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# Mahindra FINANCE

21<sup>st</sup> October, 2013

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 / 26598346

Fax No: 26598237 / 26598238 / 26598347 / 26598348

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

**Scrip Code : M&MFIN**

Dear Sir,

**Sub: Audited Financial Results for the Second Quarter and Half Year ended 30<sup>th</sup> September, 2013.**

As required under Clause 41 of the Listing Agreement, we are enclosing a copy of the Standalone and Consolidated Audited Financial Results of our Company for the Second Quarter and Half Year ended 30<sup>th</sup> September, 2013, together with a copy of the Press Release. Also enclosed is the Auditor's Report for the Second Quarter and Half Year ended 30<sup>th</sup> September, 2013 along with the Limited Review Report for the three months ended 30<sup>th</sup> September, 2013, 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 M. Pardiwalla**

**Company Secretary & Compliance Officer**

Encl: a/a

**Mahindra & Mahindra  
Financial Services Ltd.**  
Mahindra Towers, 4th Floor,  
Dr. G. M. Bhosale Marg, Worli,  
Mumbai 400 018 India

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

## PART - I

## STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2013

Rs. In Lacs

|           | Particulars                                                                                   | Quarter ended                   |                                  |                               | Half year ended               |                               | Year ended                      |
|-----------|-----------------------------------------------------------------------------------------------|---------------------------------|----------------------------------|-------------------------------|-------------------------------|-------------------------------|---------------------------------|
|           |                                                                                               | 30th Sep<br>2013<br>(Unaudited) | 30th June<br>2013<br>(Unaudited) | 30th Sep<br>2012<br>(Audited) | 30th Sep<br>2013<br>(Audited) | 30th Sep<br>2012<br>(Audited) | 31st March<br>2013<br>(Audited) |
| <b>1</b>  | <b>Income from operations</b>                                                                 | 120314.49                       | 109246.48                        | 91567.06                      | 229560.97                     | 175040.68                     | 385672.15                       |
|           | <b>Total Income from operations</b>                                                           | <b>120314.49</b>                | <b>109246.48</b>                 | <b>91567.06</b>               | <b>229560.97</b>              | <b>175040.68</b>              | <b>385672.15</b>                |
| <b>2</b>  | <b>Expenses:</b>                                                                              |                                 |                                  |                               |                               |                               |                                 |
|           | a) Employee benefits expense                                                                  | 7013.95                         | 5924.53                          | 5890.90                       | 12938.48                      | 11728.55                      | 22340.20                        |
|           | b) Depreciation and amortization expense                                                      | 582.46                          | 624.04                           | 558.95                        | 1206.50                       | 1082.29                       | 2224.33                         |
|           | c) Loan provisions and write off                                                              | 12619.31                        | 12521.75                         | 8362.46                       | 25141.06                      | 16897.46                      | 28334.34                        |
|           | d) Other expenses                                                                             | 14899.37                        | 14093.63                         | 11228.88                      | 28993.00                      | 21504.68                      | 49632.86                        |
|           | <b>Total expenses</b>                                                                         | <b>35115.09</b>                 | <b>33163.95</b>                  | <b>26041.19</b>               | <b>68279.04</b>               | <b>51212.98</b>               | <b>102531.73</b>                |
| <b>3</b>  | <b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>  | <b>85199.40</b>                 | <b>76082.53</b>                  | <b>65525.87</b>               | <b>161281.93</b>              | <b>123827.70</b>              | <b>283140.42</b>                |
| <b>4</b>  | <b>Other income</b>                                                                           | 957.11                          | 604.80                           | 1349.62                       | 1561.91                       | 1743.01                       | 3797.75                         |
| <b>5</b>  | <b>Profit from ordinary activities before finance costs and exceptional items(3+4)</b>        | <b>86156.51</b>                 | <b>76687.33</b>                  | <b>66875.49</b>               | <b>162843.84</b>              | <b>125570.71</b>              | <b>286938.17</b>                |
| <b>6</b>  | <b>Finance costs</b>                                                                          | 52526.11                        | 47612.50                         | 38978.37                      | 100138.61                     | 73726.52                      | 161876.50                       |
| <b>7</b>  | <b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b> | <b>33630.40</b>                 | <b>29074.83</b>                  | <b>27897.12</b>               | <b>62705.23</b>               | <b>51844.19</b>               | <b>125061.67</b>                |
| <b>8</b>  | <b>Exceptional items (net) (refer note no. 8)</b>                                             | -                               | -                                | -                             | -                             | -                             | 2,858.21                        |
| <b>9</b>  | <b>Profit from ordinary activities before tax (7+8)</b>                                       | <b>33630.40</b>                 | <b>29074.83</b>                  | <b>27897.12</b>               | <b>62705.23</b>               | <b>51844.19</b>               | <b>127919.88</b>                |
| <b>10</b> | <b>Tax expense</b>                                                                            | 11514.00                        | 9953.00                          | 9136.00                       | 21467.00                      | 16979.00                      | 39650.70                        |
| <b>11</b> | <b>Net profit after taxes for the period / year (9-10)</b>                                    | <b>22116.40</b>                 | <b>19121.83</b>                  | <b>18761.12</b>               | <b>41238.23</b>               | <b>34865.19</b>               | <b>88269.18</b>                 |
| <b>12</b> | <b>Paid-up equity share capital (face value of Rs.2/- each)</b>                               |                                 |                                  |                               | <b>11263.49</b>               | <b>10275.84</b>               | <b>11260.40</b>                 |
| <b>13</b> | <b>Reserves</b>                                                                               |                                 |                                  |                               |                               |                               | <b>434197.48</b>                |
| <b>14</b> | <b>Earnings per share # (refer note no. 6)</b>                                                |                                 |                                  |                               |                               |                               |                                 |
|           | a) Basic (Rs.)                                                                                | 3.93                            | 3.40                             | 3.65                          | 7.32                          | 6.79                          | 16.59                           |
|           | b) Diluted (Rs.)                                                                              | 3.89                            | 3.36                             | 3.61                          | 7.25                          | 6.70                          | 16.40                           |

