeting(s) of the Company.

Further Borrowings

The Company shall, without the approval of the Trustee, be entitled to, make further issue(s) of debentures, raise further loans and advances and/or avail further deferred payment guarantees or, provide corporate guarantees/comforts or avail any other financial facilities from time to time from such persons/ banks/ financial institutions or body corporate/ any other agency as it deems fit.

Governing Laws and Jurisdiction

The Debentures are governed by and will be construed in accordance with the Indian Law. The Issuer, the Debentures and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of the Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), Stock Exchanges and other applicable laws and regulations from time to time. The Debenture-holders, by purchasing the Debentures, agree that the Mumbai High Court shall have exclusive jurisdiction with respect to matters relating to the Debentures.

Over and above, the said debentures shall be subject to the term and conditions as contained in the offer letter / term sheet, application form and the Debenture Trust Deed / Trustee Agreement.

Material Contracts & documents

1. The Board of Directors of the Company at its Meeting held on 23rd April, 2021, has pursuant to the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members at the ensuing Annual General Meeting, approved the re-appointment and scale of salary and the other terms of remuneration including perquisites and performance pay payable to Mr. Ramesh Iyer as the Managing Director of the Company designated as Vice-Chairman & Managing Director of the Company for a period of 3 (three) years with effect from 30th April, 2021 to 29th April, 2024 (both days inclusive).
1. Shareholders Resolution passed on 14th June 2018 authorising the board to borrow monies by way of issue of Non-Convertible debentures.
2. Board Resolution passed on January 28, 2021 authorizing issue of the Debentures offered under terms of this Disclosure Document.
3. The Memorandum and Articles of Association of the company, as amended from time to time
4. Copy of Certificate of Incorporation of the company
5. Copy of Certificate of commencement of business.
6. Copy of Certificate of Registration as an NBFC from RBI.
7. Annual reports of the company for the last five financial years.

Prior Consent

As the debentures shall be secured by way of exclusive charge in favour of the Debenture Trustee on present and/or future receivables under Loan contracts/Hire Purchase/Lease, owned Assets and Book debts to the extent of 100% of Debenture outstanding or as mentioned in the respective Term Sheet, prior consent of the charge holders is not required.

EVENTS OF DEFAULT

If one or more of the events specified herein (hereinafter called "the Event(s) of default") happen(s), the Trustees shall, send a notice to the Debenture Holders within 3 days of the event of default and shall convene the meeting of all Debenture Holders within 30 days. Provided that in case the default is cured between the date of notice and the date of meeting, then the convening of such a meeting may be dispensed with.

The occurrence of any one of the following events shall constitute an "**Event of Default**" by the Company:

1. Default in redemption of debentures

Default shall have occurred in the Redemption of the Debentures together with redemption premium, if any, as and when the same shall have become due and payable.

2. Default in payment of interest

Any default by the Company in the payment of any installment of interest of the Debentures, as and when the same shall have become due and payable.

3. Default in performance of covenants and conditions

Default shall have occurred in the performance of any material covenants, conditions or agreements on the part of the Company other than any payment defaults under this Deed or the other Transaction Documents or deeds entered into between the Company and the Debenture Holder(s)/Beneficial Owner(s)/ Debenture Trustee.

4. Company ceases to carry on business

If the Company ceases with/without the consent of the Debenture Holder(s), or threatens to cease to carry on its business or gives notice of its intention to do so.

5. Inability to pay debts

If the Company is unable to or admits in writing its inability to pay its debts as they mature or proceedings for taking it into insolvency or liquidation have been admitted by any competent court or a special resolution has been passed by the shareholders for winding up of the Company or for filing an application to initiate insolvency resolution process of the Company.

6. Proceedings against Company

The Company shall have voluntarily or involuntarily become the subject of proceedings under bankruptcy or insolvency law, or has suffered any action taken for its reorganization, insolvency, liquidation or dissolution except an application filed by an operational creditor of the Company for initiation of corporate insolvency resolution process in respect of the Company, which gets dismissed within 30 days from the date of first listing of such application; or.

A receiver or resolution professional or liquidator is appointed or allowed to be appointed in respect of all or any part of the undertaking of the Company.

7. Security is in jeopardy

1. When the Company creates or attempts to create any charge on the Secured Assets or any part thereof, without the prior approval of the Trustees/Debenture Holder(s) or if, in the reasonable opinion of the Debenture Trustee, the Security is in jeopardy or the Security Coverage Ratio is not maintained by the Company; and
2. If any Security Document once executed and delivered, ceases to be in full force and effect or fails to provide the Debenture Trustee and the Debenture Holder(s)/Beneficial Owners(s) with the Security Interest intended to be created thereby.

8. Attachment or Distraint

If an attachment or distraint is levied on the Secured Assets or any part thereof and / or certificate proceedings are taken or commenced for recovery of any dues from the Company.

