

**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, 2013**

|    | Particulars                                                                            | Quarter ended  |                   |                | Rs. in Lacs                             |
|----|----------------------------------------------------------------------------------------|----------------|-------------------|----------------|-----------------------------------------|
|    |                                                                                        | 30th June 2013 | 31st March 2013 * | 30th June 2012 | Year ended (Audited)<br>31st March 2013 |
| 1  | Income from operations                                                                 | 109246.48      | 111029.15         | 83473.62       | 385672.15                               |
|    | Total Income from operations                                                           | 109246.48      | 111029.15         | 83473.62       | 385672.15                               |
| 2  | Expenses:                                                                              |                |                   |                |                                         |
|    | a) Employee benefits expense                                                           | 5924.53        | 5390.59           | 5837.65        | 22340.20                                |
|    | b) Depreciation and amortization expense                                               | 624.04         | 579.98            | 523.34         | 2224.33                                 |
|    | c) Loan provisions and write off                                                       | 12521.75       | 3285.32           | 8535.00        | 28334.34                                |
|    | d) Other expenses                                                                      | 14093.63       | 15144.78          | 10275.80       | 49632.86                                |
|    | Total expenses                                                                         | 33163.95       | 24400.67          | 25171.79       | 102531.73                               |
| 3  | Profit from operations before other income, finance costs and exceptional items (1-2)  | 76082.53       | 86628.48          | 58301.83       | 283140.42                               |
| 4  | Other income                                                                           | 604.80         | 1527.97           | 393.39         | 3797.75                                 |
| 5  | Profit from ordinary activities before finance costs and exceptional items (3+4)       | 76687.33       | 88156.45          | 58695.22       | 286938.17                               |
| 6  | Finance costs                                                                          | 47612.50       | 44713.11          | 34748.15       | 161876.50                               |
| 7  | Profit from ordinary activities after finance costs but before exceptional items (5-6) | 29074.83       | 43443.34          | 23947.07       | 125061.67                               |
| 8  | Exceptional items (net) (refer note no. 8)                                             | -              | 2,858.21          | -              | 2,858.21                                |
| 9  | Profit from ordinary activities before tax (7+8)                                       | 29074.83       | 46301.55          | 23947.07       | 127919.88                               |
| 10 | Tax expense                                                                            | 9953.00        | 12920.70          | 7843.00        | 39650.70                                |
| 11 | Net profit after taxes for the period / year (9-10)                                    | 19121.83       | 33380.85          | 16104.07       | 88269.18                                |
| 12 | Paid-up equity share capital (face value of Rs.2/- each)                               |                |                   |                | 11260.40                                |
| 13 | Reserves                                                                               |                |                   |                | 434197.48                               |
| 14 | Earnings per share # (refer note no. 6)                                                |                |                   |                |                                         |
|    | a) Basic (Rs.)                                                                         | 3.40           | 6.08              | 3.14           | 16.59                                   |
|    | b) Diluted (Rs.)                                                                       | 3.36           | 6.01              | 3.10           | 16.40                                   |

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

PART - II

SELECT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2013

|           | Particulars                                                                              | Quarter ended     |                    |                   | Year ended<br>(Audited)<br>31st March<br>2013 |
|-----------|------------------------------------------------------------------------------------------|-------------------|--------------------|-------------------|-----------------------------------------------|
|           |                                                                                          | 30th June<br>2013 | 31st March<br>2013 | 30th June<br>2012 |                                               |
| <b>A</b>  | <b>PARTICULARS OF SHAREHOLDING</b>                                                       |                   |                    |                   |                                               |
| <b>1</b>  | <b>Public shareholding</b>                                                               |                   |                    |                   |                                               |
|           | - Number of shares (refer note no. 6)                                                    | 271891910         | 271812515          | 222417570         | 271812515                                     |
|           | - Percentage of shareholdings                                                            | 47.80%            | 47.79%             | 42.77%            | 47.79%                                        |
| <b>2</b>  | <b>Promoters and Promoter Group shareholding :</b>                                       |                   |                    |                   |                                               |
| <b>a)</b> | <b>Pledged / encumbered</b>                                                              |                   |                    |                   |                                               |
|           | - 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>b)</b> | <b>Non-encumbered</b>                                                                    |                   |                    |                   |                                               |
|           | - Number of shares (refer note no. 6)                                                    | 296873050         | 296952445          | 297596105         | 296952445                                     |
|           | - 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)                | 52.20%            | 52.21%             | 57.23%            | 52.21%                                        |

|                                                | Quarter ended<br>30th June<br>2013 |
|------------------------------------------------|------------------------------------|
| <b>B</b>                                       |                                    |
| <b>INVESTOR COMPLAINTS</b>                     |                                    |
| Pending at the beginning of the quarter        | -                                  |
| Received during the quarter                    | 8                                  |
| Disposed off during the quarter                | 8                                  |
| Remaining unresolved at the end of the quarter | -                                  |

