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

PART - I

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

Rs. in Lacs

	Particulars	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)
1	**Income from operations**						
	Total Income from operations	142000.45	136082.79	135367.04	278083.24	262879.77	553605.61
2	**Expenses:**	**142000.45**	**136082.79**	**135367.04**	**278083.24**	**262879.77**	**553605.61**
	a) Employee benefits expense	13838.23	12941.43	11741.89	26779.66	22583.79	45908.20
	b) Depreciation and amortization expense	1014.93	979.93	1007.75	1994.86	2123.47	4151.63
	c) Loan provisions and write off (refer note no.6)	27719.89	32283.94	18416.08	60003.83	40911.29	82748.89
	d) Other expenses	13231.49	12427.25	12464.89	25658.74	23200.43	50624.35
	Total expenses	**55804.54**	**58632.55**	**43630.61**	**114437.09**	**88818.98**	**183433.07**
3	**Profit from operations before other income and finance costs (1-2)**	**86195.91**	**77450.24**	**91736.43**	**163646.15**	**174060.79**	**370172.54**
4	Other income	1830.88	758.48	1520.75	2589.36	2306.63	4864.99
5	**Profit from ordinary activities before finance costs (3+4)**	**88026.79**	**78208.72**	**93257.18**	**166235.51**	**176367.42**	**375037.53**
6	Finance costs	65420.12	64446.81	61675.85	129866.93	121167.30	249673.13
7	**Profit from ordinary activities before tax (5-6)**	**22606.67**	**13761.91**	**31581.33**	**36368.58**	**55200.12**	**125364.40**
8	Tax expense	7989.12	4863.51	10872.03	12852.63	19003.03	42186.81
9	**Net profit after taxes for the period / year (7-8)**	**14617.55**	**8898.40**	**20709.30**	**23515.95**	**36197.09**	**83177.59**
10	**Paid-up equity share capital (face value of Rs.2/- each)**				**11284.78**	**11277.75**	**11282.81**
11	**Reserves**						**555658.09**
12	**Earnings per share #**						
	a) Basic (Rs.)	2.59	1.58	3.67	4.17	6.42	14.75
	b) Diluted (Rs.)	2.57	1.56	3.64	4.13	6.36	14.62

 # Earnings per share for the interim period is not annualised.

Mahindra & Mahindra Financial Services Limited Mumbai

PART - II

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

	Particulars	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
A	**PARTICULARS OF SHAREHOLDING**						
1	**Public shareholding**						
	- Number of shares	273031115	272965246	272679771	273031115	272679771	272933011
	- Percentage of shareholdings	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
	- 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%
	- 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%

	Particulars	Quarter ended 30th Sep 2015
B	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the quarter	-
	Received during the quarter	3
	Disposed off during the quarter	3
	Remaining unresolved at the end of the quarter	-

PART - I

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

Rs. in Lacs

	Particulars	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)
1	**Income from operations**	157890.36	150465.03	146760.59	308355.39	284437.33	602114.28
	Total Income from operations	**157890.36**	**150465.03**	**146760.59**	**308355.39**	**284437.33**	**602114.28**
2	**Expenses:**						
	a) Employee benefits expense	16996.29	15931.86	14278.47	32928.15	27548.13	56710.19
	b) Depreciation and amortization expense	1109.43	1087.24	1102.94	2196.67	2326.19	4550.76
	c) Loan provisions and write off (refer note no.6)	29195.05	33746.36	18966.55	62941.41	42219.02	84912.26
	d) Other expenses	15190.38	14241.67	13807.71	29432.05	25715.31	55630.68
	Total expenses	**62491.15**	**65007.13**	**48155.67**	**127498.28**	**97808.65**	**201803.89**
3	**Profit from operations before other income and finance costs (1-2)**	**95399.21**	**85457.90**	**98604.92**	**180857.11**	**186628.68**	**400310.39**
4	Other income	844.13	800.17	728.43	1644.30	1488.73	3976.28
5	**Profit from ordinary activities before finance costs (3+4)**	**96243.34**	**86258.07**	**99333.35**	**182501.41**	**188117.41**	**404286.67**
6	Finance costs	70958.17	69276.05	65127.59	140234.22	127738.57	264299.81
7	**Profit from ordinary activities before tax (5-6)**	**25285.17**	**16982.02**	**34205.76**	**42267.19**	**60378.84**	**139986.86**
8	Tax expense	9316.15	6010.75	12012.18	15326.90	21042.06	47500.11
9	**Net profit after taxes for the period / year (7-8)**	**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	1,196.21
11	**Net profit after taxes and minority interest (9-10)**	**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**
13	**Reserves**						**582988.88**
14	**Earnings per share #**						
	a) Basic (Rs.)	2.78	1.91	3.89	4.69	6.90	16.19
	b) Diluted (Rs.)	2.76	1.89	3.86	4.65	6.84	16.05

