

**Building the nation's future.
One dream at a time.**

**Transformed more than 38 lakh rural lives
in over 2.5 lakh villages**

Mahindra FINANCE
Bharat Ko Pehchante Hain Hum

PART - I STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2015

Rs. in Lacs

Particulars	STANDALONE						CONSOLIDATED						
	Quarter ended			Half year ended			Quarter ended			Half year ended			Year ended
	30th Sep 2015 (Unaudited)	30th June 2015 (Unaudited)	30th Sep 2014 (Unaudited)	30th Sep 2015 (Audited)	30th Sep 2014 (Audited)	31st March 2015 (Audited)	30th Sep 2015 (Unaudited)	30th June 2015 (Unaudited)	30th Sep 2014 (Unaudited)	30th Sep 2015 (Audited)	30th Sep 2014 (Audited)	31st March 2015 (Audited)	
1 Income from operations	142000.45	136082.79	135367.04	278083.24	262879.77	553605.61	157890.36	150465.03	146760.59	308355.39	284437.33	602114.28	
Total Income from operations	142000.45	136082.79	135367.04	278083.24	262879.77	553605.61	157890.36	150465.03	146760.59	308355.39	284437.33	602114.28	
2 Expenses:													
a) Employee benefits expense	13838.23	12941.43	11741.89	26779.66	22583.79	45908.20	16996.29	15931.86	14278.47	32928.15	27548.13	56710.19	
b) Depreciation and amortization expense	1014.93	979.93	1007.75	1994.86	2123.47	4151.63	1109.43	1087.24	1102.94	2196.67	2326.19	4550.76	
c) Loan provisions and write off (refer note no.6)	27719.89	32283.94	18416.08	60003.83	40911.29	82748.89	29195.05	33746.36	18966.55	62941.41	42219.02	84912.26	
d) Other expenses	13231.49	12427.25	12464.89	25658.74	23200.43	50624.35	15190.38	14241.67	13807.71	29432.05	25715.31	55630.68	
Total expenses	55804.54	58632.55	43630.61	114437.09	88818.98	183433.07	62491.15	65007.13	48155.67	127498.28	97808.65	201803.89	
3 Profit from operations before other income and finance costs (1-2)	86195.91	77450.24	91736.43	163646.15	174060.79	370172.54	95399.21	85457.90	98604.92	180857.11	186628.68	400310.39	
4 Other income	1830.88	758.48	1520.75	2589.36	2306.63	4864.99	844.13	800.17	728.43	1644.30	1488.73	3976.28	
5 Profit from ordinary activities before finance costs (3+4)	88026.79	78208.72	93257.18	166235.51	176367.42	375037.53	96243.34	86258.07	99333.35	182501.41	188117.41	404286.67	
6 Finance costs	65420.12	64446.81	61675.85	129866.93	121167.30	249673.13	70958.17	69276.05	65127.59	140234.22	127738.57	264299.81	
7 Profit from ordinary activities before tax (5-6)	22606.67	13761.91	31581.33	36368.58	55200.12	125364.40	25285.17	16982.02	34205.76	42267.19	60378.84	139986.86	
8 Tax expense	7989.12	4863.51	10872.03	12852.63	19003.03	42186.81	9316.15	6010.75	12012.18	15326.90	21042.06	47500.11	
9 Net profit after taxes for the period / year (7-8)	14617.55	8898.40	20709.30	23515.95	36197.09	83177.59	15969.02	10971.27	22193.58	26940.29	39336.78	92486.75	
10 Minority interest	-	-	-	-	-	-	257.65	229.37	258.18	487.02	450.46	1196.21	
11 Net profit after taxes and minority interest (9-10)	14617.55	8898.40	20709.30	23515.95	36197.09	83177.59	15711.37	10741.90	21935.40	26453.27	38886.32	91290.54	
12 Paid-up equity share capital (face value of Rs.2/- each)				11284.78	11277.75	11282.81				11284.78	11277.75	11282.81	
13 Reserves						55658.09						582988.88	
14 Earnings per share #													
a) Basic [Rs.]	2.59	1.58	3.67	4.17	6.42	14.75	2.78	1.91	3.89	4.69	6.90	16.19	
b) Diluted [Rs.]	2.57	1.56	3.64	4.13	6.36	14.62	2.76	1.89	3.86	4.65	6.84	16.05	

Earnings per share for the interim period is not annualised.

