

# Mahindra Finance

**Mahindra & Mahindra  
Financial Services Limited**  
4th Floor, "A" Wing, Mahindra Towers,  
Dr. G. M. Bhosale Marg, P. K. Kume Chowk,  
Worli, Mumbai - 400 018, India.  
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27<sup>th</sup> July, 2012

The Manager - Listing Department,  
National Stock Exchange of India Limited,  
"Exchange Plaza", 5th Floor,  
Plot No.C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (East),  
Mumbai 400 051.

Tel. No. 2659 8235/2659 8236

Fax No: 2659 8237/2659 8238/2659 8120

**Name of the Scrip : Mahindra & Mahindra Financial Services Limited**

**Scrip Code : M&MFN**

Dear Sir,

**Sub: Unaudited Financial Results for the First Quarter  
ended 30<sup>th</sup> June, 2012**

As required under Clause 41 of the Listing Agreement, we are enclosing a copy of the Unaudited Financial Results of our Company for the First Quarter ended 30<sup>th</sup> June, 2012, together with a copy of the Press Release. Also enclosed is a Limited Review Report of the Financial Results for the First Quarter ended 30<sup>th</sup> June, 2012 by our Statutory Auditors, M/s. B. K. Khare & Co.

Kindly take the same on record.

Thanking you,

Yours faithfully,  
Mahindra & Mahindra Financial Services Limited

*Arnavaz*

Arnavaz M. Pardiwalla

Company Secretary & Compliance Officer

Encl: a/a



| Mahindra & Mahindra Financial Services Limited<br>Registered Office: Gateway Building, Apollo Bunder, Mumbai 400 001. |                   |                    |                   |                    |                   |                    |                   |                    |  |
|-----------------------------------------------------------------------------------------------------------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|--|
| PART - I                                                                                                              |                   |                    |                   |                    |                   |                    |                   |                    |  |
| STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2012                                        |                   |                    |                   |                    |                   |                    |                   |                    |  |
| (Rs. in Lakhs)                                                                                                        |                   |                    |                   |                    |                   |                    |                   |                    |  |
| Particulars                                                                                                           | STANDALONE        |                    |                   |                    | CONSOLIDATED      |                    |                   |                    |  |
|                                                                                                                       | Quarter ended     |                    |                   | Year ended         | Quarter ended     |                    |                   | Year ended         |  |
|                                                                                                                       | 30th June<br>2012 | 31st March<br>2012 | 30th June<br>2011 | 31st March<br>2012 | 30th June<br>2012 | 31st March<br>2012 | 30th June<br>2011 | 31st March<br>2012 |  |
|                                                                                                                       |                   |                    |                   | (Audited)          |                   |                    |                   | (Audited)          |  |
| 1 Income from Operations                                                                                              | 83509.99          | 83926.75           | 55363.82          | 276811.05          | 88268.73          | 88068.31           | 57490.13          | 285531.04          |  |
| Total income from Operations                                                                                          | 83509.99          | 83926.75           | 55363.82          | 276811.05          | 88268.73          | 88068.31           | 57490.13          | 285531.04          |  |
| 2 Expenses:                                                                                                           |                   |                    |                   |                    |                   |                    |                   |                    |  |
| a) Employee benefits expense                                                                                          | 5837.65           | 4996.05            | 5193.50           | 19977.07           | 9081.56           | 8235.14            | 7723.89           | 31275.41           |  |
| b) Depreciation and amortization expense                                                                              | 523.34            | 478.58             | 440.16            | 1856.32            | 549.29            | 506.52             | 452.42            | 2028.52            |  |
| c) Provisions and Write Off                                                                                           | 8535.00           | 1416.66            | 5813.78           | 15702.00           | 8726.18           | 1383.70            | 5700.65           | 15988.15           |  |
| d) Other Expenses                                                                                                     | 10312.17          | 10556.85           | 8056.15           | 37266.04           | 8775.43           | 8753.00            | 6727.68           | 31614.51           |  |
| Total Expenses                                                                                                        | 25208.16          | 17448.15           | 19303.57          | 74901.43           | 27134.48          | 18878.36           | 20604.64          | 80916.59           |  |
| 3 Profit from Operations before Other Income, finance costs (1-2)                                                     | 58301.83          | 66478.60           | 36060.25          | 201909.62          | 61134.27          | 69189.95           | 35885.49          | 207614.45          |  |
| 4 Other Income                                                                                                        | 393.39            | 771.60             | 644.05            | 2648.33            | 329.07            | 1079.70            | 585.18            | 2505.14            |  |
| 5 Profit from Ordinary Activities before finance cost (3+4)                                                           | 58695.22          | 67250.20           | 36724.30          | 204557.95          | 61463.34          | 70269.65           | 37470.67          | 210119.59          |  |
| 6 Finance Cost                                                                                                        | 34748.15          | 33039.24           | 21597.08          | 112032.35          | 35871.12          | 33906.65           | 21850.18          | 113989.80          |  |
| 7 Profit from Ordinary Activities before tax (5-6)                                                                    | 23947.07          | 34210.96           | 15127.24          | 92525.60           | 25592.22          | 36361.00           | 15620.49          | 96129.79           |  |
| 8 Tax Expense                                                                                                         | 7843.00           | 11441.93           | 4907.09           | 30513.93           | 8365.53           | 12104.12           | 5067.29           | 31677.68           |  |
| 9 Net Profit after taxes for the period / year (7-8)                                                                  | 16104.07          | 22769.03           | 10220.24          | 62011.67           | 17226.69          | 24258.88           | 10553.20          | 64452.11           |  |
| 10 Minority Interest                                                                                                  |                   |                    |                   |                    | 31.05             | 18.31              | 21.25             | 102.40             |  |
| 11 Net Profit after taxes and minority interest (9-10)                                                                | 16104.07          | 22769.03           | 10220.24          | 62011.67           | 17195.64          | 24238.57           | 10531.95          | 64349.71           |  |
| 12 Paid-up Equity Share Capital (Face Value of Rs.10/- each)                                                          |                   |                    |                   | 10268.75           |                   |                    |                   | 10268.75           |  |
| 13 Reserves                                                                                                           |                   |                    |                   | 284832.31          |                   |                    |                   | 282838.56          |  |
| 14 Earnings Per Share #                                                                                               |                   |                    |                   |                    |                   |                    |                   |                    |  |
| a) Basic (Rs.)                                                                                                        | 15.68             | 22.18              | 9.97              | 60.46              | 16.74             | 23.61              | 10.28             | 62.74              |  |
| b) Diluted (Rs.)                                                                                                      | 15.48             | 21.89              | 9.83              | 59.53              | 16.53             | 23.31              | 10.13             | 61.87              |  |

