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

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS PERIOD ENDED 31ST DECEMBER, 2010

(₹ in Lacs)

Particulars	Quarter ended 31st December		Nine months period ended 31st December		Year ended 31st March
	2010	2009	2010	2009	2010
Income from Operations	52034.18	39304.06	138230.81	106715.51	153076.00
Total	52034.18	39304.06	138230.81	106715.51	153076.00
Financial Expenses	18128.22	13617.11	46458.55	37770.78	50173.24
Staff Cost	3104.61	2387.78	10451.65	9047.05	12807.49
Other Expenses	8597.10	4087.44	23028.54	12715.37	18700.38
Provisions and Write Off	2507.03	5028.40	11378.98	18759.01	22152.18
Depreciation & Amortisation	382.12	261.16	1015.81	710.91	990.29
Total	32819.68	26178.87	92329.53	79003.32	104623.50
Profit from Operations before Other Income, Exceptional Item	19214.50	13214.09	45801.28	27712.19	48253.40
Other Income	963.04	808.13	2797.63	2668.23	3803.45
Profit from Operations before Exceptional Item	20177.54	14022.22	48598.91	30380.42	52056.85
Exceptional Item	2849.00	0.00	2849.00	0.00	0.00
Profit from Ordinary Activities Before Tax	17328.54	14022.22	45749.91	30380.42	52056.85
Tax Expense	5741.00	4527.00	15194.00	9985.00	17618.21
Net Profit After Tax	11587.54	9495.22	30555.91	20415.42	34438.64
Short / (Excess) provision for Income Tax - Earlier Years (net)	0.00	167.91	0.00	167.91	167.91
Net Profit for the period / year	11587.54	9663.13	30555.91	20583.33	34606.55
Paid-up Equity Share Capital (Face Value of Rs.10/- each)			9822.02	9876.17	9598.19
Reserves					163138.37
Earnings Per Share ₹					
Basic / (Rs.)	12.05	9.74	31.51	21.15	36.70
Diluted / (Rs.)	11.96	9.63	31.04	20.90	36.37
Total Public Shareholding					
Number of shares	37987695	37520118	37987695	37520118	37738945
Percentage of holdings	39.20%	38.72%	39.20%	38.72%	39.95%
Promoters and Promoter Group Shareholding :					
a) Pledged / Encumbered					
Number of shares	0	0	0	0	0
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	0.00%	0.00%	0.00%	0.00%	0.00%
Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	0.00%	0.00%	0.00%
b) Non-encumbered					
Number of shares	58912830	59300407	58912830	59300407	59100580
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%
Percentage of shares (as a % of the total share capital of the company)	60.80%	61.28%	60.80%	61.28%	61.05%

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CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS PERIOD ENDED 31ST DECEMBER, 2010

(₹ in Lacs)

Particulars	Quarter ended 31st December		Nine months period ended 31st December		Year ended 31st March
	2010	2009	2010	2009	2010
Income from Operations	53004.88	40188.30	143007.74	108008.23	156122.52
Total	53004.88	40188.30	143007.74	108008.23	156122.52
Financial Expenses	18290.77	13629.20	40883.34	37813.42	50279.71
Staff Cost	5094.45	3210.64	15507.91	11064.40	15943.20
Other Expenses	8858.33	4133.98	18523.34	11088.79	18135.28
Provisions and Write Off	2647.90	5040.94	11481.29	10706.36	22180.15
Depreciation & Amortisation	401.58	265.50	1041.72	722.25	1007.72
Total	33293.01	26280.42	93417.80	79475.22	105546.04
Profit from Operations before Other Income, Exceptional Item and Minority Interest	20891.87	13908.88	49590.14	28391.01	50576.48
Other Income	759.41	686.12	2317.48	2405.33	3437.63
Profit from Ordinary Activities Before Tax, Exceptional Item and Minority Interest	21451.28	14592.00	51907.62	31796.34	54014.11
Exceptional Item	2049.00	0.00	2849.00	0.00	0.00
Profit from Ordinary Activities Before Tax and Minority Interest	18602.28	14592.00	49058.62	31796.34	54014.11
Tax Expense	6140.38	4698.65	10240.00	10416.86	18238.79
Net Profit After Tax and before Minority Interest	12461.90	9893.35	32818.62	21379.48	35775.32
Short / (Excess) provision for Income Tax - (Earlier Years (net))	0.00	187.91	10.14	167.91	187.91
Net Profit After Tax for the period / year before Minority Interest	12461.90	9728.44	32800.42	21211.57	35963.23
Minority Interest in Profit / (Loss)	31.40	5.38	78.80	11.50	27.27
Net Profit for the period / year after Minority Interest	12430.44	9720.06	32721.62	21200.07	35935.96
Paid-up Equity Share Capital (Face Value of Rs.10/- each)			9822.92	9578.17	9598.18
Reserves					185758.08
Earnings Per Share #					
Basic (Rs.)	12.92	10.15	34.00	22.14	37.16
Diluted (Rs.)	12.83	10.03	33.77	21.88	36.72
Total Public Shareholding					
Number of shares	37987895	37520118	37987895	37520118	37739045
Percentage of holdings	39.20%	38.72%	39.20%	38.72%	38.95%
Promoters and Promoter Group Shareholding :					
a) Pledged / Encumbered					
Number of shares	0	0	0	0	0
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	0.00%	0.00%	0.00%	0.00%	0.00%
Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	0.00%	0.00%	0.00%
b) Non-encumbered					
Number of shares	58912830	58360407	58912830	58360407	58180580
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%
Percentage of shares (as a % of the total share capital of the company)	60.80%	61.28%	60.80%	61.28%	61.05%