9. Expropriation / Nationalisation

If any Governmental Authority shall have condemned, nationalized, seized, or otherwise expropriated all or any substantial part of the assets of the Company or of the shares of the Company held by any director or the promoters, or shall have assumed custody or control of such shares or the business or operations of the Company or shall have taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations or a substantial part thereof.

10. Unlawfulness

It is or becomes unlawful for the Company to perform any of its material obligations under any Transaction Document in the opinion of the Debenture Holder/Beneficial Owner(s).

11. Material Adverse Effect

The occurrence of any event or condition which, in the reasonable opinion of the Trustee or the Debenture Holder(s)/ Beneficial Owners(s), constitutes a Material Adverse Effect.

Any other event described as an Event of Default in the Disclosure Documents//Prospectus/ Offer Letter and the Transaction Documents.

Consequences of Events of Default

After the occurrence of an Event of Default under Clause 4.1 above, and the expiry of cure periods (if any) the Debenture Trustee shall send a notice to the Debenture Holder(s) within 3 (three) days of the Event of Default by registered post/acknowledgement due or speed post/acknowledgement due or courier or hand delivery with proof of delivery or through email as a text or as an attachment to email with a notification including a read receipt, and proof of dispatch of such notice or email, shall be maintained.

1. The notice shall contain the following:
 - (a) request for negative consent for proceeding with the enforcement of security;
 - (b) request for positive consent for signing of the ICA;
 - (c) the time period within which the consent needs to be provided by the Debenture Holder(s), viz. consent to be given within 15 days from the date of notice or such revised timelines as prescribed under Applicable Law; and
 - (d) the date of meeting to be convened (which shall be within 30 days of the occurrence of Event of Default).

Provided that in case the Event of Default is cured between the date of notice and the date of meeting, then the convening of such a meeting may be dispensed with.

2. The Debenture Trustee shall take necessary action of either enforcing the Security or entering into the ICA or take any other action as decided in the meeting of Debenture Holder(s) based on the decision of the Debenture Holder(s) with Special Majority, including the decision of formation of a representative committee of the Debenture Holder(s) to participate in the ICA or to enforce the Security or as may be decided in the meeting of Debenture Holder(s). Such a committee, if decided to be formed, may comprise of the designated members representing the interest of the ISIN level Debenture Holder(s) under the Debentures and be responsible to take decisions [which shall be binding on the specific ISIN level Debenture Holder(s) relating to ICA matters, or in relation to enforcement of the Security, or take any other action as may be decided by the Debenture Holder(s), from time to time.

The Debenture Trustee(s) may in accordance with the decision of the Debenture Holder(s), sign the ICA and consider the resolution plan, if any, on behalf of the Debenture Holder(s)/ Beneficial Owners in accordance with the requirements under the extant RBI guidelines, SEBI circulars, guidelines and other Applicable Laws.

3. The Trustee shall also have the following rights (notwithstanding anything in these presents to the contrary):
 - (a) to enter upon and take possession of the Secured Assets as per the provisions of this Deed;
 - (b) to enforce any Security created pursuant to the Security Documents in accordance with the terms thereof, as may be set out therein, towards Repayment of the Secured Obligations;
 - (c) to transfer the Secured Assets of the Company by way of lease/sub-lease or license or sale upon occurrence of Event of Default in accordance with the terms hereof;
 - (d) to appoint a nominee director as per the SEBI (Debenture Trustee) Regulations, 1993 on the board of directors of the Company or to appoint an observer to all meetings of the board of directors of the Company, in the manner more particularly set out in Clause 10.22 of this Deed;
 - (e) to initiate any enforcement action including without limitation under SARFAESI Act, 2002, Insolvency and Bankruptcy Code, 2016 (wherever applicable), sale without intervention of Court under Section 69 of Transfer of Property Act, 1882 or any other Applicable Law;
 - (f) to levy default interest on overdue amounts as per the terms of issue; and
 - (g) to exercise such other rights as the Debenture Holder(s) may deem fit under Applicable Law.
4. The Debenture Trustee after obtaining consent of Debenture Holder(s) for enforcement shall inform the designated stock exchange seeking release of the Recovery Expense Fund. The

Debenture Trustee shall follow the procedure set out in the SEBI REF Circular for utilisation of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of Security.

5. All expenses over and above those met from the Recovery Expense Fund incurred by the Beneficial Owners(s)/Trustee after an Event of Default has occurred in connection with:-
 - (a) preservation of the Secured Assets (whether then or thereafter existing); and
 - (b) collection of amounts due under this Deed,
 shall be payable by the Company.
6. Without prejudice to the obligation of the Trustee to monitor the Security Coverage Ratio and the Security in respect of the Debentures and to take necessary enforcement actions in accordance with the Transaction Documents, it is hereby clarified that the Trustee shall not be liable in any manner to guarantee the recovery of the entire outstanding amounts in relation to the Debentures.

