

PART - I

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2014

Particulars	Quarter ended			Half year ended		Year ended
	30th Sep 2014 (Unaudited)	30th June 2014 (Unaudited)	30th Sep 2013 (Unaudited)	30th Sep 2014 (Audited)	30th Sep 2013 (Audited)	31st March 2014 (Audited)
1 Income from operations	135367.04	127512.73	120314.49	262879.77	229560.97	492163.21
Total Income from operations	135367.04	127512.73	120314.49	262879.77	229560.97	492163.21
2 Expenses:						
a) Employee benefits expense	11741.89	10841.90	7013.95	22583.79	12938.48	29733.41
b) Depreciation and amortization expense	1007.75	1115.72	582.46	2123.47	1206.50	2429.62
c) Loan provisions and write off	18416.08	22495.21	12619.31	40911.29	25141.06	50578.57
d) Other expenses	12464.89	10735.54	14899.37	23200.43	28993.00	59180.56
Total expenses	43630.61	45188.37	35115.09	88818.98	68279.04	141922.16
3 Profit from operations before other income and finance costs (1-2)	91736.43	82324.36	85199.40	174060.79	161281.93	350241.05
4 Other income	1520.75	785.88	957.11	2306.63	1561.91	3137.24
5 Profit from ordinary activities before finance costs (3+4)	93257.18	83110.24	86156.51	176367.42	162843.84	353378.29
6 Finance costs	61675.85	59491.45	52526.11	121167.30	100138.61	218801.45
7 Profit from ordinary activities before tax (5-6)	31581.33	23618.79	33630.40	55200.12	62705.23	134576.84
8 Tax expense	10872.03	8131.00	11514.00	19003.03	21467.00	45564.09
9 Net profit after taxes for the period / year (7-8)	20709.30	15487.79	22116.40	36197.09	41238.23	83722.75
10 Paid-up equity share capital (face value of Rs.2/- each)				11277.75	11263.49	11270.50
11 Reserves						498151.10
12 Earnings per share #						
a) Basic (Rs.)	3.67	2.75	3.93	6.42	7.32	15.75
b) Diluted (Rs.)	3.64	2.72	3.89	6.36	7.25	15.60

Earnings per share for the interim period is not annualised.



PART - II

SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

Particulars	Quarter ended			Half year ended		Year ended
	30th Sep 2014	30th June 2014	30th Sep 2013	30th Sep 2014	30th Sep 2013	31st March 2014
A PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
- Number of shares	272679771	272519164	271966703	272679771	271966703	272317459
- Percentage of shareholdings	47.94%	47.91%	47.82%	47.94%	47.82%	47.88%
2 Promoters and Promoter Group shareholding :						
a) Pledged / encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	296085189	296245796	296798257	296085189	296798257	296447501
- 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)	52.06%	52.09%	52.18%	52.06%	52.18%	52.12%
B INVESTOR COMPLAINTS						
Pending at the beginning of the quarter	-	-	-	-	-	-
Received during the quarter	9	9	9	9	9	9
Disposed off during the quarter	9	9	9	9	9	9
Remaining unresolved at the end of the quarter	-	-	-	-	-	-



PART - I

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2014

Rs. in Lacs

Particulars	Quarter ended			Half year ended		Year ended
	30th Sep 2014 (Unaudited)	30th June 2014 (Unaudited)	30th Sep 2013 (Unaudited)	30th Sep 2014 (Audited)	30th Sep 2013 (Audited)	
1 Income from operations	146760.59	137676.74	128579.88	284437.33	245047.84	527522.73
Total Income from operations	146760.59	137676.74	128579.88	284437.33	245047.84	527522.73
2 Expenses:						
a) Employee benefits expense	14278.47	13269.66	12079.33	27548.13	23371.94	49450.51
b) Depreciation and amortization expense	1102.94	1223.25	625.57	2326.19	1288.09	2608.05
c) Loan provisions and write off	18966.55	23252.47	12858.97	42219.02	25873.98	51898.42
d) Other expenses	13807.71	11907.60	12841.63	25715.31	24405.21	51849.11
Total expenses	48155.67	49652.98	38405.50	97808.65	74939.22	155806.09
3 Profit from operations before other income and finance costs (1-2)	98604.92	88023.76	90174.38	186628.68	170108.62	371716.64
4 Other income	728.43	760.30	487.86	1488.73	1085.42	2532.55
5 Profit from ordinary activities before finance costs (3+4)	99333.35	88784.06	90662.24	188117.41	171194.04	374249.19
6 Finance costs	65127.59	62610.98	54774.58	127738.57	104250.27	228096.44
7 Profit from ordinary activities before tax (5-6)	34205.76	26173.08	35887.66	60378.84	66943.77	146152.75
8 Tax expense	12012.18	9029.88	12356.48	21042.06	22956.71	49675.33
9 Net profit after taxes for the period / year (7-8)	22193.58	17143.20	23531.18	39336.78	43987.06	96477.42
10 Minority interest	258.18	192.28	281.45	450.46	432.12	1,035.28
11 Net profit after taxes and minority interest (9-10)	21935.40	16950.92	23249.73	38886.32	43554.94	95442.14
12 Paid-up equity share capital (face value of Rs. 2/- each)				11277.75	11263.49	11270.50
13 Reserves						518099.02
14 Earnings per share #						
a) Basic (Rs.)	3.89	3.01	4.13	6.90	7.73	16.95
b) Diluted (Rs.)	3.86	2.98	4.09	6.84	7.66	16.78

