

PRESS RELEASE

Mahindra Finance

F-2017 Q4 Standalone Results

Income up by 9%

Disbursement up 23%

PAT declined by 37%

AUM up by 14%, crosses 46000 Crores

Board Recommends 120% Dividend

Mumbai, April 25, 2017: The Board of Directors of Mahindra & Mahindra Financial Services Limited (Mahindra Finance), a leading provider of financial services in the rural and semi-urban markets announced today the audited financial results for quarter and year ended 31st March, 2017.

F-2017 Q4 Standalone Results

The **Total Income** increased by **9%** at **Rs.1843 Crores** during the quarter ended 31st March, 2017, as against Rs.1690 Crores in the corresponding period last year. The **Profit After Tax (PAT)** declined by **37%** to **Rs.234 Crores** during the quarter ended 31st March, 2017, as against Rs.370 Crores during the corresponding period last year.

F-2017 YTD Standalone Results

The **Total Income** increased by **6%** at **Rs.6238 Crores** during the year ended 31st March, 2017, as against Rs.5905 Crores in the corresponding period last year. The **Profit After Tax (PAT)** declined by **41%** to **Rs.400 Crores** during the year ended 31st March, 2017, as against Rs.673 Crores during the corresponding period last year.

F-2017 Q4 Consolidated Results

The **Total Income** increased by **12%** at **Rs.2133 Crores** during the quarter ended 31st March, 2017, as against Rs.1905 Crores in the corresponding period last year. The **Profit After Tax (PAT)** and Minority interest declined by **32%** to **Rs.278 Crores** during the quarter ended 31st March, 2017, as against Rs.411 Crores during the corresponding period last year.

F-2017 YTD Consolidated Results

The **Total Income** increased by **9%** at **Rs.7201 Crores** during the year ended 31st March, 2017, as against Rs.6597 Crores in the corresponding period last year. The **Profit After Tax (PAT)** and Minority interest declined by **34%** to **Rs.512 Crores** during the year ended 31st March, 2017, as against Rs.772 Crores during the corresponding period last year.

Dividend

The Board in its meeting held today recommended a dividend of 120% for the financial year ended 31st March, 2017.

Operations

The Company during the year restructured the organization and created separate verticals for business and recovery with a view to bringing sharper focus on each activity. The effort continued through the year to improve Asset Quality.

During the quarter ended 31st March 2017, the total value of asset financed was **Rs.8376 crores.** against Rs.6811 crores, a value growth of **23%**. **The Total value of** asset financed for the financial year ended 31st March 2017 was **Rs.31659 Crores** as against Rs.26706 Crores during the same period previous year, registering a growth of **19%**.

The Total Assets Under Management (AUM) of **Rs.46776 Crores** as on 31st March, 2017, as against Rs.40933 Crores as on 31st March, 2016, a growth of **14%**.

The Company's Non-Performing Assets (NPAs) had increased during the first three quarters of the year in view of lower economic activities and weak farm cash flow. The fourth quarter witnessed positive change with improved farm cash flow resulting in reduction of Gross and Net NPA with overall improvement in Collection Efficiency.

The Company follows prudential norms for income recognition, asset classification and provisioning for Non-Performing Assets as prescribed by Reserve Bank of India (RBI) for NBFCs and has also been making provision on an accelerated basis. The cumulative provision over the prescribed RBI norms is at **Rs.686 Crores.**

SUBSIDIARIES

Mahindra Insurance Brokers Limited (MIBL)

During the year ended March 31, 2017, the Company's Insurance Broking subsidiary registered Income at **Rs.174.2** crores as against **Rs.149.2** crores, registering a growth of **17%** over the same period previous year. The Profit After Tax (PAT) was **Rs.53.0** crores as against **Rs.48.5** crores, registering a growth of **9 %** over the same period previous year.

During the quarter ended March 31, 2017, MIBL registered income at **Rs.53.7** crores as against **Rs.45.9** crores, registering a growth of **17%** over the same period previous year. The Profit After Tax (PAT) registered was **Rs.19.4** Crores as against **Rs.15.9** crores, registering a growth of **22%** over the same period previous year.