Summary term sheet

Security Name	XX% - Mahindra & Mahindra Financial Services Limited – XXXX
Issuer	Mahindra & Mahindra Financial Services Limited
Type of Instrument	Secured / Unsecured Redeemable Non-convertible Debentures (Subordinated or Not)
Nature of Instrument	Secured / Unsecured
Seniority	Senior or Subordinated
Mode of Issue	Private Placement
Eligible Investors	Mutual Funds / Banks / Financial Institutions / Insurance Companies / Pension Funds / Provident Funds / Gratuity Funds/ Corporates / Individuals / FII's
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	To be listed on BSE Limited, as per the applicable timelines as mentioned in the SEBI circular SEBI/HO/DDHS/CIR/P/2020/198 dated October 05, 2020, as amended from time to time. In case of delay in listing beyond the timelines specified above, the Issuer will pay penal interest of 1% p.a. over the Coupon Rate to the Debenture holders from the Deemed Date of Allotment till the listing of Debentures
Rating of the Instrument	To be decided at the time of each issuance.
Issue Size	Rs. XXX Crs
Option to retain oversubscription (Amount)	As may be stipulated in the respective term sheet.
Objects of the Issue	For the purpose of financing, repayment of dues of other financial institutions / Banks or for long-term working capital.
in case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	-

Details of the utilization of the Proceeds	The funds raised through this issue will be utilized for various financing activities, onward lending, to repay our existing indebtedness, working capital and general corporate purposes (such as investments for liquidity and statutory requirements, capital expenditure, revenue expenditure etc.) of the Company
Coupon Rate	XX% p.a.
Step Up/Step Down Coupon Rate 1	As may be stipulated in the respective term sheet.
Coupon Payment Frequency	As may be stipulated in the respective term sheet.
Coupon payment dates	As may be stipulated in the respective term sheet.
Coupon Type	As may be stipulated in the respective term sheet.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	As may be stipulated in the respective term sheet.
Day Count Basis	Actual/Actual (SEBI Circular - CIR/IMD/DF-1/122/2016 dated November 11, 2016)
Interest on Application Money	Not Applicable
Default Interest Rate	In case of default in payment of interest and/or principal redemption on the due dates, additional interest @ 2% p.a. over the documented rate will be payable by the Company for the defaulting period.
Tenor	As may be stipulated in the respective term sheet.
Redemption Date	As may be stipulated in the respective term sheet.
Redemption Amount	Rs. XXX Crs
Redemption Premium /Discount	As may be stipulated in the respective term sheet.
Issue Price	Rs. XXX/- per Debenture
Discount at which security is issued and the effective yield as a result of such discount.	As may be stipulated in the respective term sheet.
Put Date	As may be stipulated in the respective term sheet.
Put Price	As may be stipulated in the respective term sheet.
Call Date	As may be stipulated in the respective term sheet.
Call Price	As may be stipulated in the respective term sheet.
Put Notification Time	As may be stipulated in the respective term sheet.
Call Notification Time	As may be stipulated in the respective term sheet.
Face Value	Rs.10,00,000/- per Debenture
Minimum Application and in multiples of Debt securities thereafter	10 Debentures and in multiples of 1 thereafter
Issue Timing 1. Issue Opening Date 2. Issue Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	As may be stipulated in the respective term sheet.

Settlement mode of the Instrument	Through RTGS / NEFT / Fund Transfer
Depository	NSDL & CDSL
Disclosure of Interest/Dividend / redemption dates	As may be stipulated in the respective term sheet.
Record Date	The record date for the purpose of determination of the persons entitled to receive interest / Principal in respect of the debentures shall be 14 calendar days before the date of Interest / principal payment or as mentioned in the respective term sheet,
All covenants of the issue (including side letters, accelerated payment clause, etc.)	All major Financial covenants to the issue shall be mentioned in the respective Term Sheet and all other covenants mentioned in the Trust Deed will be executed within the time frame prescribed as per applicable law.
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer document/ Information Memorandum.	<p>Debentures shall be secured by way exclusive charge in favour of the Debenture Trustee on present and/or future receivables under Loan contracts/Hire Purchase/Lease, owned Assets and Book debts to the extent of 100% of Debenture outstanding (as mentioned in the respective Term Sheet). The security shall be created on assets which are free from any encumbrances. The Company will create appropriate security in favour of the debenture trustee within the time frame prescribed as per applicable law.</p> <p>While the NCDs are secured to the tune of 100% (or as mentioned in the respective term sheet) of the principal and interest amount or as per the terms of information Memorandum in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security. Further, the NCDs shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc.as applicable, or is independently verifiable by the debenture trustee</p>
Transaction Documents	Term Sheet, Board Resolution, Rating Rationale, Rating Letter, Trustee Consent Letter, BSE In-principal Approval, Application Form
Conditions Precedent to Disbursement	As may be stipulated in the respective term sheet.
Condition Subsequent to Disbursement	As may be stipulated in the respective term sheet.
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer Events of Default Section of this document
Creation of recovery expense fund	The company has created a recovery expense fund in the manner as specified by the Securities and Exchange Board of India as on 26 th February 2021 in favour of BSE limited and the same has been informed to the Debenture Trustee. The recovery expense fund shall be utilized for the purposes and in the manner as may be required under the applicable circulars / directions / notices / guidelines / regulations issued by SEBI from time to time.