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

## PART - II

## SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2013

|          | Particulars                                                                              | Quarter ended |                |               | Half year ended |               | Year ended      |
|----------|------------------------------------------------------------------------------------------|---------------|----------------|---------------|-----------------|---------------|-----------------|
|          |                                                                                          | 30th Sep 2013 | 30th June 2013 | 30th Sep 2012 | 30th Sep 2013   | 30th Sep 2012 | 31st March 2013 |
| <b>A</b> | <b>PARTICULARS OF SHAREHOLDING</b>                                                       |               |                |               |                 |               |                 |
|          | <b>1 Public shareholding</b>                                                             |               |                |               |                 |               |                 |
|          | - Number of shares (refer note no. 6)                                                    | 271966703     | 271891910      | 222584725     | 271966703       | 222584725     | 271812515       |
|          | - Percentage of shareholdings                                                            | 47.82%        | 47.80%         | 42.80%        | 47.82%          | 42.80%        | 47.79%          |
|          | <b>2 Promoters and Promoter Group shareholding :</b>                                     |               |                |               |                 |               |                 |
|          | <b>a) 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) Non-encumbered</b>                                                                 |               |                |               |                 |               |                 |
|          | - Number of shares (refer note no. 6)                                                    | 296798257     | 296873050      | 297428950     | 296798257       | 297428950     | 296952445       |
|          | - 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)                | 52.18%        | 52.20%         | 57.20%        | 52.18%          | 57.20%        | 52.21%          |

|          | Particulars                                    | Quarter ended 30th Sep 2013 |
|----------|------------------------------------------------|-----------------------------|
| <b>B</b> | <b>INVESTOR COMPLAINTS</b>                     |                             |
|          | Pending at the beginning of the quarter        | -                           |
|          | Received during the quarter                    | 13                          |
|          | Disposed off during the quarter                | 13                          |
|          | Remaining unresolved at the end of the quarter | -                           |

