

**AUDITED STANDALONE FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2010**

(Rupees in Lacs)

Particulars	Quarter ended 31st March		Year ended 31st March	
	2010	2009	2010	2009
Income from Operations	46361.45	38934.49	153076.96	136482.34
<b>Total</b>	<b>46361.45</b>	<b>38934.49</b>	<b>153076.96</b>	<b>136482.34</b>
Financial Expenses	12402.46	12718.32	50173.24	50986.19
Staff Cost	3759.64	3038.41	12807.49	11728.46
Other Expenses	5984.99	3134.24	18700.36	14077.60
Provisions and Write Off	3393.17	4584.16	22152.18	28239.04
Depreciation & Amortisation	279.98	248.37	990.29	872.81
<b>Total</b>	<b>25820.24</b>	<b>23723.50</b>	<b>104823.56</b>	<b>105904.10</b>
<b>Profit from Operations before Other Income, Exceptional Item</b>	<b>20541.21</b>	<b>15210.99</b>	<b>48253.40</b>	<b>30578.24</b>
Other Income	1135.22	834.45	3803.45	1983.85
<b>Net Profit from Ordinary Activities Before Tax</b>	<b>21676.43</b>	<b>16045.44</b>	<b>52056.85</b>	<b>32562.09</b>
Tax Expense	7653.21	5241.07	17618.21	11110.03
<b>Net Profit After Tax</b>	<b>14023.22</b>	<b>10804.37</b>	<b>34438.64</b>	<b>21452.06</b>
Short / (Excess) provision for Income Tax - Earlier Years (net)	0.00	0.00	167.91	0.00
<b>Net Profit for the period / year</b>	<b>14023.22</b>	<b>10804.37</b>	<b>34270.73</b>	<b>21452.06</b>
Paid-up Equity Share Capital (Face Value of Rs.10/- each)			9598.15	9571.09
Reserves			163138.37	137215.78
<b>Earnings Per Share **</b>				
Basic (Rs.)	14.62	11.30	35.78	22.46
Diluted (Rs.)	14.47	11.15	35.37	22.14
<b>Total Public Shareholding</b>				
Number of shares	37739945	37469327	37739945	37469327
Percentage of holdings	38.95%	38.67%	38.95%	38.67%
<b>Promoters and Promoter Group Shareholding</b>				
<b>a) Pledged / Encumbered</b>				
Number of shares	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%
Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	0.00%	0.00%
<b>b) Non-encumbered</b>				
Number of shares	59160580	59431198	59160580	59431198
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%
Percentage of shares (as a % of the total share capital of the company)	61.05%	61.33%	61.05%	61.33%

**CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2010**

(Rupees in Lacs)

Particulars	Quarter ended 31st March		Year ended 31st March	
	2010	2009	2010	2009
Income from Operations	47256.29	39391.46	156122.52	138171.07
<b>Total</b>	<b>47256.29</b>	<b>39391.46</b>	<b>156122.52</b>	<b>138171.07</b>
Financial Expenses	12466.29	12754.93	50279.71	51086.62
Staff Cost	4878.80	3304.47	15943.20	12855.83
Other Expenses	5046.47	2922.91	16135.26	13525.25
Provisions and Write Off	3393.79	4573.16	22180.15	28250.24
Depreciation & Amortisation	285.47	251.09	1007.72	882.99
<b>Total</b>	<b>26070.82</b>	<b>23806.56</b>	<b>105546.04</b>	<b>106600.93</b>
<b>Profit from Operations before Other Income, Exceptional Item and Minority Interest</b>	<b>21185.47</b>	<b>15584.90</b>	<b>50576.48</b>	<b>31570.14</b>
Other Income	1032.30	759.36	3437.63	1873.65
<b>Profit from Ordinary Activities Before Tax and Minority Interest</b>	<b>22217.77</b>	<b>16344.26</b>	<b>54014.11</b>	<b>33443.79</b>
Tax Expense	7819.93	5348.67	18236.79	11474.83
<b>Net Profit After Tax and before Minority Interest</b>	<b>14397.84</b>	<b>10995.59</b>	<b>35777.32</b>	<b>21968.96</b>
Short / (Excess) provision for Income Tax - Earlier Years (net)	0.00	0.03	167.91	0.03
<b>Net Profit After Tax for the period / year before Minority Interest</b>	<b>14397.84</b>	<b>10995.56</b>	<b>35609.41</b>	<b>21968.93</b>
Minority Interest in Profit / (Loss)	15.77	2.86	27.27	(1.12)
<b>Net Profit for the period / year after Minority Interest</b>	<b>14382.07</b>	<b>10992.70</b>	<b>35582.14</b>	<b>21970.05</b>
Paid-up Equity Share Capital (Face Value of Rs.10/- each)			9598.15	9571.09
Reserves			165758.06	138534.76
<b>Earnings Per Share **</b>				
Basic (Rs.)	15.00	11.49	37.15	23.01
Diluted (Rs.)	14.84	11.34	36.72	22.67
<b>Total Public Shareholding</b>				
Number of shares	37739945	37469327	37739945	37469327
Percentage of holdings	38.95%	38.67%	38.95%	38.67%
<b>Promoters and Promoter Group Shareholding</b>				
<b>a) Pledged / Encumbered</b>				
Number of shares	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%
Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	0.00%	0.00%
<b>b) Non-encumbered</b>				
Number of shares	59160580	59431198	59160580	59431198
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%
Percentage of shares (as a % of the total share capital of the company)	61.05%	61.33%	61.05%	61.33%