Conditions for breach of covenants (as specified in Debenture Trust Deed)	Conditions for breach of covenants shall be mentioned in the Trust Deed which will be executed within the time frame prescribed as per applicable law.
Provisions related to Cross Default Clause	Not Applicable
Role and Responsibilities of Debenture Trustee	As defined in the debenture trust deed
Risk factors pertaining to the issue	Please refer to para “Risk Factors” of this document
Governing Law and Jurisdiction	Please refer to para “Governing Law and Jurisdiction” of this document
Business Day Convention	If any interest payment date falls on a holiday, the payment may be made on the following working day. If any principal payment date falls on a holiday, principal will be payable on the previous working day. Working days shall be all days on which money market is functioning in Mumbai excluding non- working Saturdays or Sundays or a holiday of commercial banks in Mumbai or a public holiday in India. In case of failure of RBI’s system for RTGS / NEFT payment, the same will be made on the next business day. The Company will not be liable to pay any additional interest on account of same. The Coupon payment convention will be as per SEBI Circular - CIR/IMD/DF-1/122/2016 dated November 11, 2016
Additional Risk factor	While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of offer document/informationMemorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

In the event of any repugnancy or inconsistency in this Disclosure Document, Term Sheet will prevail for all the purposes.

DISCLOSURES IN TERMS OF SEBI SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 DATED NOVEMBER 03, 2020

- (a) The Debentures shall be considered as secured only if the charged asset is registered with and registrar of companies or CERSAI or depository, etc., as applicable, or is independently verifiable by debenture trustee.
- (b) Terms and conditions of the Debenture Trustee Agreement

I. Fees charged by Debenture Trustee

Remuneration of the Debenture Trustee will be as agreed in terms of the offer letter dated dated May 24, 2021 bearing reference number No. ATSL/CO/2021-22/1101 as may be amended/modified from time to time

II. Terms of carrying out due diligence

- (1) The Debenture Trustee, either through itself or its agents / advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the prospectus and the applicable laws, has been obtained;
- (2) The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as

applicable), CERSAI, depositories, information utility or any other authority, as may be relevant, where the assets and/or encumbrances in relation to the assets of the Company or any third party security provider are registered / disclosed;

- (3) The Debenture Trustee shall have the power to either independently appoint, or direct our Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture trustee and the Debenture Trustee shall subsequently form an independent assessment that the assets for creation of security are sufficient to discharge the outstanding amounts on NCDs at all times.;
- (4) The Company has undertaken to promptly furnish all and any information as may be required by the Debenture Trustee, including such information as required to be furnished in terms of the applicable laws and the Debenture Trust Deed on a regular basis;
- (5) The Debenture Trustee, ipso facto does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the NCDs.

III. Other confirmations

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with Applicable Law including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI circulars titled "Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)" dated November 3, 2020.

Bidding Details: If the issuance is through Electronic Bidding platform

Bidding Open Date	Will be disclosed in respective term sheet
Bidding Close Date	Will be disclosed in respective term sheet
Minimum Bid Lot	Will be disclosed in respective term sheet
Manner of Bidding	Manner of Bidding whether Open Bidding or Close bidding will be mentioned in the respective Term Sheet
Manner of Allotment	Manner of Allotment will be mentioned in the respective Term Sheet.
Manner of Settlement	Manner of Settlement will be mentioned in the respective Term Sheet.
Settlement Cycle	Settlement Cycle will be mentioned in the respective Term Sheet.

Illustration of cash flows emanating from debt securities:

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Circular No. CIR/ IMD/ DF/ 18/ 2013 October 29, 2013 and SEBI Circular No. CIR/ IMD/ DF-1/122/ 2016 dated November 11, 2016.

Company	Mahindra & Mahindra Financial Services Limited
Face Value (per security)	10,00,000.00
Issue Date/Date of Allotment	08-11-2019
Redemption	07-11-2022
Coupon Rate	7.55%
Frequency of the Interest Payment with specified dates	Annual on 08/11/2020, 08/11/2021, and 08/11/2022
Day Count Convention	Actual / Actual

Cash Flows	Date	No. of days in Coupon Period	Amount (in Rupees)
Deemed Date of Allotment	Friday, 08 November 2019		(10,00,000.00)
1st Coupon	Sunday, 08 November 2020	366	75,500.00
2nd Coupon	Monday, 08 November 2021	365	75,500.00
3rd Coupon	Monday, 07 November 2022	364	75,293.15
Principal	Monday, 07 November 2022		10,00,000.00

If the interest payment date falls on a holiday, the payment may be made on the following working day however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a holiday.