## PART - I

## STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2013

Rs. in Lacs

|           | Particulars                                                                                   | Quarter ended                   |                                  |                               | Half year ended               |                               | Year ended                      |
|-----------|-----------------------------------------------------------------------------------------------|---------------------------------|----------------------------------|-------------------------------|-------------------------------|-------------------------------|---------------------------------|
|           |                                                                                               | 30th Sep<br>2013<br>(Unaudited) | 30th June<br>2013<br>(Unaudited) | 30th Sep<br>2012<br>(Audited) | 30th Sep<br>2013<br>(Audited) | 30th Sep<br>2012<br>(Audited) | 31st March<br>2013<br>(Audited) |
| <b>1</b>  | <b>Income from operations</b>                                                                 | 128579.88                       | 116467.96                        | 96957.00                      | 245047.84                     | 185214.53                     | 409498.79                       |
|           | <b>Total Income from operations</b>                                                           | <b>128579.88</b>                | <b>116467.96</b>                 | <b>96957.00</b>               | <b>245047.84</b>              | <b>185214.53</b>              | <b>409498.79</b>                |
| <b>2</b>  | <b>Expenses:</b>                                                                              |                                 |                                  |                               |                               |                               |                                 |
|           | a) Employee benefits expense                                                                  | 12079.33                        | 11292.61                         | 9794.63                       | 23371.94                      | 18876.19                      | 37928.82                        |
|           | b) Depreciation and amortization expense                                                      | 625.57                          | 662.52                           | 592.82                        | 1288.09                       | 1142.11                       | 2365.90                         |
|           | c) Loan provisions and write off                                                              | 12858.97                        | 13015.01                         | 8530.22                       | 25873.98                      | 17261.54                      | 28815.02                        |
|           | d) Other expenses                                                                             | 12841.63                        | 11563.58                         | 9516.15                       | 24405.21                      | 18252.06                      | 42913.81                        |
|           | <b>Total expenses</b>                                                                         | <b>38406.50</b>                 | <b>36533.72</b>                  | <b>28433.82</b>               | <b>74939.22</b>               | <b>55531.90</b>               | <b>112023.55</b>                |
| <b>3</b>  | <b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>  | <b>90174.38</b>                 | <b>79934.24</b>                  | <b>68523.18</b>               | <b>170108.62</b>              | <b>129682.63</b>              | <b>297475.24</b>                |
| <b>4</b>  | <b>Other income</b>                                                                           | 487.86                          | 597.56                           | 600.55                        | 1085.42                       | 904.44                        | 1797.35                         |
| <b>5</b>  | <b>Profit from ordinary activities before finance costs and exceptional items(3+4)</b>        | <b>90662.24</b>                 | <b>80531.80</b>                  | <b>69123.73</b>               | <b>171194.04</b>              | <b>130587.07</b>              | <b>299272.59</b>                |
| <b>6</b>  | <b>Finance costs</b>                                                                          | 54774.58                        | 49475.69                         | 40154.96                      | 104250.27                     | 76026.08                      | 167059.05                       |
| <b>7</b>  | <b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b> | <b>35887.66</b>                 | <b>31056.11</b>                  | <b>28968.77</b>               | <b>66943.77</b>               | <b>54560.99</b>               | <b>132213.54</b>                |
| <b>8</b>  | <b>Exceptional items (net) (refer note no. 8)</b>                                             | -                               | -                                | -                             | -                             | -                             | 3052.27                         |
| <b>9</b>  | <b>Profit from ordinary activities before tax (7+8)</b>                                       | <b>35887.66</b>                 | <b>31056.11</b>                  | <b>28968.77</b>               | <b>66943.77</b>               | <b>54560.99</b>               | <b>135265.81</b>                |
| <b>10</b> | <b>Tax expense</b>                                                                            | 12356.48                        | 10600.23                         | 9671.60                       | 22956.71                      | 18037.13                      | 42375.08                        |
| <b>11</b> | <b>Net profit after taxes for the period / year (9-10)</b>                                    | <b>23531.18</b>                 | <b>20455.88</b>                  | <b>19297.17</b>               | <b>43987.06</b>               | <b>36523.86</b>               | <b>92890.73</b>                 |
| <b>12</b> | <b>Minority interest</b>                                                                      | 281.45                          | 150.67                           | 46.48                         | 432.12                        | 77.53                         | 187.19                          |
| <b>13</b> | <b>Net profit after taxes and minority interest (11-12)</b>                                   | <b>23249.73</b>                 | <b>20305.21</b>                  | <b>19250.69</b>               | <b>43554.94</b>               | <b>36446.33</b>               | <b>92703.54</b>                 |
| <b>14</b> | <b>Paid-up equity share capital (face value of Rs.2/- each)</b>                               |                                 |                                  |                               | <b>11263.49</b>               | <b>10275.84</b>               | <b>11260.40</b>                 |
| <b>15</b> | <b>Reserves</b>                                                                               |                                 |                                  |                               |                               |                               | <b>446695.15</b>                |
| <b>16</b> | <b>Earnings per share # (refer note no. 6)</b>                                                |                                 |                                  |                               |                               |                               |                                 |
|           | a) Basic (Rs.)                                                                                | 4.13                            | 3.61                             | 3.75                          | 7.73                          | 7.10                          | 17.43                           |
|           | b) Diluted (Rs.)                                                                              | 4.09                            | 3.57                             | 3.70                          | 7.66                          | 7.01                          | 17.23                           |

