

15th July, 2020

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

Name of the Scrip: Mahindra Rural Housing Finance Limited

Dear Sir,

Sub: Submission of financial results for the 1st quarter ended 30th June, 2020

The Company has been disclosing its financial results on a half yearly basis as required under Regulation 52 of SEBI LODR Regulations as it is debt listed company. It's specified securities are not listed on the stock exchange.

The Commercial Paper of Company was listed on the Stock Exchange with effect from 7th January, 2020.

The Paragraph below clause 1.2 of annexure II of the SEBI Circular no. SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated October 22, 2019, giving framework for listing of Commercial Paper (the original circular), as amended, states that if an issuer is required to prepare financial results for the purpose of consolidated financial results of its parent company in terms of Regulation 33 of SEBI LODR Regulations, such issuers shall submit financial results in terms of para 1.1 above *or shall submit quarterly financial results that have been prepared for the purpose of consolidation of their parent company.*

Accordingly, we are enclosing a copy of the Unaudited Financial Results of the Company for the first quarter ended 30th June, 2020, which have been prepared for the purpose of consolidation with the accounts of parent Company, i.e. Mahindra & Mahindra Financial Services Limited, and approved by the Board of Directors of the Company at its meeting held today i.e. on 15th July, 2020, along with the limited review report of the Statutory Auditors thereon.

Please take the same on record.

Thanking you.

Yours faithfully,

For Mahindra Rural Housing Finance Limited

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JOSHI

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Navin Joshi
Company Secretary & Compliance Officer

Encl: a/a

Regd. Office:

Mahindra Towers, 4th Floor, Dr. G.M. Bhosale Marg, Worli, Mumbai 400 018 India
Tel: +91 22 66526000 | Fax: +91 22 24984170/71 | www.mahindrachomefinance.com
CIN : U65922MH2007PLC169791
Email: investorhelpline.mrhl@mahindra.com

Mahindra Rural Housing Finance Limited

CIN : U65922MH2007PLC169791

Registered Office: Mahindra Towers, P.K.Kurke Chowk, Worli, Mumbai 400 018.

Corporate Office: Sadhna House, 2nd Floor, Behind Mahindra Towers, 570, P.B. Marg, Worli, Mumbai 400 018.

Telephone No. : 91 22 6652 3500

Website : www.mahindrahomefinance.com ; Email : customercare.mrhfl@mahfin.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2020

Rs. in lakhs

Particulars	Quarter ended			Year ended
	30 June 2020	31 March 2020	30 June 2019	31 March 2020
	Unaudited	Audited	Unaudited	Audited
Revenue from operations				
i) Interest Income	38,232.58	39,607.61	36,159.35	151,293.77
ii) Dividend Income	-	-	30.75	243.16
iii) Fees and commission Income	166.40	180.59	99.63	714.51
iv) Net gain on fair value changes	93.35	(55.65)	13.17	2.08
I Total revenue from operations	38,492.33	39,732.55	36,302.90	152,253.52
II Other income	28.68	322.28	2.45	506.99
III Total income (I+II)	38,521.01	40,054.83	36,305.35	152,760.51
Expenses				
i) Finance costs	14,341.38	14,946.52	14,244.89	59,499.68
ii) Fees and commission expense	31.31	40.41	51.38	200.05
iii) Impairment on financial instruments	10,429.31	14,782.20	5,719.16	26,112.52
iv) Employee benefits expenses	5,342.35	7,469.43	7,928.86	30,659.74
v) Depreciation and amortization and impairment	408.06	421.94	426.25	1,695.74
vi) Other expenses	2,301.16	3,566.22	3,828.83	14,032.86
IV Total expenses (IV)	32,853.57	41,226.72	32,199.37	132,200.59
V Profit before tax (III -IV)	5,667.44	(1,171.89)	4,105.98	20,559.92
VI Tax expense :				
(i) Current tax	-	4,334.60	1,101.42	6,850.00
(ii) Deferred tax	898.50	(5,552.89)	129.17	(1,025.98)
(iii) (Excess) / Short Provision for Income Tax - earlier years	-	-	-	(119.80)
	898.50	(1,218.29)	1,230.59	5,704.22
VII Profit for the period (V-VI)	4,768.94	46.40	2,875.39	14,855.70
VIII Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss				
- Remeasurement gain / (loss) on defined benefit plans	(9.02)	(14.59)	(9.78)	(132.68)
(ii) Income tax relating to the above	2.27	(11.93)	3.42	17.79
Other Comprehensive Income	(6.75)	(26.52)	(6.36)	(114.89)
IX Total Comprehensive Income for the period (VII+VIII)	4,762.19	19.88	2,869.03	14,740.81
X Earnings per equity share #				
(Face value - Rs. 10/- per share)				
Basic (Rupees)	3.93	0.04	2.37	12.24
Diluted (Rupees)	3.89	0.04	2.35	12.12