Earnings per share for the interim period is not annualised.



PART - II

SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

Particulars	Quarter ended			Half year ended		Year ended
	30th Sep 2014	30th June 2014	30th Sep 2013	30th Sep 2014	30th Sep 2013	
A PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
- Number of shares	272679771	272519164	271966703	272679771	271966703	272317459
- Percentage of shareholdings	47.94%	47.91%	47.82%	47.94%	47.82%	47.86%
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	296085189	296245796	296798257	296085189	296798257	296447501
- 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)	52.06%	52.09%	52.18%	52.06%	52.18%	52.12%



AUDITED STATEMENT OF ASSETS AND LIABILITIES

Rs. in Lacs

Particulars	STANDALONE			CONSOLIDATED		
	As at 30th Sep 2014	As at 30th Sep 2013	As at 31st March 2014	As at 30th Sep 2014	As at 30th Sep 2013	As at 31st March 2014
A						
EQUITY AND LIABILITIES						
1 Shareholders' funds						
a) Share capital	11277.75	11263.49	11270.50	11277.75	11263.49	11270.50
b) Reserves and surplus	534181.11	475592.21	498151.10	556358.06	491603.65	518099.02
	545458.86	486855.70	509421.60	567635.81	502867.14	529369.52
Sub-total - Shareholders' funds				4183.73	3044.67	3647.83
2 Minority interest	-	-	-			
3 Non-current liabilities						
a) Long-term borrowings	1543986.92	1409543.42	1690318.88	1709435.42	1514123.12	1825376.57
b) Other long-term liabilities	27715.91	21523.91	27641.82	27777.15	21548.54	27701.56
c) Long term provisions	31878.17	34843.08	31801.27	34064.13	36296.72	33309.64
	1603581.00	1465910.41	1749761.97	1771276.70	1571967.38	1886387.77
Sub-total - Non-current liabilities						
4 Current liabilities						
a) Short term borrowings	393232.59	358128.27	124428.36	432394.37	395993.13	151027.60
b) Trade payables	47789.19	43125.60	43785.76	49124.16	43932.31	45074.04
c) Other current liabilities	698164.67	544869.50	649114.91	753106.31	581649.51	698126.60
d) Short term provisions	81990.44	47819.14	90059.68	84566.62	49380.28	92116.10
	1224176.89	993942.51	907386.71	1319191.46	1070955.23	986344.34
Sub-total - Current liabilities						
TOTAL - EQUITY AND LIABILITIES	3370216.75	2946708.62	3166572.28	3662287.70	3148834.42	3405749.46
B						
ASSETS						
1 Non-current assets						
a) Fixed assets	10572.92	11260.95	11963.34	11422.64	12052.56	12867.30
b) Goodwill on consolidation	-	-	-	4.05	4.05	4.05
c) Non-current investments	62921.48	45520.89	52627.59	44408.83	31347.86	37895.56
d) Deferred tax assets (Net)	35173.23	24458.72	31506.64	35615.09	25000.83	32535.84
e) Long-term loans and advances	1608125.66	1457466.68	1577945.52	1840453.13	1606352.17	1772994.08
f) Other non-current assets	3217.00	14412.61	13593.00	3277.00	14472.61	13543.00
	1720010.29	1553149.85	1687626.09	1935180.74	1689230.10	1869339.83
Sub-total - Non-current assets						
2 Current assets						
a) Current investments	4595.33	2000.00	34289.13	4595.33	2000.00	34289.13
b) Trade receivables	542.85	968.31	1435.36	1072.20	1543.36	2289.90
c) Cash and bank balances	60419.08	31874.15	55328.88	61840.62	33623.10	57043.28
d) Short-term loans and advances	1577722.23	1351111.22	1383752.32	1652752.76	1414888.34	1438062.21
e) Other current assets	6926.97	7605.09	4140.50	6846.05	7549.52	4125.11
	1650206.46	1393558.77	1478946.19	1727106.96	1459604.32	1535809.63
Sub-total - Current assets						
TOTAL - ASSETS	3370216.75	2946708.62	3166572.28	3662287.70	3148834.42	3405749.46