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

## PART - II

## SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2013

|          | Particulars                                                                              | Quarter ended    |                   |                  | Half year ended  |                  | Year ended         |
|----------|------------------------------------------------------------------------------------------|------------------|-------------------|------------------|------------------|------------------|--------------------|
|          |                                                                                          | 30th Sep<br>2013 | 30th June<br>2013 | 30th Sep<br>2012 | 30th Sep<br>2013 | 30th Sep<br>2012 | 31st March<br>2013 |
| <b>A</b> | <b>PARTICULARS OF SHAREHOLDING</b>                                                       |                  |                   |                  |                  |                  |                    |
|          | <b>1 Public shareholding</b>                                                             |                  |                   |                  |                  |                  |                    |
|          | - Number of shares (refer note no. 6)                                                    | 271986703        | 271891910         | 222584725        | 271986703        | 222584725        | 271812515          |
|          | - Percentage of shareholdings                                                            | 47.82%           | 47.80%            | 42.80%           | 47.82%           | 42.80%           | 47.79%             |
|          | <b>2 Promoters and Promoter Group shareholding :</b>                                     |                  |                   |                  |                  |                  |                    |
|          | <b>a) 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) Non-encumbered</b>                                                                 |                  |                   |                  |                  |                  |                    |
|          | - Number of shares (refer note no. 6)                                                    | 296798257        | 296873050         | 297428950        | 296798257        | 297428950        | 296952445          |
|          | - 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)                | 52.18%           | 52.20%            | 57.20%           | 52.18%           | 57.20%           | 52.21%             |