Earnings per share for the interim period is not annualised.

Notes:

- The 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 by the Companies (Indian Accounting Standards) Rules, 2016 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.
Any application guidance/ clarifications/ directions issued by NHB or other regulators are implemented as and when they are issued/ applicable.

- 2) 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 has granted moratorium upto six months on the payment of installments falling due between 01 March 2020 and 31 August 2020 to all eligible borrowers. This relaxation does not automatically trigger a significant increase in credit risk. The Company continues to recognise interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does 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 considered an additional charge of Rs 18,769.90 lakhs due to a management overlay, to reflect deterioration in the macroeconomic outlook. Further, the Company has been duly servicing its debt obligations, maintains a healthy capital adequacy ratio and does not foresee any challenges in the liquidity position for the coming 12 months. 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.

- 3) The Members at their Extraordinary General Meeting held on 31 August 2017 approved the MRHFL Employee Stock Option Scheme – 2017 (MRHFL ESOS – 2017) and also approved grant, from time to time, of up to 37,86,459 Employee Stock Options in one or more tranches. In the previous year, 2,95,110 options are granted to employees face value Rs. 10/- each.
- 4) The above financial results for the quarter ended 30 June 2020 and along with comparative period have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 15 July 2020.
- 5) There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 6) All secured NCD's issued by the Company are secured by pari-passu charges on its Pune office and exclusive charge on receivables under loan contracts, owned assets and book debts to the extent of 100% of outstanding secured NCD's.
- 7) The Taxation Laws (Amendment) Ordinance, 2019 contain substantial amendments in the Income Tax Act 1961 and the Finance (No. 2) Act 2019 to provide an option to domestic companies to pay income tax at a concessional rate. The Company has elected to apply the concessional tax rate and has recognised the provision for income tax and re-measured the net deferred tax assets at concessional rate since September 2019.
- 8) The commercial paper have been listed on the Bombay Stock Exchange (BSE) in accordance with SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2019/115, as amended.
- 9) Additional compliance with regulation 52 (4) of the (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") is attached herewith as Annexure 1.
- 10) Previous period figures have been regrouped/ reclassified wherever necessary, to conform to current period classification.
- 11) Figures for the quarter ended 31 March 2020 represent the difference between the audited figures in respect of the full financial year and the reviewed figures for the nine months ended 31 December 2019.

For and on behalf of the Board of Directors
Mahindra Rural Housing Finance Limited

Date : 15 July 2020
Place : Mumbai

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Anuj Mehra
Managing Director

Annexure 1 : Compliance as per regulation 52 (4) of the (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”)

1 Credit Rating:

		Current Rating	Previous rating
Non Convertible Debenture / Subordinated Debt	INDIA Ratings	IND AA+/Stable	IND AA+/Stable
Non Convertible Debenture / Subordinated Debt	CRISIL Ratings	CRISIL AA+/Stable	CRISIL AA+/Stable
Non Convertible Debenture / Subordinated Debt	CARE Ratings	CARE AA+/Stable	CARE AA+/Stable

