



Mahindra & Mahindra Financial Services Limited
Registered Office: Gateway Building, Apollo Bunder, Mumbai 400 001.

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31ST MARCH, 2011

(Rupees in Lacs)

Particulars	Quarter ended 31st March		Year ended 31st March	
	2011	2010	2011	2010
Income from Operations	59162.54	46361.45	197393.35	153076.96
Total	59162.54	46361.45	197393.35	153076.96
Financial Expenses	19562.42	12402.46	66020.97	50173.24
Staff Cost	4698.84	3759.64	15150.49	12807.49
Other Expenses	9566.15	5984.99	32592.69	18700.36
Provisions and Write Off	1150.59	3393.17	12527.57	22152.18
Depreciation & Amortisation	562.99	279.98	1578.80	990.29
Total	35540.99	25820.24	127870.52	104823.56
Profit from Operations before Other Income and Exceptional Item	23621.55	20541.21	69522.83	48253.40
Other Income	1067.36	1135.22	3864.99	3803.45
Profit from Operations before Exceptional Item	24688.91	21676.43	73387.82	52056.85
Exceptional Item	294.00	-	3,143.00	-
Profit from Ordinary Activities Before Tax	24394.91	21676.43	70244.82	52056.85
Tax Expense	8739.90	7653.21	23933.90	17618.21
Net Profit After Tax	15655.01	14023.22	46310.92	34438.64
Short / (Excess) provision for Income Tax - Earlier Years (net)	-	-	-	167.91
Net Profit for the period / year	15655.01	14023.22	46310.92	34270.73
Paid-up Equity Share Capital (Face Value of Rs.10/- each)			10245.29	9598.15
Reserves			238556.05	163138.37
Earnings Per Share #				
Basic (Rs.)	15.83	14.62	47.85	35.78
Diluted (Rs.)	15.05	14.47	44.53	35.37
Total Public Shareholding				
Number of shares	44211432	37739945	44211432	37739945
Percentage of holdings	42.51%	38.95%	42.51%	38.95%
Promoters and Promoter Group Shareholding :				
a) Pledged / Encumbered				
Number of shares	0	0	0	0
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	0.00%	0.00%	0.00%	0.00%
Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	0.00%	0.00%
b) Non-encumbered				
Number of shares	59791303	59160580	59791303	59160580
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%
Percentage of shares (as a % of the total share capital of the company)	57.49%	61.05%	57.49%	61.05%

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31ST MARCH,2011

(Rupees in Lacs)

Particulars	Quarter ended 31st March		Year ended 31st March	
	2011	2010	2011	2010
	Income from Operations	61343.97	47256.29	204351.71
Total	61343.97	47256.29	204351.71	156122.52
Financial Expenses	19735.25	12466.29	66618.59	50279.71
Staff Cost	6890.39	4878.80	22398.30	15943.20
Other Expenses	7699.35	5046.47	26222.69	16135.26
Provisions and Write Off	1130.97	3393.79	12592.26	22180.15
Depreciation & Amortisation	572.97	285.47	1614.69	1007.72
Total	36028.93	26070.82	129446.53	105546.04
Profit from Operations before Other Income, Exceptional Item and Minority Interest	25315.04	21185.47	74905.18	50576.48
Other Income	769.43	1032.30	3086.91	3437.63
Profit from Ordinary Activities Before Tax, Exceptional Item and Minority Interest	26084.47	22217.77	77992.09	54014.11
Exceptional Item	371.69	-	3,220.69	-
Profit from Ordinary Activities Before Tax and Minority Interest	25712.78	22217.77	74771.40	54014.11
Tax Expense	9147.01	7819.93	25395.07	18236.79
Net Profit After Tax and before Minority Interest	16565.77	14397.84	49376.33	35777.32
Short / (Excess) provision for Income Tax - Earlier Years (net)	-	-	10.14	167.91
Net Profit After Tax for the period / year before Minority Interest	16565.77	14397.84	49366.19	35609.41
Minority Interest in Profit / (Loss)	12.46	15.77	89.06	27.27
Net Profit for the period / year after Minority Interest	16553.31	14382.07	49277.13	35582.14
Paid-up Equity Share Capital (Face Value of Rs.10/- each)			10245.29	9598.15
Reserves			244044.43	165758.06
Earnings Per Share #				
Basic (Rs.)	16.74	15.00	50.92	37.15
Diluted (Rs.)	15.92	14.84	47.38	36.72
Total Public Shareholding				
Number of shares	44211432	37739945	44211432	37739945
Percentage of holdings	42.51%	38.95%	42.51%	38.95%
Promoters and Promoter Group Shareholding :				
a) Pledged / Encumbered				
Number of shares	0	0	0	0
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	0.00%	0.00%	0.00%	0.00%
Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	0.00%	0.00%
b) Non-encumbered				
Number of shares	59791303	59160580	59791303	59160580
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%
Percentage of shares (as a % of the total share capital of the company)	57.49%	61.05%	57.49%	61.05%

Earnings per share for the interim period is not annualised.