Mahindra Rural Housing Finance Limited (MRHFL)

During the year ended 31st March 2017, MRHFL **disbursed Rs. 2116.2 Crores** as against Rs. **1552.5 Crores** during the previous year, registering a growth of **36%** over the previous year. MRHFL registered **income at Rs. 703.4 crores** as against Rs. **495.4 crores**, a growth of **42%** over the previous year. The **Profit After Tax (PAT)** was **Rs. 83.0 Crores** as against Rs. **62.7 Crores**, registering a growth of **32%** over the previous year.

During the quarter ended 31st March 2017, MRHFL **disbursed Rs. 795.0 Crores** as against Rs. **530.5 Crores** during the same period previous year, registering a growth of **50%** over the same period previous year. MRHFL registered **income at Rs.219.8 crores** as against Rs. **155.0 crores**, a growth of **42%** over the same period previous year. The **Profit After Tax (PAT)** was **Rs. 38.9 Crores** as against Rs. **29.8 Crores**, registering a growth of **31%** over the same period previous year.

Mahindra Asset Management Company Private Limited (MAMCPL)

During the quarter ended 31st March, 2017, MAMCPL **earned fees of Rs 2.1 crores** as compared to Rs.1.1 Crores in the previous quarter ended 31st December 2016. Fees for the entire year of FY 16-17 were Rs.3.51 crores. The Company launched two new schemes during this quarter viz. Mahindra Mutual Fund Dhan Sanchay Yojana and Mahindra Mutual Fund Alp Samay Bachat Yojana. The company incurred a loss of Rs.8.28 crores during the March 2017 quarter compared to a loss of Rs 5.52 crores in the quarter ended December 2016. The loss for the full year FY 16-17 amounted to Rs 20.47 crores vis a vis Rs 4.45 crores in FY 15-16. The asset management business is a long gestation business and expenses are expected to be higher than income till the assets under management reach a sizeable amount. MAMCPL, as the Investment Manager of the schemes of Mahindra Mutual Fund, managed more than **Rs.2000 crores of assets** in the month of March 2017.

About Mahindra & Mahindra Financial Services Limited

Mahindra & Mahindra Financial Services Limited (Mahindra Finance), part of the Mahindra Group, is one of India's leading non-banking finance companies. Focused on the rural and semi-urban sector, the Company has over 4.7 million customers and has an AUM of over USD 6 billion. The Company is a leading vehicle and tractor financier and also offers fixed deposits and loans to SMEs. The Company has 1,182 offices across the country. Mahindra Finance is the only Non-Banking Financial Company from India to get selected on Dow Jones Sustainability Index in Emerging Market Category. Mahindra Finance has been ranked 68th in the Top 100 "India's Best Companies to Work for 2016" by Great Place to Work® (GPTW) Institute in collaboration with The Economic Times.

Mahindra FINANCE

The Company's Insurance Broking subsidiary, Mahindra Insurance Brokers Limited (MIBL), is a licensed Composite Broker providing Direct and Reinsurance broking services.

Mahindra Rural Housing Finance Limited (MRHFL) a subsidiary of Mahindra Finance provides loans for purchase, renovation, construction of houses to individuals in the rural and semi-urban areas of the country.

Mahindra Asset Management Company Private Limited (MAMCPL) a wholly owned subsidiary of Mahindra Finance has received the approval from the market regulator for establishing Mutual Fund business in India.

The Company has a JV in US, Mahindra Finance USA, in partnership with De Lage Landen, a subsidiary of Rabo Bank, for financing Mahindra tractors in US.

About Mahindra

The Mahindra Group is a USD 17.8 billion federation of companies that enables people to rise through innovative mobility solutions, driving rural prosperity, enhancing urban living, nurturing new businesses and fostering communities. It has a leadership position in utility vehicles, information technology, financial services and vacation ownership in India and is the world's largest tractor company, by volume. It also enjoys a strong presence in agribusiness, components, commercial vehicles, consulting services, energy, industrial equipment, logistics, real estate, steel, aerospace, defence and two wheelers. Headquartered in India, Mahindra employs over 200,000 people across 100 countries.

Learn more on Mahindra on www.mahindra.com / Twitter and Facebook: @MahindraRise

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