

Mahindra & Mahindra Financial Services Limited

CIN : L65921MH1991PLC059642

Registered Office: Gateway Building, Apollo Bunder, Mumbai 400 001. Tel. No. +91 22 22895500 Fax: +91 22 22875485
Corporate Office: Mahindra Towers, 4th Floor, Dr. G.M. Bhosale Marg, Worli, Mumbai 400 018. Tel. No. +91 22 66526000 Fax: +91 22 24984170 / 71
Website : www.mahindrafinance.com ; Email : investorhelpline_mmfsi@mahindra.com

PART - I

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS PERIOD ENDED 31ST DECEMBER, 2015

Rs. in Lacs

	Particulars	Quarter ended			Nine months period ended		Year ended
		31st Dec 2015	30th Sep 2015	31st Dec 2014	31st Dec 2015	31st Dec 2014	31st March 2015 (Audited)
1	Income from operations	140022.98	142000.45	138655.43	418106.22	401535.20	553605.61
	Total Income from operations	140022.98	142000.45	138655.43	418106.22	401535.20	553605.61
2	Expenses:						
	a) Employee benefits expense	13543.68	13838.23	11834.25	40323.34	34418.04	45908.20
	b) Depreciation and amortization expense	1041.12	1014.93	1002.85	3035.98	3126.32	4151.63
	c) Loan provisions and write off (refer note no.6)	34059.47	27719.89	26907.61	94063.30	67818.90	82748.89
	d) Other expenses	14879.23	13231.49	14224.64	40537.97	37425.07	50624.35
	Total expenses	63523.50	55804.54	53969.35	177960.59	142788.33	183433.07
3	Profit / (Loss) from operations before other income and finance costs and exceptional items (1-2)	76499.48	86195.91	84686.08	240145.63	258746.87	370172.54
4	Other income	845.34	1830.88	896.43	3434.70	3203.06	4864.99
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	77344.82	88026.79	85582.51	243580.33	261949.93	375037.53
6	Finance costs	66956.73	65420.12	64779.68	196823.66	185946.98	249673.13
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	10388.09	22606.67	20802.83	46756.67	76002.95	125364.40
8	Exceptional items	-	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7-8)	10388.09	22606.67	20802.83	46756.67	76002.95	125364.40
10	Tax expense	3671.44	7989.12	7161.86	16524.07	26164.89	42186.81
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	6716.65	14617.55	13640.97	30232.60	49838.06	83177.59
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period / year (11-12)	6716.65	14617.55	13640.97	30232.60	49838.06	83177.59
14	Paid-up equity share capital (face value of Rs.2/- each)				11288.12	11279.33	11282.81
15	Reserves (excluding Revaluation Reserve as shown in the Balance Sheet of previous year)						555658.09
16	i) Earnings per share (before extraordinary items) (face value of Rs.2/- each) #						
	a) Basic (Rs.)	1.19	2.59	2.42	5.36	8.84	14.75
	b) Diluted (Rs.)	1.18	2.57	2.40	5.32	8.76	14.62
	ii) Earnings per share (after extraordinary items) (face value of Rs.2/- each) #						
	a) Basic (Rs.)	1.19	2.59	2.42	5.36	8.84	14.75
	b) Diluted (Rs.)	1.18	2.57	2.40	5.32	8.76	14.62

Earnings per share for the interim period is not annualised.

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS PERIOD ENDED 31ST DECEMBER, 2015