\*\* Earnings per share for the interim period is not annualised.

## STATEMENT OF ASSETS AND LIABILITIES AS ON 31ST MARCH,2010

(Rupees in Lacs)

Particulars	Standalone		Consolidated	
	Year ended 31st March		Year ended 31st March	
	2010	2009	2010	2009
<b>SHAREHOLDERS' FUNDS :</b>				
a) Capital	9598.15	9571.09	9598.15	9571.09
b) Employee Stock Options Outstanding	119.95	129.34	119.95	129.34
c) Reserves and Surplus	163138.37	137215.78	165758.06	138534.76
	<b>172856.47</b>	<b>146916.21</b>	<b>175476.16</b>	<b>148235.19</b>
Minority Interest			179.28	154.02
<b>LOAN FUNDS</b>	<b>645775.20</b>	<b>521301.54</b>	<b>652498.20</b>	<b>522024.54</b>
<b>TOTAL</b>	<b>818631.67</b>	<b>668217.75</b>	<b>828153.64</b>	<b>670413.75</b>
<b>FIXED ASSETS</b>	4760.07	3744.01	4863.49	3810.72
<b>INVESTMENTS</b>	21592.94	10971.10	20337.18	9716.34
<b>DEFERRED TAX ASSET</b>	20692.87	17875.08	20716.82	17876.85
<b>CURRENT ASSETS, LOANS AND ADVANCES :</b>				
a) Sundry Debtors	0.00	77.84	128.84	164.57
b) Cash and Bank balances	24199.16	27631.27	24434.49	27919.77
c) Other Current Assets	376.64	253.90	391.97	232.93
d) Loans and Advances	837879.82	683833.58	848644.87	687068.38
	<b>862455.62</b>	<b>711796.59</b>	<b>873600.17</b>	<b>715385.65</b>
<b>Less : Current Liabilities and Provisions</b>				
a) Liabilities	59989.23	54952.70	60006.21	54884.02
b) Provisions	30880.60	21216.33	31357.81	21491.79
	<b>90869.83</b>	<b>76169.03</b>	<b>91364.02</b>	<b>76375.81</b>
<b>NET CURRENT ASSETS</b>	<b>771585.79</b>	<b>635627.56</b>	<b>782236.15</b>	<b>639009.84</b>
<b>TOTAL</b>	<b>818631.67</b>	<b>668217.75</b>	<b>828153.64</b>	<b>670413.75</b>

## Notes:

- The above results have been approved by the Board of Directors of the Company at its Meeting held on 22nd April, 2010.
- The Board of Directors have recommended a dividend of Rs.7.50 per share on Equity Share of Rs.10/- each. The dividend will absorb a sum of Rs.8502.77 lacs (including dividend distribution tax).
- The company has only one primary reportable segment, namely, financial services for the purpose of Accounting Standard 17 on Segment Reporting.
- 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.
- Income from Operations for the quarter includes Income from fresh assignment transactions (net of upfront provision for loss/expenses) of Rs.4594.86 Lacs (Previous year: Rs.4604.00 lacs) and a write back of provision on earlier securitisation/assignment transactions of Rs.704.68 lacs (Previous year: Rs.116.07 lacs) no longer required.  
Income from Operations for the year ended 31st March, 2010 includes Income from fresh assignment transactions (net of upfront provision for loss/expenses) of Rs.11006.74 lacs (Previous year: Rs.9767.98 lacs) & a write back of provision on earlier securitisation/assignment transactions of Rs.1546.07 lacs (Previous year: Rs.766.76 lacs) no longer required.
- The Consolidated results includes the Financial Results of the subsidiaries Mahindra Insurance Brokers Ltd., Mahindra Rural Housing Finance Ltd. and Mahindra Business & Consulting Services Private Ltd.
- Information on Investor Complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 31st March,2010.

Particulars	Opening Balance	Additions	Disposals	Closing Balance
Number of Complaints	0	45	45	0

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

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

Date : 22nd April, 2010  
Place : Mumbai

Sd/-  
Ramesh Iyer  
Managing Director