In the above case, November 08, 2018 is a Sunday, thus the coupon would be payable on November 09, 2020 i.e. the next working day. However, the calculation for payment of interest will be only till November 07, 2020, which would have been the case if November 08, 2020 was not a holiday

In case of a leap year, if February 29 falls during the tenor of a security, then the number of days shall be reckoned as 366 days (Actual/Actual day count convention) for a whole one year period, irrespective of whether the interest is payable annually, half yearly, quarterly or monthly etc. It is thus emphasized that for a half yearly interest payment, 366 days would be reckoned twice as the denominator; for quarterly interest, four times and for monthly interest payment, twelve times.

In the above example, in case of the leap year (i.e, 2020), 366 days would be reckoned as the denominator (Actual/Actual), for payment of interest, in period November 08, 2019 to November 08, 2020.

a. Additional Covenants

- i. Security Creation (wherever applicable):** In case of delay in execution of Trust Deed and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of atleast 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor.
- ii. Default in Payment:** In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of atleast @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period.

b. Disclosure pertaining to Wilful Default

The Issuer, any of its promoter or directors has not been declared as wilful defaulter by any bank.

c. Undertaking for creation of Security

The company undertakes that the security shall be created on assets which are free from any Encumbrances.



Mr. Dinesh Prajapati
VP – Treasury & Corporate Affairs,
Mahindra & Mahindra Financial Services Limited,
4th Floor, Mahindra Towers,
Dr.G.M Bhosale Marg, Worli,
Mumbai- 400018

November 01, 2021

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Mahindra & Mahindra Financial Services Limited

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of
INR210bn non-convertible debentures (NCD): 'TND AAA'/ Outlook Stable.
INR100bn retail non-convertible debentures (NCD): 'TND AAA'/ Outlook Stable (the rated limit is interchangeable with retail subordinated debt)
INR 14.5bn Private Sub Debt: 'TND AAA'/ Outlook Stable
INR15bn Principal protected market linked debenture: IND PP-MLD AAA emr/Stable.
INR30bn retail Subordinate debt: 'TND AAA'/ Outlook Stable.
- Out of INR210bn of NCD, INR140.24bn is outstanding;
- Out of INR100bn of Retail NCD which is interchangeable with retail subordinated debt
INR18.10bn of Retail NCD and INR3.37bn of Retail Subordinate debt is outstanding;
- Out of INR14.5bn of Private Sub Debt, INR8.21bn is outstanding;
- Out of INR15bn Principal Protected Market Linked Debenture, INR3.87bn is outstanding;
- Out of INR30bn Retail Subordinate Debt, INR21.50bn is outstanding

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for

India Ratings & Research Private Limited A Fitch Group Company

Wockhardt Tower, Level 4, West Wing, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

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the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings


Karan Gupta
Director


Jindal Zaverchand Haria
Director



No. CARE/HO/RL/2021-22/2818

Mr. Dinesh Prajapati

Head- Accounts, Treasury & Corporate Affairs

Mahindra & Mahindra Financial Services

Mahindra Towers, 4th Floor

Dr G. M. Bhosale Marg, Worli,

Mumbai

Maharashtra 400018

November 02, 2021

Confidential

Dear Sir,

Credit rating for various debt instruments

Please refer to our letter no. CARE/HO/RL/2021-22/2414 dated September 29, 2021, and your request for revalidation of the rating assigned to the various debt instruments for a limit of Rs 18500.50 crore.

2. The following rating (s) have been reviewed:

Sr. No	Instrument	Amount Rated (Rs. Cr.)	Rating ¹	Rating Action
1.	Non- Convertible debentures (NCD)	5,900.50	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
2.	Unsecured Non- Convertible debentures (NCD)	1,000.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
3.	Subordinate Debt (Public issue)	1,000.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
4.	Subordinate debt (Privately Place)	600.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed

¹ Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

CARE Ratings Ltd.

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022.

Tel.: +91-22- 6754 3456 • Fax: +91-22- 022 6754 3457 • www.careratings.com • CIN- L67190MH1993PLC071691



Sr. No	Instrument	Amount Rated (Rs. Cr.)	Rating ¹	Rating Action
5.	Public issue of Long-Term Debt Program (Non- Convertible debenture/Subordinate debt)	10,000.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
	Total	18,500.50 (Rs Eighteen Thousand Five Hundred and Fifty Lakhs only)		

- Please arrange to get the rating revalidated, in case the issue is not made within six months from the date of this letter.
- Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors
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- CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
- CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instrument, CARE shall carry out the review on the basis of best available information throughout the life time of such instrument. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
- Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades.