Rs. in Lacs

Particulars	Quarter ended			Nine months period ended		Year ended
	31st Dec 2015	30th Sep 2015	31st Dec 2014	31st Dec 2015	31st Dec 2014	31st March 2015 (Audited)
1 Income from operations	158369.11	157890.36	151185.70	466724.50	435623.03	602114.28
Total Income from operations	158369.11	157890.36	151185.70	466724.50	435623.03	602114.28
2 Expenses:						
a) Employee benefits expense	17289.70	16996.29	14724.72	50217.85	42272.85	56710.19
b) Depreciation and amortization expense	1167.07	1109.43	1103.88	3363.74	3430.07	4550.76
c) Loan provisions and write off (refer note no.6)	35213.57	29195.05	27646.88	98154.98	69865.90	84912.26
d) Other expenses	16890.16	15190.38	15423.88	46322.21	41139.19	55630.68
Total expenses	70560.50	62491.15	58899.36	198058.78	156708.01	201803.89
3 Profit / (Loss) from operations before other income and finance costs and exceptional items (1-2)	87808.61	95399.21	92286.34	268665.72	278915.02	400310.39
4 Other income	895.40	844.13	968.63	2539.70	2457.36	3976.28
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	88704.01	96243.34	93254.97	271205.42	281372.38	404286.67
6 Finance costs	73006.12	70958.17	68767.06	213240.34	196505.63	264299.81
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	15697.89	25285.17	24487.91	57965.08	84866.75	139986.86
8 Exceptional items	-	-	-	-	-	-
9 Profit / (Loss) from ordinary activities before tax (7-8)	15697.89	25285.17	24487.91	57965.08	84866.75	139986.86
10 Tax expense	5642.55	9316.15	8525.49	20969.45	29567.55	47500.11
11 Net Profit / (Loss) from ordinary activities after tax (9-10)	10055.34	15969.02	15962.42	36995.63	55299.20	92486.75
12 Extraordinary items (net of tax expense)	-	-	-	-	-	-
13 Net Profit / (Loss) for the period / year (11-12)	10055.34	15969.02	15962.42	36995.63	55299.20	92486.75
14 Minority interest	411.92	257.65	283.71	898.94	734.17	1,196.21
15 Net Profit / (Loss) after taxes and minority interest (13-14)	9643.42	15711.37	15678.71	36096.69	54565.03	91290.54
16 Paid-up equity share capital (face value of Rs.2/- each)				11288.12	11279.33	11282.81
17 Reserves (excluding Revaluation Reserve as shown in the Balance Sheet of previous year)						582988.88
18 i) Earnings per share (before extraordinary items) (face value of Rs.2/- each) #						
a) Basic (Rs.)	1.71	2.78	2.78	6.40	9.68	16.19
b) Diluted (Rs.)	1.70	2.76	2.76	6.35	9.59	16.05
ii) Earnings per share (after extraordinary items) (face value of Rs.2/- each) #						
a) Basic (Rs.)	1.71	2.78	2.78	6.40	9.68	16.19
b) Diluted (Rs.)	1.70	2.76	2.76	6.35	9.59	16.05

Earnings per share for the interim period is not annualised.

Notes:

- 1) The above financial results for the quarter and nine months period ended 31st December, 2015 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, 2016.
- 2) The results for the quarter and nine months period ended 31st December, 2015 have been subjected 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 Asset Management Company Private Limited (100%), Mahindra Trustee Company Private Limited (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 (NPAs).
- 6) The RBI vide its notification no DNBR. 011/CGM (CDS)-2015 dt. March 27, 2015 has revised the asset classification norms for NPAs and substandard assets under its prudential norms applicable to NBFCs in a phased manner commencing from financial year ending 31st March, 2016, upto the financial year ending 31st March, 2018 which would result in an additional provision. The Company follows prudential norms for income recognition, asset classification and provisioning for NPAs as prescribed by RBI for NBFCs and has also been making additional provision on a prudential basis. The Company has complied with the revised regulatory norms of recognising NPAs at 5 months applicable for the current financial year.
Effective from the previous quarter ended 30th September, 2015, the Company as a prudent practice, has also decided to accelerate the recognition of NPAs in a phased manner so as to meet the revised norms of 4 months before 31st March, 2017. Accordingly, an additional provision of Rs.5058.31 Lacs (including income de-recognition) for the nine months period ended 31st December, 2015 has been made with a consequent impact on Profit before tax for the nine months period ended 31st December, 2015. However, there is no significant impact of this change on provision for the quarter ended 31st December, 2015.
- 7) During the quarter ended 31st December, 2015, the Company has made following investments :
 - i) Rs.720.31 lacs equivalent to US \$ 1.11 million being additional investment in Mahindra Finance USA LLC, a Joint Venture company formed jointly with De Lage Landen Financial Services Inc. in the United States (nine months period ended 31st December, 2015 Rs.3378.14 lacs equivalent to US \$ 5.27 million).
 - ii) Rs.10.00 lacs being additional investment in Mahindra Trustee 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 (nine months period ended 31st December, 2015 Rs.10.00 lacs).
- 8) During the quarter ended 31st March, 2015, the erstwhile Mahindra Business & Consulting Services Private Ltd. (MBCSPL), a wholly owned subsidiary, was amalgamated with the Company as per the approved scheme of amalgamation and the effect thereof was given in the financial statements effective from the appointed date 01st April, 2014. As a result of this, the standalone financial results for the quarter/nine months period ended 31st December, 2015 are strictly not comparable with corresponding quarter/period of the previous year.
- 9) Previous period/year figures have been regrouped / reclassified, wherever found necessary, to conform to current period/year classification.

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

Sd/-

**Ramesh Iyer
Managing Director**

**Date : 21st January, 2016
Place : Mumbai**