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

**PART - II**

| <b>SELECT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2012</b>                          |                   |                    |                   |                    |                   |                    |                   |                    |
|------------------------------------------------------------------------------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|
| Particulars                                                                              | STANDALONE        |                    |                   |                    | CONSOLIDATED      |                    |                   |                    |
|                                                                                          | Quarter ended     |                    | Year ended        |                    | Quarter ended     |                    | Year ended        |                    |
|                                                                                          | 30th June<br>2012 | 31st March<br>2012 | 30th June<br>2011 | 31st March<br>2012 | 30th June<br>2012 | 31st March<br>2012 | 30th June<br>2011 | 31st March<br>2012 |
| <b>A. PARTICULARS OF SHAREHOLDING</b>                                                    |                   |                    |                   |                    |                   |                    |                   |                    |
| 1 Public Shareholding                                                                    |                   |                    |                   |                    |                   |                    |                   |                    |
| - Number of shares                                                                       | 44483514          | 44446039           | 44267120          | 44446039           | 44483514          | 44446039           | 44267120          | 44446039           |
| - Percentage of shareholdings                                                            | 42.77%            | 42.73%             | 42.56%            | 42.73%             | 42.77%            | 42.73%             | 42.56%            | 42.73%             |
| 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                                                                       | 59519221          | 59556696           | 59735615          | 59556696           | 59519221          | 59556696           | 59735615          | 59556696           |
| - 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%            |
| - Percentage of shares (as a % of the total share capital of the company)                | 57.23%            | 57.27%             | 57.44%            | 57.27%             | 57.23%            | 57.27%             | 57.44%            | 57.27%             |

|          | Particulars                                    | Quarter ended<br>30th June, 2012 |
|----------|------------------------------------------------|----------------------------------|
| <b>B</b> | <b>INVESTOR COMPLAINTS</b>                     |                                  |
|          | Pending at the beginning of the quarter        | -                                |
|          | Resolved during the quarter                    | 8                                |
|          | Disposed off during the quarter                | 8                                |
|          | Remaining unresolved at the end of the quarter | -                                |

**Notes:**

- 1) The above financial results for the quarter ended 30th June 2012 have been subjected to review by the Statutory Auditors of the Company. The financials were reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its Meeting held on 27th July, 2012.
- 2) The Consolidated results includes the 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 financial results of a (49%) Joint Venture company, Mahindra Finance USA LLC, in the United States which were neither audited nor reviewed.
- 3) The Company has a single reportable segment, namely financial services for the purpose of Accounting Standard 17 on 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, 2012 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.
- 6) During the quarter ended 30th June, 2012, the company has made an additional investment of Rs.891.90 lacs (US \$ 1.215 million) in Mahindra Finance USA LLC, a Joint Venture company formed jointly with De Lage Landen Financial Services Inc. in the United States.
- 7) In the standalone results, Other Expenses for the quarter includes Rs.3215.22 lacs (Quarter ended 31st March, 2012 : Rs.2820.33 lacs, Quarter ended 30th June, 2011 : Rs.1814.14 lacs and Year ended 31st March, 2012 : Rs. 9574.63 lacs) incurred towards professional fees for manpower services provided by Mahindra Business & Consulting Services Private Ltd., a wholly owned subsidiary company.
- 8) 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.