## AUDITED STATEMENT OF ASSETS AND LIABILITIES

Rs. in Lacs

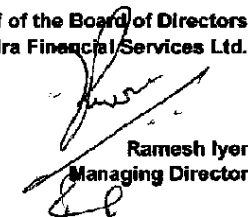
|          | Particulars                                | STANDALONE             |                        |                          | CONSOLIDATED           |                        |                          |
|----------|--------------------------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|--------------------------|
|          |                                            | As at<br>30th Sep 2013 | As at<br>30th Sep 2012 | As at<br>31st March 2013 | As at<br>30th Sep 2013 | As at<br>30th Sep 2012 | As at<br>31st March 2013 |
| <b>A</b> | <b>EQUITY AND LIABILITIES</b>              |                        |                        |                          |                        |                        |                          |
|          | <b>1 Shareholders' funds</b>               |                        |                        |                          |                        |                        |                          |
|          | a) Share capital                           | 11263.49               | 10275.84               | 11260.40                 | 11263.49               | 10275.84               | 11260.40                 |
|          | b) Reserves and surplus                    | 475592.21              | 319980.60              | 434197.48                | 491603.65              | 329599.32              | 446895.15                |
|          | <b>Sub-total - Shareholders' funds</b>     | <b>486855.70</b>       | <b>330256.44</b>       | <b>445457.88</b>         | <b>502867.14</b>       | <b>339875.16</b>       | <b>457955.55</b>         |
|          | <b>2 Minority interest</b>                 | -                      | -                      | -                        | 3044.67                | 848.27                 | 2367.17                  |
|          | <b>3 Non-current liabilities</b>           |                        |                        |                          |                        |                        |                          |
|          | a) Long-term borrowings                    | 1409543.42             | 1043363.47             | 1301532.69               | 1514123.12             | 1092892.06             | 1381540.40               |
|          | b) Other long-term liabilities             | 21523.91               | 8232.35                | 24297.19                 | 21548.54               | 8253.02                | 24297.19                 |
|          | c) Long term provisions                    | 34843.08               | 30241.87               | 31038.95                 | 36295.72               | 31020.61               | 31215.35                 |
|          | <b>Sub-total - Non-current liabilities</b> | <b>1465910.41</b>      | <b>1081837.69</b>      | <b>1356868.83</b>        | <b>1571967.38</b>      | <b>1132165.89</b>      | <b>1437052.94</b>        |
|          | <b>4 Current liabilities</b>               |                        |                        |                          |                        |                        |                          |
|          | a) Short term borrowings                   | 358128.27              | 356435.28              | 130124.23                | 395993.13              | 374774.60              | 158191.25                |
|          | b) Trade payables                          | 43125.60               | 40449.60               | 47884.32                 | 43932.31               | 41246.60               | 48934.04                 |
|          | c) Other current liabilities               | 544869.50              | 369831.01              | 503721.46                | 581649.51              | 389710.64              | 535330.50                |
|          | d) Short term provisions                   | 47819.14               | 42785.14               | 65184.98                 | 49380.28               | 43851.64               | 67247.65                 |
|          | <b>Sub-total - Current liabilities</b>     | <b>993942.51</b>       | <b>809501.03</b>       | <b>748914.99</b>         | <b>1070955.23</b>      | <b>849583.48</b>       | <b>809703.44</b>         |
|          | <b>TOTAL - EQUITY AND LIABILITIES</b>      | <b>2946708.62</b>      | <b>2221595.16</b>      | <b>2549241.70</b>        | <b>3148834.42</b>      | <b>2322472.60</b>      | <b>2707079.10</b>        |
| <b>B</b> | <b>ASSETS</b>                              |                        |                        |                          |                        |                        |                          |
|          | <b>1 Non-current assets</b>                |                        |                        |                          |                        |                        |                          |
|          | a) Fixed assets                            | 11260.95               | 10202.94               | 10677.68                 | 12052.56               | 10693.61               | 11363.73                 |
|          | b) Goodwill on consolidation               | -                      | -                      | -                        | 4.05                   | 4.76                   | 4.05                     |
|          | c) Non-current investments                 | 45520.89               | 26997.15               | 34511.43                 | 31347.88               | 18288.01               | 24168.13                 |
|          | d) Deferred tax assets (Net)               | 24458.72               | 20464.03               | 23820.72                 | 25000.83               | 20776.81               | 24208.08                 |
|          | e) Long-term loans and advances            | 1457496.68             | 1128029.65             | 1291978.98               | 1606352.17             | 1205195.91             | 1416620.51               |
|          | f) Other non-current assets                | 14412.61               | 3007.00                | 17066.50                 | 14472.61               | 8490.00                | 17106.50                 |
|          | <b>Sub-total - Non-current assets</b>      | <b>1563149.85</b>      | <b>1188700.77</b>      | <b>1378045.31</b>        | <b>1689230.10</b>      | <b>1263449.10</b>      | <b>1493471.00</b>        |
|          | <b>2 Current assets</b>                    |                        |                        |                          |                        |                        |                          |
|          | a) Current investments                     | 2000.00                | -                      | 21585.34                 | 2000.00                | -                      | 21585.34                 |
|          | b) Trade receivables                       | 968.31                 | 785.87                 | 981.30                   | 1543.36                | 1205.35                | 1573.78                  |
|          | c) Cash and bank balances                  | 31874.15               | 28017.26               | 34542.75                 | 33623.10               | 25241.92               | 36796.59                 |
|          | d) Short-term loans and advances           | 1351111.22             | 1002884.66             | 1111860.38               | 1414888.34             | 1031579.35             | 1151383.74               |
|          | e) Other current assets                    | 7605.09                | 1206.60                | 2226.62                  | 7549.52                | 996.88                 | 2268.65                  |
|          | <b>Sub-total - Current assets</b>          | <b>1393558.77</b>      | <b>1032894.39</b>      | <b>1171196.39</b>        | <b>1459604.32</b>      | <b>1059023.60</b>      | <b>1213608.10</b>        |
|          | <b>TOTAL - ASSETS</b>                      | <b>2946708.62</b>      | <b>2221595.16</b>      | <b>2549241.70</b>        | <b>3148834.42</b>      | <b>2322472.60</b>      | <b>2707079.10</b>        |