- 2 Debt Equity Ratio as of 30 June 2020: 5.23:1
 3 Outstanding redeemable preference shares (quantity and value): NIL
 4 Capital redemption reserve/debenture redemption reserve: Not Applicable
 5 Net worth: Rs 1,29,664.65 Lakhs
 6 Net profit after tax: Rs 4768.94 Lakhs
 7 Earnings per share (Basic): Rs 3.93
 8 Previous due date for the payment of Interest / Principal from the period 01 January 2020 to 30 June 2020

SERIES_ID	ISSUE_SIZE (in Lakhs)	ALLOTMENT_DT	MATURITY_DT	DUE_DT	ISIN_NO	DUE_CATEGORY
MRHFL-HH2017	2,500.00	22-Jan-18	20-Jan-23	22-Jan-20	INE950007214	Interest
MRHFL-KK2016	5,000.00	24-Mar-17	24-Mar-20	24-Mar-20	INE950007115	Principal+Interest
MRHFL-LL2016	1,000.00	27-Mar-17	26-Mar-27	27-Mar-20	INE950007123	Interest
MRHFL-HH2018 #	1,500.00	28-Mar-19	26-Mar-21	30-Mar-20	INE950007313	Interest
MRHFL-MM2016	1,500.00	30-Mar-17	30-Mar-20	30-Mar-20	INE950007131	Principal+Interest
MRHFL-II2016	6,500.00	03-Mar-17	16-Apr-20	16-Apr-20	INE950007099	Principal+Interest
MRHFL-JJ2016	8,850.00	10-Mar-17	16-Apr-20	16-Apr-20	INE950007107	Principal+Interest
MRHFL-BBB	2,500.00	29-Apr-15	29-Apr-25	29-Apr-20	INE950008014	Interest
MRHFL-DDD	1,500.00	29-Apr-16	29-Apr-26	29-Apr-20	INE950008030	Interest
MRHFL-AA2016	500.00	03-May-16	03-May-21	04-May-20	INE950007016	Interest
MRHFL-EEE	3,000.00	05-May-16	05-May-26	05-May-20	INE950008048	Interest
MRHFL-FFF	1,500.00	06-May-16	06-May-26	06-May-20	INE950008055	Interest
MRHFL-AAA2017#	1,000.00	17-May-17	17-May-24	18-May-20	INE950008113	Interest
MRHFL-GGG	600.00	18-May-16	18-May-26	18-May-20	INE950008063	Interest
MRHFL-FF2018*	16,000.00	01-Aug-18	29-Jun-23	18-May-20	INE950007297	Interest
MRHFL-BBB2017	1,000.00	19-May-17	19-May-27	19-May-20	INE950008121	Interest
MRHFL-HHH	1,000.00	20-May-16	20-May-26	20-May-20	INE950008071	Interest
MRHFL-AA2017#	2,500.00	24-May-17	24-May-22	26-May-20	INE950007149	Interest
MRHFL-BB2017	6,000.00	26-May-17	15-Jan-24	26-May-20	INE950007156	Interest
MRHFL-CC2017	11,500.00	07-Jun-17	27-May-20	27-May-20	INE950007164	Principal+Interest
MRHFL-CCC2017	2,500.00	30-May-17	28-May-27	30-May-20	INE950008139	Interest
MRHFL-III	400.00	30-May-16	29-May-26	01-Jun-20	INE950008089	Interest
MRHFL-AA2018	3,510.00	01-Jun-18	01-Jun-28	01-Jun-20	INE950007248	Interest
MRHFL-BB2016	3,000.00	07-Jun-16	07-Jun-21	08-Jun-20	INE950007024	Interest
MRHFL-DDD2017	5,000.00	15-Jun-17	15-Jun-27	15-Jun-20	INE950008147	Interest
MRHFL-CC2018	7,500.00	25-Jun-18	22-Mar-24	25-Jun-20	INE950007263	Interest
MRHFL-DD2017	1,000.00	28-Jun-17	26-Jun-20	26-Jun-20	INE950007172	Principal+Interest
MRHFL-DD2018	30,000.00	29-Jun-18	29-Jul-21	29-Jun-20	INE950007271	Interest