PART - II SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2015

Particulars	STANDALONE						CONSOLIDATED						
	Quarter ended			Half year ended			Quarter ended			Half year ended			Year ended
	30th Sep 2015	30th June 2015	30th Sep 2014	30th Sep 2015	30th Sep 2014	31st March 2015	30th Sep 2015	30th June 2015	30th Sep 2014	30th Sep 2015	30th Sep 2014	31st March 2015	
A PARTICULARS OF SHAREHOLDING													
1 Public shareholding													
- Number of shares	273031115	272965246	272679771	273031115	272679771	272933011	273031115	272965246	272679771	273031115	272679771	272933011	
- Percentage of shareholdings	48.00%	47.99%	47.94%	48.00%	47.94%	47.99%	48.00%	47.99%	47.94%	48.00%	47.94%	47.99%	
2 Promoters and Promoter Group shareholding :													
a) Pledged / encumbered													
- Number of shares	-	-	-	-	-	-	-	-	-	-	-	-	
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	-	-	-	-	-	-	-	-	-	-	-	-	
- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-	-	-	-	-	-	-	
b) Non-encumbered													
- Number of shares	295733845	295799714	296085189	295733845	296085189	295831949	295733845	295799714	296085189	295733845	296085189	295831949	
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
- Percentage of shares (as a % of the total share capital of the Company)	52.00%	52.01%	52.06%	52.00%	52.06%	52.01%	52.00%	52.01%	52.06%	52.00%	52.06%	52.01%	

Notes:

1) The above financial results for the quarter and half year ended 30th September, 2015 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 21st October, 2015.

2) The results for the half year ended 30th September, 2015 have been subjected to an "Audit" and the results for the quarter ended 30th September, 2015 have been subjected to a "Limited Review" by the Statutory Auditors of the Company.

3) The Consolidated financial results include the results of the subsidiaries Mahindra Insurance Brokers Ltd. (85%), Mahindra Rural Housing Finance Ltd. (87.50%), Mahindra Asset Management Company Private Limited (100%), Mahindra Trustee Company Private Limited (100%) and financial results of a (49%) Joint Venture company, Mahindra Finance USA LLC, in the United States.

4) The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Accounting Standard 17 dealing with Segment Reporting.

5) The Company has complied with the prudential guidelines issued by the Reserve Bank of India in respect of Income Recognition and Provision for Non-Performing Assets (NPAs).

6) The RBI vide its notification no DNBR. O11/CGM (CDS)-2015 dt. March 27, 2015 has revised the asset classification norms for NPAs and standard assets under its prudential norms applicable to NBFCs in a phased manner commencing from financial year ending 31st March 2016, upto the financial year ending 31st March 2018 which would result in an additional provision. The Company follows prudential norms for income recognition, asset classification and provisioning for NPAs as prescribed by RBI for NBFCs and has also been making additional provision on a prudential basis. The Company has complied with the revised regulatory norms of recognising NPAs at 5 months applicable for the current financial year.

Effective from the current quarter ended 30th September, 2015, the Company as a prudent practice, has also decided to accelerate the recognition of NPAs in a phased manner so as to meet the revised norms of 4 months before 31st March, 2017. Accordingly, an additional provision of Rs. 6105.49 lacs (including income de-recognition) has been made with a consequent impact on Profit before tax for the quarter and half year ended 30th September, 2015.

7) During the quarter ended 30th September, 2015, the Company has made following investments :

i) Rs.1614.00 lacs equivalent to US \$ 2.53 million being additional investment in Mahindra Finance USA LLC, a Joint Venture company formed jointly with De Lage Landin Financial Services Inc. in the United States (half year ended 30th September, 2015 Rs.2657.83 lacs equivalent to US \$ 4.16 million).

ii) Rs.5250.00 lacs being additional investment in Mahindra Asset Management Company Private Limited, its subsidiary, by subscription to 5,25,00,000 equity shares of face value of Rs.10/- each, fully paid up, on a rights basis (half year ended 30th September, 2015 Rs.5250.00 lacs).

8) During the quarter ended 31st March, 2015, the erstwhile Mahindra Business & Consulting Services Private Ltd. (MBCSPL), a wholly owned subsidiary, was amalgamated with the Company as per the approved scheme of amalgamation and the effect thereof was given in the financial statements effective from the appointed date 01st April, 2014. As a result of this, the standalone financial results for the quarter/half year ended 30th September, 2015 are strictly not comparable with corresponding quarter/half year of the previous year.

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

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

Ramesh Iyer
Managing Director

Date : 21st October, 2015
Place : Mumbai

Mahindra & Mahindra Financial Services Limited.
CIN: L65921MH1991PLC059642.

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