 # Earnings per share for the interim period is not annualised.

Mahindra & Mahindra Financial Services Limited Mumbai

PART - II

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

	Particulars	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
A	**PARTICULARS OF SHAREHOLDING**						
1	**Public shareholding**						
	- Number of shares	273031115	272965246	272679771	273031115	272679771	272933011
	- Percentage of shareholdings	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
	- 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%
	- 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%

Mahindra & Mahindra Financial Services Limited Mumbai

AUDITED STATEMENT OF ASSETS AND LIABILITIES

Rs. in Lacs

	Particulars	STANDALONE			CONSOLIDATED		
		As at 30th Sep 2015	As at 30th Sep 2014	As at 31st March 2015	As at 30th Sep 2015	As at 30th Sep 2014	As at 31st March 2015
A	**EQUITY AND LIABILITIES**						
1	**Shareholders' funds**						
	a) Share capital	11284.78	11277.75	11282.81	11284.78	11277.75	11282.81
	b) Reserves and surplus	580021.22	534181.11	555658.09	610996.24	556358.06	582988.88
	Sub-total - Shareholders' funds	**591306.00**	**545458.86**	**566940.90**	**622281.02**	**567635.81**	**594271.69**
2	**Minority Interest**	-	-	-	**5,229.88**	**4,183.73**	**4,929.60**
3	**Non-current liabilities**						
	a) Long-term borrowings	1741199.19	1543986.92	1478714.78	2002340.53	1709435.42	1686524.66
	b) Other long-term liabilities	36881.52	27715.91	30247.97	36882.52	27777.15	30247.97
	c) Long term provisions	46290.69	31878.17	32796.05	50253.24	34064.13	35267.59
	Sub-total - Non-current liabilities	**1824371.40**	**1603581.00**	**1541758.80**	**2089476.29**	**1771276.70**	**1752040.22**
4	**Current liabilities**						
	a) Short term borrowings	462535.96	393232.59	487098.39	525828.62	432394.37	525861.91
	b) Trade payables	46488.50	47789.19	47790.43	48610.65	49124.16	49545.23
	c) Other current liabilities	666403.48	698164.67	748764.20	746482.21	753106.31	818226.02
	d) Short term provisions	109957.66	81990.44	115061.82	114351.79	84566.62	118439.35
	Sub-total - Current liabilities	**1285385.60**	**1221176.89**	**1398714.84**	**1435273.27**	**1319191.46**	**1512072.51**
	TOTAL - EQUITY AND LIABILITIES	**3701063.00**	**3370216.75**	**3507414.54**	**4152260.46**	**3662287.70**	**3863314.02**
B	**ASSETS**						
1	**Non-current assets**						
	a) Fixed assets	10927.69	10572.92	11005.32	11830.88	11422.64	11913.52
	b) Goodwill on consolidation	-	-	-	4.05	4.05	4.05
	c) Non-current investments	89959.64	62921.48	75992.00	62026.83	44408.83	55967.01
	d) Deferred tax assets (Net)	44899.54	35173.23	41526.17	45703.84	35615.09	42125.77
	e) Long-term loans and advances	1714054.94	1608125.66	1700368.74	2071560.95	1840453.13	1988826.44
	f) Other non-current assets	28571.65	3217.00	23203.46	28631.65	3277.00	23263.46
	Sub-total - Non-current assets	**1888413.46**	**1720010.29**	**1852095.69**	**2219758.20**	**1935180.74**	**2122100.25**
2	**Current assets**						
	a) Current investments	14175.00	4595.33	9375.00	19167.46	4595.33	9449.80
	b) Trade receivables	507.28	542.85	567.25	1016.75	1072.20	1454.15
	c) Cash and bank balances	37878.03	60419.08	47937.84	41428.36	61840.62	49364.02
	d) Short-term loans and advances	1752555.90	1577722.23	1592606.84	1863712.45	1652752.76	1676198.37
	e) Other current assets	7533.33	6926.97	4831.92	7177.24	6846.05	4747.43
	Sub-total - Current assets	**1812649.54**	**1650206.46**	**1655318.85**	**1932502.26**	**1727106.96**	**1741213.77**
	TOTAL - ASSETS	**3701063.00**	**3370216.75**	**3507414.54**	**4152260.46**	**3662287.70**	**3863314.02**

Mahindra & Mahindra Financial Services Limited Mumbai

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 it's notification no DNBR. 011/CGM (CDS)-2015 dt. March 27, 2015 has revised the asset classification norms for NPAs and substandard 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 Landen 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.

Mahindra & Mahindra Financial Services Limited Mumbai

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

Ramesh Iyer
Managing Director

Date : 21st October, 2015
Place : Mumbai