CARE Ratings Ltd.

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022.
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However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

8. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
9. CARE ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully

Harshita Deshmukh
Analyst
harshita.d@careratings.com

Gaurav Dixit
Director
gaurav.dixit@careratings.com

Encl.: As above

CARE Ratings Ltd.

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022.
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BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
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Corporate Identity Number: L67120MH2005PLC155188

DCS/COMP/CS/IP-PPDI/521/20-21



December 02, 2020

The Company Secretary

Mahindra & Mahindra Financial Services Limited
Gateway Building, Apollo Bunder, Mumbai 400 001.

Dear Sir,

Re: Private Placement Of 400,000 Secured/Unsecured Redeemable Non-Convertible Debentures (Subordinated Or Not) of face value Rs. 10,00,000/- each, for cash, aggregating Rs. 40,000 crores, in one or more tranches

We acknowledge receipt of your application on the online portal on December 01, 2020 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing subject to fulfilling the following conditions:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended 2012, and submission of Disclosures and Documents as per Regulations 21, in the format specified in Schedule I of the said Regulations and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations directions of the Exchange or any statutory authorities, documentary requirements from time to time
6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors:
<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31>

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Sd/-
Rupal Khandelwal
Senior Manager

Sd/-
Chaitali Shah
Assistant Manager

Mahindra FINANCE

**Mahindra & Mahindra
Financial Services Ltd.**
Mahindra Towers, 4th Floor,
Dr. G. M. Bhosale Marg, Worli,
Mumbai 400 018 India

Tel: +91 22 68526000
Fax: +91 22 24984170
+91 22 24984171

**Certified True Copy of the Resolution passed by the Board of Directors of
Mahindra & Mahindra Financial Services Limited at its Meeting held on
28th January, 2021**

“RESOLVED that in supersession of the Resolution passed by the Board of Directors at its Meeting held on 26th October, 2020 and in accordance with the approval of the shareholders by way of a Special Resolution pursuant to Section 71 of the Companies Act, 2013 (‘the Act’) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, and other applicable regulations and guidelines issued by the Securities and Exchange Board of India (SEBI) or any other laws for the time being in force, and such other laws, regulations, guidelines as may be applicable to the Company (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time in force), the Company be and is hereby authorised to raise funds in the form of Subordinated Debt and issue Non-Convertible Debentures on a Private Placement basis, in Domestic and/or International market, in one or more series/tranches to the following group of persons (referred to as “Identified Persons”) upto a limit not exceeding Rs. 40,000 crores in the aggregate, comprising of amounts to be borrowed through issue of Secured Redeemable Non-Convertible Debentures including Secured Redeemable Principal Protected Non-Convertible Market Linked Debentures and Unsecured Redeemable Non-Convertible Debentures upto a limit not exceeding Rs. 35,000 crores and in the form of Subordinated Debt of Rs. 5,000 crores, subject to the limits available under Section 180 (1)(c) of the Act, and upto a limit not exceeding Rs. 90,000 crores in the aggregate:

- i) Banks
- ii) Mutual Funds
- iii) Companies registered in India
- iv) Insurance Companies
- v) Non-Banking Financial Companies (NBFCs) and Residuary NBFCs
- vi) Bodies Corporate
- vii) Limited Liability Partnerships



- viii) Foreign Institutional Investors
- ix) Foreign Portfolio Investors
- x) Financial Institutions
- xi) Foreign Financial Institutions
- xii) Foreign Companies
- xiii) Venture Capital Funds
- xiv) Alternative Investment Funds
- xv) Individuals
- xvi) Hindu Undivided Family
- xvii) Association of Persons
- xviii) Qualified Institutional Buyers as defined under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018
- xix) Trusts
- xx) Pension Fund
- xxi) Gratuity Fund
- xxii) Provident Fund
- xxiii) Superannuation Fund
- xxiv) Multilateral Agencies
- xxv) Any other investor as may be permitted under applicable Legislation/Regulations.