STATEMENT OF ASSETS AND LIABILITIES AS ON 31ST MARCH,2011

(Rupees in Lacs)

Particulars	Standalone		Consolidated	
	Year ended 31st March		Year ended 31st March	
	2011	2010	2011	2010
SHAREHOLDERS' FUNDS :				
a) Capital	10245.29	9598.15	10245.29	9598.15
b) Employee Stock Options Outstanding	208.08	119.95	208.08	119.95
c) Reserves and Surplus	238556.05	163138.37	244044.43	165758.06
	249009.42	172856.47	254497.80	175476.16
Minority Interest	-	-	468.34	179.28
LOAN FUNDS	967501.44	645775.20	978462.57	652498.20
TOTAL	1216510.86	818631.67	1233428.71	828153.64
FIXED ASSETS	8177.23	4760.07	8402.53	4863.49
INVESTMENTS	67455.45	21592.94	62517.42	20337.18
DEFERRED TAX ASSET	21672.96	20692.87	21755.97	20716.82
CURRENT ASSETS, LOANS AND ADVANCES :				
a) Sundry Debtors	384.06	425.59	726.81	554.43
b) Cash and Bank balances	29761.99	24199.16	32358.73	24434.49
c) Other Current Assets	1458.92	376.64	1273.16	391.97
d) Loans and Advances	1246498.86	879450.69	1266923.54	890243.71
	1278103.83	904452.08	1301282.24	915624.60
Less : Current Liabilities and Provisions :				
a) Liabilities	78019.52	59989.23	78757.35	60006.21
b) Provisions	80879.09	72877.06	81772.10	73382.24
	158898.61	132866.29	160529.45	133388.45
NET CURRENT ASSETS	1119205.22	771585.79	1140752.79	782236.15
TOTAL	1216510.86	818631.67	1233428.71	828153.64

Notes:

- 1) The above results have been reviewed by the audit committee and subsequently approved by the Board of Directors of the Company at its Meeting held on 25th April,2011.
- 2) The Board of Directors have recommended a dividend of Rs.10/- per share on Equity Share of Rs.10/- each. The dividend will absorb a sum of Rs.12127.63 lacs (including dividend distribution tax).
- 3) The Consolidated results includes the audited Financial Results of the subsidiaries Mahindra Insurance Brokers Ltd. (100%), Mahindra Rural Housing Finance Ltd. (87.50%), Mahindra Business & Consulting Services Private Ltd. (100%) and unaudited financial results of a 49% Joint Venture company, Mahindra Finance USA LLC, in the United States.
- 4) The Company has a single reportable segment, namely financial services for the purpose of Accounting Standard 17 on 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.
- 6) Exceptional item represents General Provision @0.25% on standard assets.
- 7) During the quarter ended 31st March,2011, the company has made an initial investment of Rs. 2282.27 lacs (US \$ 5.02 million) in Mahindra Finance USA LLC, a Joint Venture company formed jointly with De Lage Landen Financial Services Inc. in the United States.
- 8) During the quarter ended 31st March 2011, the company has allotted :
 - a) 61,33,205 Equity shares of Rs.10/- each at a cash price of Rs.695/- per share including share premium of Rs.685/- per share to Qualified Institutional Buyers (QIBs) under the Qualified Institutional Placement (QIP).
 - b) 9,69,005 Equity shares of Rs.10/- each at par for cash to Mahindra & Mahindra Financial Services Limited Employees Stock Option Trust under the newly approved ESOP Scheme 2010.
- 9) Income from Operations for the quarter ended 31st March,2011 includes Income from fresh assignment transactions (net of upfront provision for loss/expenses) of Rs.1543.10 Lacs (net of tax Rs.1017.37 lacs) [Quarter ended 31st March 2010 : Rs.4594.86 lacs (net of tax Rs.3024.80 lacs)].
Income from Operations for the year ended 31st March 2011 includes Income from fresh assignment transactions (net of upfront provision for loss/expenses) of Rs.5322.14 Lacs (net of tax Rs.3508.89 lacs) [March 2010 : Rs.11006.74 lacs (net of tax Rs.7245.74 lacs)] and a write back of provision on earlier assignment transactions of Rs.3648.00 lacs (net of tax Rs.2405.13 lacs) [March 2010 : Rs.1546.07 lacs (net of tax Rs.1017.78 lacs)] no longer required.
- 10) In the standalone results, Other Expenses for the quarter ended 31st March, 2011 includes Rs.1895.46 lacs (Quarter ended 31st March 2010 : Rs.810.68 lacs) and for the year ended 31st March 2011 includes Rs.5626.22 lacs (March '10: Rs.1828.33 lacs) incurred towards professional fees for manpower services provided by Mahindra Business & Consulting Services Private Ltd., a wholly owned subsidiary company.
- 11) Information on Investor Complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 31st March,2011.

Particulars	Opening Balance	Additions	Disposals	Closing Balance
Number of Complaints	0	21	21	0

- 12) Previous period/year figures are regrouped, wherever found necessary.

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

**Date : 25th April,2011
Place : Mumbai**

**Sd/-
Ramesh Iyer
Managing Director**