Notes:

- 1) The above financial results for the quarter and half year ended 30th September, 2014 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 22nd October, 2014.
- 2) The results for the half year ended 30th September, 2014 have been subject to an "Audit" and the results for the quarter ended 30th September, 2014 have been subject to a "Limited Review" by the Statutory Auditors of the Company.
- 3) The Consolidated financial results include the results of the subsidiaries Mahindra Insurance Brokers Ltd. (85%), Mahindra Rural Housing Finance Ltd. (87.50%), Mahindra Business & Consulting Services Private Ltd. (100%), Mahindra Asset Management Company Private Limited (100%), Mahindra Trustee Company Private Limited (99.99%) and financial results of a (49%) Joint Venture company, Mahindra Finance USA LLC, in the United States.
- 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) The Board of Directors of the Company and its wholly owned subsidiary, Mahindra Business & Consulting Services Private Ltd. (MBCSPL) have approved a Scheme of Amalgamation of MBCSPL with the Company at its meeting held on 22nd October, 2014. The appointed date for the proposed Scheme is 1st April, 2014. Pending sanction of the Honble High Courts and other approvals, no effect has been given in the financial results for the quarter and half year ended 30th September, 2014.
- 7) During the quarter ended 30th September, 2014, the Company has made following investments :
 - i) Rs. 1118.06 lacs equivalent to US \$ 1.86 million being additional investment in Mahindra Finance USA LLC, a Joint Venture company formed jointly with De Lage Landan Financial Services Inc. in the United States (half year ended 30th September, 2014 Rs. 1575.62 lacs equivalent to US \$ 2.62 million).
 - ii) Rs. 2190.00 lacs in Mahindra Rural Housing Finance Ltd., its subsidiary, being additional investment by payment of final call money at Rs. 12.50 per equity share (including premium of Rs. 7.50 per Equity share) on 1,75,20,003 partly paid up Equity shares of Rs. 10/- each for cash at a premium of Rs. 15/- per Equity share issued on a rights basis in May 2013 (half year ended 30th September, 2014 Rs. 2190.00 lacs).
 - iii) Rs. 10.00 lacs being additional investment in Mahindra Asset Management Company Private Limited., its subsidiary, by subscription to 1,00,000 equity shares of face value of Rs. 10/- each, fully paid up, on a rights basis (half year ended 30th September, 2014 Rs. 10.00 lacs).
- 8) Pursuant to the Companies Act, 2013 (the "Act") becoming effective from 1st April, 2014, the Company has recomputed the depreciation based on the useful life of the assets as prescribed in Schedule II of the Act. This has resulted in additional charge of depreciation of Rs. 350.30 lacs for the quarter ended 30th September, 2014 (quarter ended 30th June, 2014 Rs. 448.14 lacs and half year ended 30th September, 2014 Rs. 798.44 lacs). Further, as per the transitional provision, carrying value of assets of Rs. 317.77 lacs (net of Deferred tax of Rs. 163.62 lacs) is adjusted in the opening balance of retained earnings in respect of assets where the remaining useful life is Nil, as at 1st April, 2014.
- 9) In the standalone results, Other expenses for the quarter ended 30th September, 2014 includes Rs. 18.29 lacs (quarter ended 30th June, 2014, 30th September, 2013 : Rs. 232.30 lacs and Rs. 4513.32 lacs respectively; half year ended 30th September, 2014, 30th September, 2013 and year ended 31st March, 2014 : Rs. 250.59 lacs, Rs. 8693.23 lacs and Rs. 15011.59 lacs respectively) incurred towards professional fees for manpower services provided by Mahindra Business & Consulting Services Private Ltd. During the quarter, in addition to some of the employees already transferred up to the end of previous quarter, all the remaining employees have been transferred on the payrolls of the Company and the cost of these employees of Rs. 3936.02 lacs for the quarter ended 30th September, 2014 (quarter ended 30th June, 2014 Rs. 3374.27 lacs, half year ended 30th September, 2014 Rs. 7310.29 lacs and year ended 31st March, 2014: Rs. 2237.26 lacs) is included in employee benefits expense.
- 10) Previous period/year figures have been regrouped / reclassified, wherever found necessary, to conform to current period/year classification.

Date : 22nd October, 2014
Place : Mumbai



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

Ramesh Iyer
Managing Director