FURTHER RESOLVED that pursuant to the provisions of Section 179 (3)(c), Section 71 and all other applicable provisions of the Act read with Rules framed thereunder, as may be applicable and other applicable Guidelines and Regulations issued by the Securities and Exchange Board of India (SEBI), the Board do approve the issue of Non-Convertible Debentures (NCDs) to the abovementioned Identified Persons on the following terms and conditions provided that the NCDs outstanding at any given time do not exceed Rs. 35,000 crores in the aggregate as follows:



A) Secured Redeemable Non-Convertible Debentures (including Secured Redeemable Principal Protected Non-Convertible Market Linked Debentures)

Face Value	:	Rs.1,00,000 each and in multiples of Rs.1,00,000 each.
Issue/ Redemption	:	At discount/par/premium
Amount	:	Outstanding at any given time does not exceed Rs.30,000 crores in the aggregate.
Tenure	:	Not exceeding 120 months.
Interest Rate	:	1) Fixed Rate : Not exceeding 13% p.a. 2) For Floating Rate such as MIBOR linked, etc. - Rate of Interest, not exceeding 12% p.a. above the then existing bench mark rate for up to 1 year tenure and not exceeding 9% p.a. above the then existing bench mark rate for tenure more than 1 year.
Security	:	Pari-passu charge on Aurangabad Branch office along with other Debenture holders and/or exclusive charge on receivables under Hire Purchase/ Lease/Loan Contracts, Owned Assets and Book debts to the extent of 100% Debentures outstanding, as may be decided by the Committee of Directors by way of mortgage/ hypothecation in favour of the Lenders/ Trustees or Debenture holders/ Bondholders.
Purpose	:	For financing Lease/Hire Purchase/ Loan Assets, onward lending, refinancing the existing indebtedness of the Company, working capital and general corporate purposes.



B) Unsecured Redeemable Non-Convertible Debentures

Face Value	:	Rs.1,00,000 each and in multiples of Rs.1,00,000 each.
Issue/ Redemption	:	At discount/par/premium
Amount	:	Outstanding at any given time does not exceed Rs.5,000 crores in the aggregate.
Tenure	:	Not exceeding 180 months.
Interest Rate	:	1) Fixed Rate : Not exceeding 13% p.a. 2) For Floating Rate such as MIBOR linked, etc. – Rate of Interest, not exceeding 12% p.a. above the then existing bench mark rate for up to 1 year tenure and not exceeding 9% p.a. above the then existing bench mark rate for tenure more than 1 year.
Purpose	:	For financing Lease/Hire Purchase/ Loan assets, onward lending, refinancing the existing indebtedness of the Company, working capital and general corporate purposes.

FURTHER RESOLVED that a Committee of Directors comprising any two Directors of the Company be authorised to allot the NCDs in such series/tranches and on such terms and conditions and in particular within the above parameters and in particular to the abovementioned Identified Persons who subscribe to such debentures and to do all such other acts, deeds, matters and things as may be necessary in this connection, including allotment of NCDs.

FURTHER RESOLVED that MIBOR debentures with daily call/ put options be backed by unused bank lines/credit lines/Liquid Mutual Fund Investment with adequate drawing power.



FURTHER RESOLVED that the NCDs be listed if required, on BSE Limited (BSE) and/or National Stock Exchange of India Limited (NSE) and that any Director of the Company or Mr. Vivek Karve, Chief Financial Officer of the Company and Group Financial Services Sector or Mr. Dinesh Prajapati, Head-Accounts, Treasury & Corporate Affairs, or Mr. Rajesh Vasudevan, Senior Vice-President, Accounts or Ms. Arnavaz M. Pardiwalla, Company Secretary & Compliance Officer be authorised to make necessary applications to BSE/NSE and that, if required, the Listing Agreement with BSE/NSE be executed under the Common Seal of the Company affixed in the presence of any Director and Mr. Vivek Karve or Mr. Dinesh Prajapati or Mr. Rajesh Vasudevan or Ms. Arnavaz M. Pardiwalla, Company Secretary & Compliance Officer, who shall sign the same in token thereof in accordance with the provisions of the Articles of Association of the Company.

FURTHER RESOLVED that any Director of the Company or any two of the following Officers of the Company:

Mr. Vivek Karve	- Chief Financial Officer of the Company and Group Financial Services Sector
Mr. Rajnish Agarwal	- Executive Vice-President - Operations
Mr. Dinesh Prajapati	- Head-Accounts, Treasury & Corporate Affairs
Mr. Rajesh Vasudevan	- Senior Vice-President, Accounts
Mr. R. Balaji	- Senior Vice-President and Head - Mergers and Acquisitions (Financial Services Sector)
Ms. Manaswini Goel	- Head - Treasury
Mr. Prashant Gadkari	- Associate Vice-President - Treasury
Mr. Kapil Toshniwal	- Associate Vice-President - Accounts
Mr. Prashant Khanchandani	- Senior General Manager - Treasury



be jointly authorised to finalise and sign on behalf of the Company, the Information Memorandum(s), Shelf Disclosure Document(s), Offer Document(s), Disclosure Document(s), Private Placement Offer Letter/ Mandate Letter/Term Sheet/Fee Letter/Agency Letter/ Facility Agreement/Offering Circulars, the Debenture Trust Deed(s)/Subscription Agreement(s), undertakings, declarations and such other documents and writings as may be required in connection with the above NCDs/security to be created for the above NCDs, as well as finalise the appointment, where applicable, of Lead Managers, Managers, Co-Managers, Bankers, Registrars, Merchant Bankers, Trustees, Arrangers, Advisors, etc., to the Issue and other Agencies on such terms and remuneration as they may in its absolute discretion deem expedient.