Earnings per share for the interim period is not annualised.

Notes:

- 1) The above results have been reviewed by the audit committee and subsequently approved by the Board of Directors of the Company at its Meeting held on 21st January, 2011
- 2) The Consolidated results includes the Financial Results of the subsidiaries Mahindra Insurance Brokers Ltd. (100%), Mahindra Rural Housing Finance Ltd. (87.50%) and Mahindra Business B. Consulting Services Private Ltd. (100%).
- 3) The Company has a single reportable segment, namely financial services for the purpose of Accounting Standard 17 on Segment Reporting.
- 4) The Reserve Bank of India (RBI) vide its Notification No. DNBS.222/ CGM (US)-2011 dated 17.01.2011 has issued directions to all NBFC's to make a provision of 0.25% on the standard assets with immediate effect. Accordingly, the Company has made a first time provision during the quarter of Rs.2849.00 lacs (net of tax Rs.1904.00 lacs) on the standard assets outstanding as on 31st December 2010 as an exceptional item. The above includes provision for the quarter of Rs.285.83 lacs (net of tax Rs.191.02 lacs).
- 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) Income from Operations for the quarter includes Income from fresh assignment transactions (net of upfront provision for loss/expenses) of Rs.1067.06 Lacs (net of tax Rs.713.44 lacs) (Dec '09 : Rs.3486.03 lacs (net of tax Rs. 2323.44 lacs)).
Income from Operations for the nine months period includes Income from fresh assignment transactions (net of upfront provision for loss/expenses) of Rs.3779.03 lacs (net of tax Rs.2526.66 lacs) (Dec '09 : Rs.6411.88 lacs (net of tax Rs.4273.52 lacs), March '10 : Rs.11006.74 lacs (net of tax Rs.7245.74 lacs)) and a write back of provision on earlier assignment transactions of Rs.2892.30 lacs (net of tax Rs.1933.79 lacs) (Dec '09 : Rs.841.39 lacs (net of tax Rs.560.79 lacs), March '10 : Rs.1546.07 lacs (net of tax Rs.1017.78 lacs)) no longer required.
- 7) In the standalone results, Other Expenses for the quarter includes Rs.1481.73 lacs (Dec '09 : Rs.516.83 lacs) and for the nine months period includes Rs.3730.76 lacs (Dec '09 : Rs.516.83 lacs, March '10: Rs.1828.33 lacs) incurred towards professional fees for manpower services provided by Mahindra Business & Consulting Services Private Ltd., a wholly owned subsidiary company.
- 8) Information on Investor Complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 31st December, 2010:

Particulars	Opening Balance	Additions	Disposals	Closing Balance
Number of Complaints	0	20	20	0

- 9) Previous period/year figures are regrouped, wherever found necessary.

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

Ramesh Iyer
Managing Director

Date : 21st January, 2011
Place : Mumbai