

**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2009**

(Rs. In lacs)

Particulars	Quarter ended 31st March		Year ended 31st March	
	2009	2008	2009	2008
Income from Operations	38934.49	35484.25	136482.34	120575.45
<b>Total Income</b>	<b>38934.49</b>	<b>35484.25</b>	<b>136482.34</b>	<b>120575.45</b>
Financial Expenses	12718.32	11800.02	50986.19	45599.53
Staff Cost	3038.41	2707.04	11728.46	9607.27
Other Expenses	3133.30	3788.27	14076.66	14772.93
Provisions and Write Off	4584.16	5986.02	28239.04	24628.69
Depreciation & Amortisation	248.37	216.94	872.81	872.78
<b>Total Expenditure</b>	<b>23722.56</b>	<b>24498.29</b>	<b>105903.16</b>	<b>95481.20</b>
<b>Profit from Operations before Other Income &amp; Exceptional Items</b>	<b>15211.93</b>	<b>10985.96</b>	<b>30579.18</b>	<b>25094.25</b>
Other Income	834.45	645.89	1983.85	2104.55
<b>Profit from Ordinary Activities before Tax</b>	<b>16046.38</b>	<b>11631.85</b>	<b>32563.03</b>	<b>27198.80</b>
Tax Expense	5242.01	4092.55	11110.97	9496.40
<b>Net Profit</b>	<b>10804.37</b>	<b>7539.30</b>	<b>21452.06</b>	<b>17702.40</b>
Paid-up Equity Share Capital (Face Value of Rs.10/- each)	9571.09	9528.83	9571.09	9528.83
Reserves			137215.78	121762.21
<b>Earning Per Share **</b>				
Basic (Rs.)	11.30	8.55	22.46	20.81
Diluted (Rs.)	11.15	7.78	22.14	18.27
<b>Total Public Shareholding</b>				
Number of shares	37469327	37046825	37469327	37046825
Percentage of holdings	38.67%	38.23%	38.67%	38.23%
<b>Promoters and Promoter Group Shareholding</b>				
<b>Pledged / Encumbered</b>				
Number of shares	0	-	0	-
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	0.00%	-	0.00%	-
Percentage of shares (as a % of the total share capital of the company)	0.00%	-	0.00%	-
<b>Non-encumbered</b>				
Number of shares	59431198	-	59431198	-
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00%	-	100.00%	-
Percentage of shares (as a % of the total share capital of the company)	61.33%	-	61.33%	-

**CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2009**

(Rs. In lacs)

Particulars	Quarter ended 31st March		Year ended 31st March	
	2009	2008	2009	2008
Income from Operations	39391.47	35803.32	138171.07	121639.14
<b>Total Income</b>	<b>39391.47</b>	<b>35803.32</b>	<b>138171.07</b>	<b>121639.14</b>
Financial Expenses	12754.93	11792.42	51086.62	45575.64
Staff Cost	3304.48	2916.10	12855.83	10319.52
Other Expenses	2921.89	3615.82	13524.23	14372.04
Provisions and Write Off	4573.16	5989.58	28250.24	24634.60
Depreciation & Amortisation	251.09	216.74	882.99	881.44
<b>Total Expenditure</b>	<b>23805.55</b>	<b>24530.66</b>	<b>106599.91</b>	<b>95783.24</b>
<b>Profit from Operations before Other Income &amp; Exceptional Items</b>	<b>15585.92</b>	<b>11272.66</b>	<b>31571.16</b>	<b>25855.90</b>
Other Income	759.36	606.20	1873.65	2026.13
<b>Profit from Ordinary Activities before Tax</b>	<b>16345.28</b>	<b>11878.86</b>	<b>33444.81</b>	<b>27882.03</b>
Tax Expense	5349.69	4188.09	11475.85	9768.50
<b>Net Profit</b>	<b>10995.59</b>	<b>7690.77</b>	<b>21968.96</b>	<b>18113.53</b>
Paid-up Equity Share Capital (Face Value of Rs.10/- each)	9571.09	9528.83	9571.09	9528.83
Reserves			138534.76	122555.41
<b>Earning Per Share **</b>				
Basic (Rs.)	11.50	8.72	23.01	21.29
Diluted (Rs.)	11.35	7.94	22.67	18.69
<b>Total Public Shareholding</b>				
Number of shares	37469327	37046825	37469327	37046825
Percentage of holdings	38.67%	38.23%	38.67%	38.23%
<b>Promoters and Promoter Group Shareholding</b>				
<b>Pledged / Encumbered</b>				
Number of shares	0	-	0	-
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	0.00%	-	0.00%	-
Percentage of shares (as a % of the total share capital of the company)	0.00%	-	0.00%	-
<b>Non-encumbered</b>				
Number of shares	59431198	-	59431198	-
Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00%	-	100.00%	-
Percentage of shares (as a % of the total share capital of the company)	61.33%	-	61.33%	-

\*\*Earning per share for the interim period is not annualised

**Notes:**

- The above results have been approved by the Board of Directors of the Company at its Meeting held on 22nd April, 2009.
- The Board of Directors have recommended a dividend of Rs.5.50 per share on Equity Share of Rs.10/- each. The dividend will absorb a sum of Rs.6235.39 lacs (including dividend distribution tax).
- The company has a single 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.
- During the quarter, the Company has made an investment of Rs.700.00 lacs ( 3,50,00,000 equity shares of Rs.10/- each, Rs.2/- per share paid up ) in Mahindra Rural Housing Finance Ltd., its subsidiary company.
- Income from Operations for the quarter includes Income from fresh assignment transactions (net of upfront provision for loss/expenses) of Rs.4604.00 Lacs (Previous year: Rs.4378.08 lacs) and a write back of provision on earlier securitisation/assignment transactions of Rs.116.07 lacs (Previous year: Rs.77.50 lacs) no longer required.  
  
Income from Operations for the year ended 31st March, 2009 includes Income from fresh assignment transactions (net of upfront provision for loss/expenses) of Rs.9767.98 lacs (Previous year: Rs.10084.88 lacs) & a write back of provision on earlier securitisation/assignment transactions of Rs.766.76 lacs (Previous year: Rs.684.15 lacs) no longer required.
- The Consolidated results includes the Financial Results of the subsidiaries Mahindra Insurance Brokers Ltd. & Mahindra Rural Housing Finance Ltd.
- Information on Investor Complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 31st March, 2009.

Particulars	Opening Balance	Additions	Disposals	Closing Balance
Number of Complaints	0	12	12	0

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

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

sd/-  
Ramesh Iyer  
Managing Director

Date : 22nd April, 2009  
Place : Mumbai