

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

PART - I

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2014

		Quarter ended			Year ended (Audited)	Rs. in Lacs
		30th June 2014	31st March 2014 *	30th June 2013		
	Particulars					
1	Income from operations	127512.73	136020.91	109246.48	492163.21	
	Total Income from operations	127512.73	136020.91	109246.48	492163.21	
2	Expenses:					
a)	Employee benefits expense	10841.90	10082.17	5924.53	29733.41	
b)	Depreciation and amortization expense	1115.72	640.18	624.04	2429.62	
c)	Loan provisions and write off	22495.21	7475.23	12521.75	50578.57	
d)	Other expenses	10735.54	12205.12	14093.63	59180.56	
	Total expenses	45188.37	30402.70	33163.95	141922.16	
3	Profit from operations before other income and finance costs (1-2)	82324.36	105618.21	76082.53	350241.05	
4	Other income	785.88	1043.88	604.80	3137.24	
5	Profit from ordinary activities before finance costs (3+4)	83110.24	106662.09	76687.33	353378.29	
6	Finance costs	59491.45	59748.15	47612.50	218801.45	
7	Profit from ordinary activities before tax (5-6)	23618.79	46913.94	29074.83	134576.84	
8	Tax expense	8131.00	15844.09	9953.00	45854.09	
9	Net profit after taxes for the period / year (7-8)	15487.79	31069.85	19121.83	88722.75	
10	Paid-up equity share capital (face value of Rs.2/- each)				11270.50	
11	Reserves				498151.10	
12	Earnings per share #					
a)	Basic (Rs.)	2.75	5.52	3.40	15.75	
b)	Diluted (Rs.)	2.72	5.46	3.36	15.60	

Earnings per share for the interim period is not annualised.



PART - II

SELECT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2014

	Particulars	Quarter ended			Year ended
		30th June 2014	31st March 2014	30th June 2013	
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	272519164	272317459	271891910	272317459
	- Percentage of shareholdings	47.91%	47.88%	47.80%	47.88%
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	296245796	296447501	296873050	296447501
	- 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)	52.09%	52.12%	52.20%	52.12%

	Quarter ended 30th June 2014
B	
INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	-
Received during the quarter	5
Disposed off during the quarter	5
Remaining unresolved at the end of the quarter	-



PART - I

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2014

Rs. in Lacs

	Particulars	Quarter ended			Year ended (Audited)
		30th June 2014	31st March 2014 *	30th June 2013	31st March 2014
1	Income from operations	137676.74	146616.92	116467.96	527522.73
	Total Income from operations	137676.74	146616.92	116467.96	527522.73
2	Expenses:				
a)	Employee benefits expense	13269.66	13715.60	11292.61	49450.51
b)	Depreciation and amortization expense	1223.25	689.58	662.52	2608.05
c)	Loan provisions and write off	23252.47	7747.92	13015.01	51898.42
d)	Other expenses	11907.60	11801.01	11563.58	51849.11
	Total expenses	49652.98	33954.11	36533.72	155806.09
3	Profit from operations before other income and finance costs (1-2)	88023.76	112662.81	79934.24	371716.64
4	Other income	760.30	984.46	597.56	2532.55
5	Profit from ordinary activities before finance costs (3+4)	88784.06	113647.27	80531.80	374249.19
6	Finance costs	62610.98	62436.98	49475.69	228096.44
7	Profit from ordinary activities before tax (5-6)	26173.08	51210.29	31056.11	146152.75
8	Tax expense	9029.88	17207.68	10600.23	49675.33
9	Net profit after taxes for the period / year (7-8)	17143.20	34002.61	20455.88	96477.42
10	Minority interest	192.28	351.41	150.67	1035.28
11	Net profit after taxes and minority interest (9-10)	16950.92	33651.20	20305.21	95442.14
12	Paid-up equity share capital (face value of Rs.2/- each)				11270.50
13	Reserves				518099.02
14	Earnings per share #				
a)	Basic (Rs.)	3.01	5.97	3.61	16.95
b)	Diluted (Rs.)	2.98	5.92	3.57	16.78

Earnings per share for the interim period is not annualised.



PART - II

SELECT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2014

	Particulars	Quarter ended			Year ended
		30th June 2014	31st March 2014	30th June 2013	
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	272519164	272317459	271891910	272317459
	- Percentage of shareholdings	47.91%	47.88%	47.80%	47.88%
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	296245796	296447501	296873050	296447501
	- 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)	52.09%	52.12%	52.20%	52.12%



Notes:

- 1) The above financial results for the quarter ended 30th June, 2014 have been subjected to limited review by the Statutory Auditors of the Company. These results were reviewed by the Audit Committee at its meeting held on 23rd July, 2014 and subsequently approved by the Board of Directors of the Company at its meeting held on 24th July, 2014.
- 2) The Consolidated financial results include the results of the subsidiaries Mahindra Insurance Brokers Ltd. (85%), Mahindra Rural Housing Finance Ltd. (87.50%), Mahindra Business & Consulting Services Private Ltd. (100%), Mahindra Asset Management Company Private Limited (100%), Mahindra Trustee Company Private Limited (99.99%) and financial results of a (49%) Joint Venture company, Mahindra Finance USA LLC, in the United States.
- 3) 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.
- 4) 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.
- 5)* The figures for the quarter ended 31st March, 2014 are the balancing figures between audited figures in respect of the full financial year and the published year- to-date figures up to third quarter of the relevant financial year.
- 6) During the quarter ended 30th June, 2014, the Company has made following investments :
 - i) Initial investment of Rs.4.99 lacs in 49998 equity shares of face value of Rs.10/- each in Mahindra Trustee Company Private Limited, a newly formed subsidiary, which was incorporated on 10th July, 2013.
 - ii) Additional investments of Rs.457.56 lacs equivalent to US \$ 0.76 million in Mahindra Finance USA LLC, a Joint Venture company formed jointly with De Lage Landen Financial Services Inc. in the United States (quarter ended 30th June, 2013 Rs.1119.35 lacs equivalent to US \$ 2.06 million).
- 7) Pursuant to the Companies Act, 2013 (the "Act") becoming effective from 1st April, 2014, the Company has recomputed the depreciation based on the useful life of the assets as prescribed in Schedule II of the Act. This has resulted in additional charge of depreciation of Rs.448.14 lacs for the quarter ended 30th June, 2014. Further, as per the transitional provision, the Company has adjusted Rs. 317.77 lacs (net of Deferred tax of Rs. 163.62 lacs) in the opening balance of retained earnings.
- 8) In the standalone results, Other expenses for the quarter ended 30th June, 2014 includes Rs.232.30 lacs (quarter ended 31st March, 2014 : Rs.1391.85 lacs, quarter ended 30th June, 2013 : Rs. 4179.91 lacs and year ended 31st March, 2014 Rs.15011.59 lacs respectively) incurred towards professional fees for manpower services provided by Mahindra Business & Consulting Services Private Ltd. During the quarter, in addition to some of the employees already transferred in the previous quarter, some more employees have been transferred on the payrolls of the Company and the cost of these employees of Rs. 3374.27 lacs (quarter ended 31st March, 2014: Rs. 2237.26 lacs) is included in employee benefits expense for the quarter ended 30th June, 2014.
- 9) Previous period/year figures have been regrouped / reclassified, wherever found necessary, to conform to current period/year classification.

Date : 24th July, 2014
Place : Mumbai



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

Ramesh Iyer
Managing Director

Ramesh Iyer