## PART - I

## STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2013

|    | Particulars                                                                            | Quarter ended  |                   |                | Rs. in Lacs                          |
|----|----------------------------------------------------------------------------------------|----------------|-------------------|----------------|--------------------------------------|
|    |                                                                                        | 30th June 2013 | 31st March 2013 * | 30th June 2012 | Year ended (Audited) 31st March 2013 |
| 1  | Income from operations                                                                 | 116467.96      | 118518.06         | 88257.53       | 409498.79                            |
|    | Total Income from operations                                                           | 116467.96      | 118518.06         | 88257.53       | 409498.79                            |
| 2  | Expenses:                                                                              |                |                   |                |                                      |
|    | a) Employee benefits expense                                                           | 11292.61       | 9770.35           | 9081.56        | 37928.82                             |
|    | b) Depreciation and amortization expense                                               | 662.52         | 616.97            | 549.29         | 2365.90                              |
|    | c) Loan provisions and write off                                                       | 13015.01       | 3290.17           | 8731.32        | 28815.02                             |
|    | d) Other expenses                                                                      | 11563.58       | 13355.14          | 8735.91        | 42913.81                             |
|    | Total expenses                                                                         | 36533.72       | 27032.63          | 27098.08       | 112023.55                            |
| 3  | Profit from operations before other income, finance costs and exceptional items (1-2)  | 79934.24       | 91485.43          | 61159.45       | 297475.24                            |
| 4  | Other income                                                                           | 597.56         | 414.56            | 303.89         | 1797.35                              |
| 5  | Profit from ordinary activities before finance costs and exceptional items (3+4)       | 80531.80       | 91899.99          | 61463.34       | 299272.59                            |
| 6  | Finance costs                                                                          | 49475.69       | 46396.90          | 35871.12       | 167059.05                            |
| 7  | Profit from ordinary activities after finance costs but before exceptional items (5-6) | 31056.11       | 45503.09          | 25592.22       | 132213.54                            |
| 8  | Exceptional items (net) (refer note no. 8)                                             | -              | 3,052.27          | -              | 3,052.27                             |
| 9  | Profit from ordinary activities before tax (7+8)                                       | 31056.11       | 48555.36          | 25592.22       | 135265.81                            |
| 10 | Tax expense                                                                            | 10600.23       | 13876.46          | 8365.53        | 42375.08                             |
| 11 | Net profit after taxes for the period / year (9-10)                                    | 20455.88       | 34678.90          | 17226.69       | 92890.73                             |
| 12 | Minority interest                                                                      | 150.67         | 42.39             | 31.05          | 187.19                               |
| 13 | Net profit after taxes and minority interest (11-12)                                   | 20305.21       | 34636.51          | 17195.64       | 92703.54                             |
| 14 | Paid-up equity share capital (face value of Rs.2/- each)                               |                |                   |                | 11260.40                             |
| 15 | Reserves                                                                               |                |                   |                | 446695.15                            |
| 16 | Earnings per share # (refer note no. 6)                                                |                |                   |                |                                      |
|    | a) Basic (Rs.)                                                                         | 3.61           | 6.30              | 3.35           | 17.43                                |
|    | b) Diluted (Rs.)                                                                       | 3.57           | 6.23              | 3.31           | 17.23                                |

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

## PART - II

## SELECT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2013

|   | Particulars                                                                              | Quarter ended     |                    |                   | Year ended<br>(Audited)<br>31st March<br>2013 |
|---|------------------------------------------------------------------------------------------|-------------------|--------------------|-------------------|-----------------------------------------------|
|   |                                                                                          | 30th June<br>2013 | 31st March<br>2013 | 30th June<br>2012 |                                               |
| A | PARTICULARS OF SHAREHOLDING                                                              |                   |                    |                   |                                               |
|   | 1 Public shareholding                                                                    |                   |                    |                   |                                               |
|   | - Number of shares (refer note no. 6)                                                    | 271891910         | 271812515          | 222417570         | 271812515                                     |
|   | - Percentage of shareholdings                                                            | 47.80%            | 47.79%             | 42.77%            | 47.79%                                        |
|   | 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 (refer note no. 6)                                                    | 296873050         | 296952445          | 297596105         | 296952445                                     |
|   | - 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)                | 52.20%            | 52.21%             | 57.23%            | 52.21%                                        |