**Notes:**

- 1) The above financial results for the quarter and half year ended 30th September, 2013 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, 2013.
- 2) The results for the half year ended 30th September, 2013 have been subject to an "Audit" and the results for the quarter ended 30th September, 2013 have been subject to a "Limited Review" by the Statutory Auditors of the Company.
- 3) 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.
- 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.
- 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 September, 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 and half year ended 30th September, 2012.
- 7) During the quarter ended 30th September, 2013, the Company has made an additional investments of Rs.520.36 lacs equivalent to US \$ 0.88 million 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, 2013 Rs. 1639.71 lacs equivalent to US \$ 2.94 million).
- 8) Exceptional items (net) for 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) In the standalone results, Other expenses for the quarter and half year ended 30th September, 2013 includes Rs.4513.32 lacs and Rs.8693.23 lacs respectively (quarter ended 30th June, 2013 : Rs.4179.91 lacs, quarter and half year ended 30th September, 2012 : Rs.3466.79 lacs and Rs. 6682.01 lacs respectively 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.
- 10) Previous period/year figures have been regrouped / reclassified, wherever found necessary, to conform to current period/year classification.

Date : 21st October, 2013  
Place : Mumbai

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

  
Ramesh Iyer  
Managing Director

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

**Auditor's Report on Standalone Year to Date Results of the Company Pursuant to the Clause 41  
of the Listing Agreement**

To

The Board of Directors

**Mahindra & Mahindra Financial Services Limited**

1. We have audited the year to date Standalone financial results of Mahindra and Mahindra Financial Services Ltd. for the six months ended **30 September 2013** which are included in the accompanying Statement of Financial Results for the quarter and six months ended 30 September 2013 (the "Statement"), attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement 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. These year to date Standalone financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211 (3C) of the Companies Act, 1956 (which continues to be applicable in respect of section 133 of the Companies Act, 2013 in terms of general circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs) or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

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

3. In our opinion and to the best of our information and according to the explanations given to us these year to date Standalone financial results:
- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
  - (ii) give a true and fair view of the net profit and other financial information of the Company for the period from **1 April 2013 to 30 September 2013**
4. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For **B. K. Khare & Co.**

**Chartered Accountants**

*Firm Registration No. 105102W*



**Naresh Kumar Kataria**

**Partner**

**M. No. 37825**

**Mumbai, Dated : 21<sup>st</sup> October 2013**

10/18

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

**Auditor's Report on Consolidated Year to Date Results of the Company Pursuant to the Clause  
41 of the Listing Agreement**

To

Board of Directors

**Mahindra & Mahindra Financial Services Limited**

1. We have audited the year to date Consolidated financial results of **Mahindra & Mahindra Financial Services Limited** ("the Company") for the six months ended **30 September 2013** which are included in the accompanying Statement of Financial Results for the quarter and six months ended **30 September 2013** (the "Statement"), comprising the Consolidated Financial Results of the Company and its subsidiaries and a joint venture ("the Group"), being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement 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. These year to date Consolidated financial results have been prepared from consolidated interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211 (3C) of the Companies Act, 1956 (which continues to be applicable in respect of section 133 of the Companies Act, 2013 in terms of general circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs) or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

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

3. We have neither audited nor reviewed the financial statements of its joint venture included in the year to date results, whose consolidated interim financial statements reflect total assets of Rs. 106668.48 lakhs as at **30 September 2013** as well as the total revenue of Rs. 2278.46 lakhs for the period **1 April 2013 to 30 September, 2013**.
4. In our opinion and to the best of our information and according to the explanations given to us and read with para 3 above, these consolidated year to date financial results of the Group:
  - (i) include the year to date results of the following entities:
    - a. Mahindra & Mahindra Financial Services Limited – Holding Company
    - b. Mahindra Insurance Brokers Limited - Subsidiary
    - c. Mahindra Rural Housing Finance Limited - Subsidiary
    - d. Mahindra Business & Consulting Services Private Limited - Subsidiary
    - e. Mahindra Finance USA, LLC – Joint Venture
  - (ii) have been presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
  - (iii) give a true and fair view of the consolidated net profit and other financial information of the Group for the period from **1 April 2013 to 30 September 2013**
5. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the consolidated number of shares as well as percentage of shareholdings in respect of aggregate amount of consolidated public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For **B. K. Khare & Co.**