Rajesh Iyer  
Managing Director

Date : 27th July, 2012  
Place : Mumbai

# Mahindra Finance

Press Release

For Immediate Publication

**Mahindra Finance**

**F-2013 Q1 PAT up by 64%**

**F-2013 Q1 Income up by 52%**

**Mumbai, July 27, 2012** : The Board of Directors of Mahindra & Mahindra Financial Services Ltd (Mahindra Finance), a leading provider of financial services in the rural and semi-urban markets, announced today, the unaudited financial results for the quarter ended 30<sup>th</sup> June 2012.

## **F-2013 Q1 Standalone Results**

The **Total Income** increased by **50%** at **Rs.839 crores** during the quarter ended 30<sup>th</sup> June 2012 as against **Rs.560** crores in the corresponding period last year. The **Profit After Tax (PAT)** registered a growth of **58%**, at **Rs.161crores** during the quarter ended 30<sup>th</sup> June 2012 as compared to **Rs.102** crores during the corresponding period last year.

## **Operations**

MMFSL during the quarter ended 30<sup>th</sup> June 2012, registered a disbursement growth of **26%** against the corresponding period last year, maintaining its leadership position for vehicles and tractors in the rural and semi urban markets. The Company has significantly improved its performance as a car and utility vehicle financier, it has also made a significant growth in financing of Light and Heavy Commercial Vehicles and Construction Equipment.

The Company maintained healthy growth in its profits in spite of increased borrowing cost, mainly by efficient NPA Management.

MMFSL currently has a network of **615 offices** and **Total Assets Under Management of Rs.21744** crores as on 30<sup>th</sup> June 2012.

The Company continued to broad base its consortium of lenders by bringing in new Banks, Mutual Funds, Insurance Companies and Trusts.

## **SUBSIDIARIES**

### **Mahindra Insurance Brokers Limited (MIBL)**

During the quarter ended 30<sup>th</sup> June 2012, MIBL registered income at **Rs.18.03 crores** as against **Rs.8.86** crores in the same period previous year. The **Profit After Tax (PAT)** for the quarter ended 30<sup>th</sup> June 2012 was **Rs.6.98 crores** as against **Rs.1.72** crores registered for the same period previous year.

### **Mahindra Rural Housing Finance Limited (MRHFL)**

During the the quarter ended 30<sup>th</sup> June 2012, MRHFL disbursed **Rs. 70.70 crores** as against **Rs.59.22** crores disbursed during the same period previous year, registering a growth of 19.39% over the same period previous year. The **Profit After Tax (PAT)** registered a growth of 45.88% at **Rs. 2.48 crores** as against **Rs. 1.70** crores registered for the same period previous year.

### **F-2013 Q1 Consolidated Results**

The **Total Income** increased by **52%** at **Rs.886 crores** during the quarter ended 30<sup>th</sup> June 2012 as against **Rs.581**crores in the corresponding period last year. The **Profit After Tax (PAT)** registered a growth of **64%** at **Rs.172 crores** during the quarter ended 30<sup>th</sup> June 2012 as compared to **Rs.105** crores during the corresponding period last year.

### **About Mahindra & Mahindra Financial Services Ltd**

Mahindra & Mahindra Financial Services Ltd (MMFSL), part of the US \$15.4 billion Mahindra Group, is one of India's leading non-banking finance companies with a pan India presence. Focused on the rural and semi-urban sector, it provides finance for vehicles and tractors and has the largest network of branches amongst NBFC's operating in these areas.

Mahindra Insurance Brokers Ltd. (MIBL) is a wholly-owned subsidiary company of Mahindra & Mahindra Financial Services Ltd. MIBL is a licensed Composite Broker providing Direct and Reinsurance broking services.

Mahindra Rural Housing Finance (MRHFL) a subsidiary of MMFSL provides loans for purchase, renovation, construction of houses to individuals in the rural areas of the country.

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### **For further information please contact:**

**Ms Roma Balwani**

Senior Vice President and Group Head, Corporate Communications

Mahindra & Mahindra Ltd.

Mumbai, India

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**B. K. KHARE & Co.**  
CHARTERED ACCOUNTANTS

The Board of Directors  
Mahindra & Mahindra Financial Services Limited

### LIMITED REVIEW REPORT

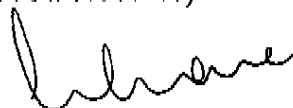
We have reviewed the accompanying statement of unaudited financial results of **Mahindra & Mahindra Financial Services Limited** for the period ended June 30, 2012 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, engagements to Review Financial Statements 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 financial statements are 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results 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 Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For and on behalf of

**B. K. Khare & Co.**  
Chartered Accountants  
(FRN: 105102W)



Padmini Khare Kaicker  
Partner  
Membership No. 44784  
Mumbai, July 27, 2012



#### Branch Office : Pune

- Tel : (020) 64019743 / 25666932 / 32926341
- E-mail : pune@bkkhareco.com
- Hotel Swaroop, 4<sup>th</sup> Floor, Lane No. 10,  
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#### Branch Office : Bengaluru

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