FURTHER RESOLVED that any Director of the Company or any one of the following Officers of the Company:

Mr. Vivek Karve
Mr. Rajnish Agarwal
Mr. Dinesh Prajapati
Mr. Rajesh Vasudevan
Mr. R. Balaji
Ms. Manaswini Goel
Mr. Prashant Gadkari
Mr. Kapil Toshniwal
Mr. Prashant Khanchandani

be and is hereby severally authorised to finalise and sign the Letter of Offer/Mandate Letter/Fee Letter/Agency Letter/ Offering Circulars and such other documents and writings as may be required in connection with the above NCDs on behalf of the Company.

FURTHER RESOLVED that if required, the Letters of Allotment and the Debenture Certificates in respect of the above NCDs be issued to the respective allottees and any Director of the Company be authorised to sign the Letters of Allotment and the Debenture Certificates and that the Common Seal of the Company be affixed to the Debenture Certificates in the presence of any Director of the Company and Mr. Vivek Karve or Mr. Dinesh Prajapati or Mr. Rajesh Vasudevan or Ms. Arnavaz M. Pardiwalla, Company Secretary & Compliance Officer, who shall sign the same in token thereof in accordance with the provisions of the Articles of Association of the Company.



FURTHER RESOLVED that the Debentures be issued in dematerialised form and any Director of the Company or any one of the following Officers of the Company:

Mr. Vivek Karve
Mr. Rajnish Agarwal
Mr. Dinesh Prajapati
Mr. Rajesh Vasudevan
Mr. R. Balaji
Ms. Manaswini Goel
Mr. Prashant Gadkari
Mr. Kapil Toshniwal
Mr. Prashant Khanchandani
Ms. Arnavaz M. Pardiwalla

be authorised to finalise the terms and conditions with any of the Depository(ies) and to execute on behalf of the Company any documents, deeds, agreements or any of the relative documents with such Depository(ies).

FURTHER RESOLVED that any Director of the Company or Mr. Vivek Karve or Mr. Dinesh Prajapati or Mr. Rajesh Vasudevan or Ms. Arnavaz M. Pardiwalla be authorised to sign the Allotment Register/ enter the name of allottee(s) in the Register of Debenture holders.

FURTHER RESOLVED that in accordance with the conditions as stipulated in the Offer Document(s) and/or Debenture Trust Deed(s) and/or such other document(s) related thereto, approval of the Board be accorded to buy- back such of the Debentures issued by the Company as it considers necessary and/or financially expedient and any Director of the Company or any one of the following Officers of the Company:

Mr. Vivek Karve
Mr. Rajnish Agarwal
Mr. Dinesh Prajapati
Mr. Rajesh Vasudevan
Mr. Prashant Gadkari
Ms. Manaswini Goel
Mr. Kapil Toshniwal
Mr. Prashant Khanchandani

be authorised to finalise the necessary terms and conditions and execute on behalf of the Company all necessary documents, deeds and agreements.



FURTHER RESOLVED that if required, the Common Seal of the Company be affixed to the Information Memorandum(s), Offer Document(s), Shelf Disclosure Document(s)/Disclosure Document(s), stamped engrossment(s) of the Debenture Trust Deed(s) and such other deed(s)/documents in connection with the aforesaid issue of NCDs and Subordinated Debentures, in the presence of any Director and any one of the following Officers of the Company:

Mr. Vivek Karve
Mr. Rajnish Agarwal
Mr. Dinesh Prajapati
Mr. Rajesh Vasudevan
Mr. R. Balaji
Ms. Manaswini Goel
Mr. Prashant Gadkari
Mr. Kapil Toshniwal
Mr. Prashant Khanchandani
Ms. Arnava M. Pardiwalla

who shall sign the same in token thereof, in accordance with the provisions of the Articles of Association of the Company.

FURTHER RESOLVED that if necessary, the Company's Common Seal be taken out of the Registered Office of the Company beyond the city limits for execution of the aforesaid documents.

FURTHER RESOLVED that any action taken under this Resolution be reported to the Board from time to time."



Place : Mumbai
Date : 1st April, 2021

Certified True Copy
Mahindra & Mahindra Financial Services Limited

Arnavaz

Arnavaz M. Pardiwalla
Company Secretary & Compliance Officer

B

A DECLARATION BY THE DIRECTORS THAT-

- a. the issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act and the rules and regulations made thereunder;
- b. the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government;
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Offer document;
- d. whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

I am authorized by the Board of Directors of the Company vide resolution dated 28th January, 2021 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For **MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD.,**



Ramesh Iyer
Vice-Chairman & Managing Director

Date : 12th November 2021

Place : Mumbai