**Chartered Accountants**

*Firm Registration No. 105102W*



**Naresh Kumar Kataria**

**Partner**

**M. No. 37825**

**Mumbai, Dated : 21<sup>st</sup> October 2013**

12/18

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

The Board of Directors  
Mahindra & Mahindra Financial Services Limited

**Limited Review Report on Standalone Financial Results for the three months ended 30 September 2013**

1. We have reviewed for the Standalone financial results for the quarter ended **30 September 2013** which are included in the accompanying statement of Statement of Financial Results for the quarter and six months ended 30 September 2013 (the "Statement") of **Mahindra & Mahindra Financial Services Limited** ("the Company") 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.
2. 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.
3. 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.
4. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

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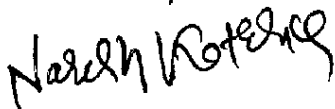
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**B. K. KHARE & Co.**  
CHARTERED ACCOUNTANTS

5. We have also audited the Standalone financial results of the Company for the six months ended 30 September 2013 of the Company. These financial results were prepared by the management of the Company and approved by their Board of Directors on 21 October 2013. We have rendered our opinion thereon vide our Audit Report dated 21 October 2013.

For and on behalf of

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



**Naresh Kumar Kataria**  
**Partner**

M. No. 37825

Mumbai, Dated: 21 October 2013

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

**The Board of Directors**

**Mahindra & Mahindra Financial Services Limited**  
**Mumbai**

**Limited Review Report on Consolidated Financial Results for the three months ended 30 September 2013**

1. We have reviewed the consolidated results of **Mahindra & Mahindra Financial Services Limited** ("the Company") for the quarter ended **30 September 2013** which are included in the accompanying Statement of Financial Results for the quarter and six months ended 30 September 2013 (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 Consolidated financial results include the results of the Company, its subsidiaries and a joint venture (hereinafter referred as "the Group") as listed out in the paragraph 2 below. 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. The Consolidated Financial Results includes the financial results of the following entities:

| Name of the Company                                     | Relationship    |
|---------------------------------------------------------|-----------------|
| Mahindra & Mahindra Financial Services Limited          | Holding Company |
| Mahindra Insurance Brokers Limited                      | Subsidiary      |
| Mahindra Rural Housing Finance Limited                  | Subsidiary      |
| Mahindra Business & Consulting Services Private Limited | Subsidiary      |
| Mahindra Finance USA, LLC                               | Joint Venture   |

3. 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.
4. 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. 1256.80 lacs and net profit of Rs.221.03 lacs for the quarter ended 30 September 2013.

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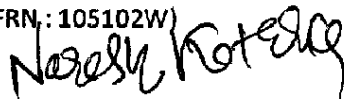
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**B. K. KHARE & Co.**  
CHARTERED ACCOUNTANTS

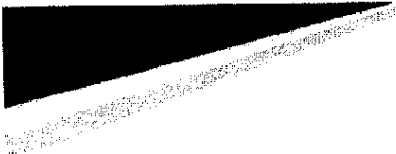
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per 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.
6. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.
7. We have also audited the Consolidated financial results of the Group for the six months ended 30 September 2013. These financial results were prepared by the management of the Company and approved by their Board of Directors on 21 October 2013. We have rendered our opinion thereon vide our Audit Report dated 21 October 2013.

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



Naresh Kumar Kataria  
Partner  
M No.37825

Mumbai, Dated : 21 October 2013



# Mahindra FINANCE

Press Release

For Immediate Dissemination

## Mahindra Finance

**F-2014 H1 Consolidated Income up by 32%**

**F-2014 H1 Consolidated PAT up by 20%**

**Mumbai, October 21, 2013:** The Board of Directors of Mahindra & Mahindra Financial Services Limited (Mahindra Finance), a leading provider of financial services in the rural and semi-urban markets, announced today, the audited financial results for the quarter and half year ended 30<sup>th</sup> September, 2013.

### F-2014 H1 Consolidated Results

The **Total Income** increased by **32%** to **Rs.2461 crores** from Rs.1861 crores in the corresponding period last year. The **Profit After Tax (PAT)** registered a growth of **20%** at **Rs.436 crores** during the half year ended 30<sup>th</sup> September, 2013 as compared to Rs.364 crores during the corresponding period last year.

### F-2014 Q2 Consolidated Results

The **Total Income** increased by **32%** to **Rs.1291 crores** from Rs.976 crores in the corresponding period last year. The **Profit After Tax (PAT)** registered a growth of **20%** at **Rs.232 crores** during the quarter ended 30<sup>th</sup> September, 2013 as compared to Rs.193 crores during the corresponding period last year.