**Notes:**

- 1) The above financial results for the quarter ended 30th June, 2013 have been subjected to limited 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 25th July, 2013.
- 2) The Consolidated results include the financial results of the subsidiaries Mahindra Insurance Brokers Ltd. (85%) (Previous year : 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.
- 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, 2013 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) Each Equity share of the face value of Rs. 10/- fully paid up was sub-divided into five Equity shares of Rs. 2/- each fully paid up in February, 2013. Accordingly, all comparative reference to the number of shares reported for the quarter ended 30th June, 2012 have been restated to make them comparable. In accordance with the Accounting Standard 20 pertaining to Earnings Per Share, the Company has given effect to the above mentioned sub-division of shares in computing the Earnings Per Share reported for the quarter ended 30th June, 2012.
- 7) During the quarter ended 30th June, 2013, the Company has made following additional investments :
  - i) Rs. 1119.35 lacs (US \$ 2.06 million) in Mahindra Finance USA LLC, a Joint Venture company formed jointly with De Lage Landin Financial Services Inc. in the United States ; and
  - ii) Rs. 2190.00 lacs in Mahindra Rural Housing Finance Ltd., its subsidiary, by subscription to 1,75,19,997 Equity shares of Rs. 10/- each for cash at a premium of Rs. 15/- per Equity share on a rights basis on which Rs. 12.50 per Equity share (including premium of Rs. 7.50 per Equity share) has been paid up.

There is no consequent change in the Company's shareholding pattern.
- 8) Exceptional items (net) for the quarter and the year ended 31st March, 2013 included the following -
  - i) Profit of Rs. 6426.21 lacs on a standalone basis (Rs. 6620.27 lacs on a consolidated basis) on sale of equity shares of subsidiary company, Mahindra Insurance Brokers Ltd.
  - ii) Additional general provision on standard assets amounting to Rs. 3568.00 lacs, which the Company has decided to create on a prudent basis from the quarter/year ended 31st March, 2013.
- 9) Additional general provision on standard assets amounting to Rs. 264.00 lacs for the quarter ended 30th June, 2013 has been included under "Loan provisions and write-off".
- 10) In the standalone results, Other expenses for the quarter ended 30th June, 2013 includes Rs. 4179.91 lacs (quarter ended 31st March, 2013 : Rs. 3656.70 lacs, quarter ended 30th June, 2012 : Rs. 3215.22 lacs and year ended 31st March, 2013 : Rs. 13823.84 lacs) incurred towards professional fees for manpower services provided by Mahindra Business & Consulting Services Private Ltd.
- 11) Previous period/year figures have been regrouped / reclassified, wherever found necessary, to conform to current period/year classification.

Date : 25th July, 2013  
Place : Mumbai

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

Ramesh Iyer  
Managing Director

**Head Office : Mumbai**

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

The Board of Directors  
Mahindra & Mahindra Financial Services Limited  
Mumbai

1. We have reviewed the standalone results of Mahindra & Mahindra Financial Services Limited (the "Company") for the quarter ended June 30, 2013 which are included in the accompanying 'Unaudited Standalone Financial Results for the quarter' (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" 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 from 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.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, and 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 B. K. Khare & Co**  
**Chartered Accountants**  
(FRN : 105102W)

*Naresh Kumar Kataria*  
**Naresh Kumar Kataria**  
Partner  
M No.37285



Mumbai, Dated: 25<sup>th</sup> July 2013

**Branch Office : Pune**

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

The Board of Directors  
Mahindra & Mahindra Financial Services Limited  
Mumbai

1. We have reviewed the consolidated results of Mahindra & Mahindra Financial Services Limited, its subsidiaries and the joint venture company, hereinafter referred to as the "Group", for the quarter ended June 30, 2013 which are included in the accompanying 'Unaudited Consolidated Financial Results for the quarter' (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in Mahindra & Mahindra Financial Services Limited which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement is prepared by the Group's Management pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Group's Management and has been approved by the Board of Directors of Mahindra & Mahindra Financial Services Limited. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" 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 from material misstatement. A review is limited primarily to inquiries of group's personnel and analytical procedures applied to group's 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.
3. We did not review the financial results of the joint venture company, M/s Mahindra Finance USA, LLC included in the Statement which has a total revenue of Rs.1021.66 lacs and net profit of Rs.321.36 lacs for the quarter ended 30<sup>th</sup> June 2013.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, and 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 B. K. Khare & Co  
Chartered Accountants  
(FRN: 105102W)

*Naresh Kumar Kataria*  
**Naresh Kumar Kataria**  
Partner  
M No.37825



Mumbai, Dated: 25<sup>th</sup> July 2013

**Branch Office : Pune**

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