*Unlisted

Captured actual payment date on account of public holiday

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9 Next due date for the payment of Interest / Principal from the period 01 July 2020 to 31 December 2020:

SERIES_ID	ISSUE_SIZE (in Lakhs)	ALLOTMENT_DT	MATURITY_DT	DUE_DT AS PER TERM SHEET	ISIN_NO	DUE_CATEGORY
MRHFL-JJJ	2,500.00	25-Jul-16	24-Jul-26	27-Jul-20	INE950O08097	Interest
MRHFL-AA2019 ##	15,000.00	27-Jun-19	25-Jun-21	31-Jul-20	INE950O07321	Principal+Interest
MRHFL-AAA2018	3,500.00	07-Aug-18	07-Aug-28	07-Aug-20	INE950O08154	Interest
MRHFL-FF2017	12,000.00	11-Aug-17	22-Mar-23	11-Aug-20	INE950O07198	Interest
MRHFL-GG2017	10,000.00	13-Oct-17	06-Oct-20	06-Oct-20	INE950O07206	Principal+Interest
MRHFL-CCC	3,500.00	13-Oct-15	13-Oct-25	13-Oct-20	INE950O08022	Interest
SERIES MRHFL-EEE	3,000.00	05-May-16	05-May-26	05-Nov-20	INE950O08048	Interest
MRHFL-FF2018	16,000.00	01-Aug-18	29-Jun-23	18-Nov-20	INE950O07297	Interest
SERIES MRHFL-FF2016	2,500.00	22-Nov-16	22-Nov-21	23-Nov-20	INE950O07065	Interest
SERIES MRHFL-KKK	1,700.00	24-Nov-16	24-Nov-26	24-Nov-20	INE950O08105	Interest
MRHFL-BB2019	20,000.00	23-Dec-19	28-Dec-20	23-Dec-20	INE950O07339	Interest
MRHFL-BB2019	20,000.00	23-Dec-19	28-Dec-20	28-Dec-20	INE950O07339	Principal+Interest

Put option

For and on behalf of the Board of Directors
Mahindra Rural Housing Finance Limited

Date : 15 July 2020
Place : Mumbai

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Anuj Mehra
Managing Director

B S R & Co. LLP

Chartered Accountants

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Limited Review Report on Unaudited Quarterly Financial Results of Mahindra Rural Housing Finance Limited for the quarter ended 30 June 2020

To the Board of Directors of Mahindra Rural Housing Finance Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Mahindra Rural Housing Finance Limited ('the Company') for the quarter ended 30 June 2020 ('the Statement').
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared for submission to stock exchange, pursuant to circular SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22 October 2019, as amended, which requires a company to prepare financial results for the purpose of consolidated financial results of its parent company in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations'). The Statement 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. 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. Attention is drawn to the fact that the figures for the three months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. 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 recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 and additional line items as required under Regulation 52(4) of the Listing Regulations including the manner in which it is to be disclosed or that it contains any material misstatement.

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, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
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Limited Review Report on Unaudited Quarterly Financial Results of Mahindra Rural Housing Finance Limited for the quarter ended 30 June 2020 (Continued)

Mahindra Rural Housing Finance Limited

6. As described in Note 2 to the Statement, in respect of accounts where moratorium benefit has been granted, the staging of those accounts at 30 June 2020 is based on the days past due status as on the date when the moratorium benefit was granted and is in accordance with the COVID-19 Regulatory Package announced by the Reserve Bank of India vide notifications dated 27 March 2020, 17 April 2020 and 23 May 2020. 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 these matters.

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

Chartered Accountants

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

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LAKHANI

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Date: 2020.07.15 16:59:31
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Sagar Lakhani

Partner

Membership No: 111855

UDIN No: 20111855AAAAEZ7822

Mumbai
15 July 2020