### F-2014 H1 Standalone Results

The **Total Income** increased by **31%** to **Rs.2311 crores** from Rs.1768 crores in the corresponding period last year. The **Profit After Tax (PAT)** registered a growth of **18%** at **Rs.412 crores** during the half year ended 30<sup>th</sup> September 2013 as compared to Rs.349 crores during the corresponding period last year.

### F-2014 Q2 Standalone Results

The **Total Income** increased by **31%** to **Rs.1213 crores** from Rs.929 crores in the corresponding period last year. The **Profit After Tax (PAT)** registered a growth of **18%** at **Rs.221 crores** during the quarter ended 30<sup>th</sup> September 2013 as compared to Rs.188 crores during the corresponding period last year.

### **Operations**

Mahindra Finance, during the half year ended 30<sup>th</sup> September, 2013, registered a disbursement growth of 17% against the corresponding period last year, maintaining its leadership position for vehicles and tractors in the rural and semi urban markets.

The Company maintained healthy a growth of business and profits despite slowdown in auto industry growth and continuing high cost of borrowings through control of transaction costs and maintaining high collection efficiency levels.

## Mahindra FINANCE

Mahindra Finance currently has a network of 687 offices and Total Assets Under Management of Rs.31,146 crores as on 30<sup>th</sup> September 2013 as against Rs.23,770 crores as on 30<sup>th</sup> September 2012, a growth of 31%.

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 half year ended 30<sup>th</sup> September 2013, MIBL registered income at Rs.49.1 crores as against Rs.37.7 crores, registering a growth of 30% over the same period previous year. The Profit After Tax (PAT) was Rs.16.8 crores as against Rs.14.0 crores, registering a growth of 20% over the same period previous year.

During the quarter ended 30<sup>th</sup> September 2013, MIBL registered income at Rs.24.3 crores as against Rs.19.7 crores, registering a growth of 23% over the same period previous year. The Profit After Tax (PAT) was Rs.8.8 crores as against Rs.7.0 crores, registering a growth of 26% over the same period previous year.

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

During the half year ended 30<sup>th</sup> September 2013, MRHFL disbursed Rs.250.9 Crores as against Rs.176.9 Crores during the same period previous year, registering a growth of 42% over the same period previous year. MRHFL registered income at Rs.92.0 crores as against Rs.59.6 crores, a growth of 54% over the same period previous year. The Profit After Tax (PAT) was Rs. 9.1 Crores as against Rs. 6.2 Crores, registering a growth of 47% over the same period previous year.

During the quarter ended 30<sup>th</sup> September 2013, MRHFL disbursed Rs.137.8 Crores as against Rs.106.2 Crores during the same period previous year, registering a growth of 30% over the same period previous year. MRHFL registered income at Rs.49.8 crores as against Rs.32.1 crores, a growth of 55% over the same period previous year. The Profit After Tax (PAT) was Rs. 6.6 Crores as against Rs. 3.7 Crores, registering a growth of 78% over the same period previous year.

### **About Mahindra & Mahindra Financial Services Limited**

Mahindra & Mahindra Financial Services Limited (Mahindra Finance), part of the US \$16.2 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 Limited (MIBL) a subsidiary of Mahindra Finance is a licensed Composite Broker providing Direct and Reinsurance broking services.

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

## Mahindra FINANCE

### About Mahindra

The Mahindra Group focuses on enabling people to rise through solutions that power mobility, drive rural prosperity, enhance urban lifestyles and increase business efficiency.

A USD 16.2 billion multinational group based in Mumbai, India, Mahindra employs more than 155,000 people in over 100 countries. Mahindra operates in the key industries that drive economic growth, enjoying a leadership position in tractors, utility vehicles, information technology and vacation ownership. In addition, Mahindra enjoys a strong presence in the agribusiness, aerospace, components, consulting services, defence, energy, financial services, industrial equipment, logistics, real estate, retail, steel, commercial vehicles and two wheeler industries.

In 2012, Mahindra featured on the Forbes Global 2000 list, a listing of the biggest and most powerful listed companies in the world. In 2013, the Mahindra Group received the Financial Times 'Boldness in Business' Award in the 'Emerging Markets' category.

Visit us at [www.mahindra.com](http://www.mahindra.com)

Our Social Media Channels -  



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