

Mahindra Finance

Mahindra & Mahindra
Financial Services Limited
4th Floor, "A" Wing, Mahindra Towers,
Dr. G. M. Bhosale Marg, P. K. Kurne Chowk,
Worli, Mumbai - 400 018- India.
Tel. : (022) 2496 3492 / 6652 6000
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23rd April, 2012

The Secretary,
National Stock Exchange of India Limited,
"Exchange Plaza", 5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex,
Bandra (East),
Mumbai 400 051.

Tel. No. 2659 8235/26598346

Fax No: 2659 8337/26598237/26598238/26598347/26598348

Dear Sir,

**Sub: Audited Financial Results for the year ended 31st
March, 2012.**


We enclose a copy of the Audited Financial Results of the Company for the year ended 31st March, 2012, as approved by the Board of Directors at its meeting held on 23rd April, 2012, alongwith a copy of the Press Release.

Kindly take the same on record.

Thanking you,

Yours faithfully,

Mahindra & Mahindra Financial Services Limited



Arnavaaz M. Pardiwalla

Company Secretary & Compliance Officer

Encl: a/a

PART - I

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH, 2012

(Rs. in Lakhs)

| Particulars | STANDALONE | | | | CONSOLIDATED | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Quarter ended | | Year ended | | Quarter ended | | Year ended | |
| | 31st March 2012 | 31st March 2011 | 31st March 2012 | 31st March 2011 | 31st March 2012 | 31st March 2011 | 31st March 2011 | 31st March 2011 |
| 1 Income from Operations | 63885.77 | 58155.14 | 276770.07 | 196435.45 | 60227.33 | 59780.30 | 266490.06 | 202561.29 |
| 2 Expenses: | 63885.77 | 58155.14 | 276770.07 | 196435.45 | 60227.33 | 59780.30 | 266490.06 | 202561.29 |
| a) Employee benefits expense | 4096.05 | 4058.84 | 19977.07 | 15150.49 | 8235.14 | 6990.39 | 31276.41 | 22398.30 |
| b) Depreciation and amortization expense | 478.59 | 562.99 | 1956.32 | 1578.80 | 506.52 | 672.97 | 2028.52 | 1614.69 |
| c) Provisions and Write Off | 1416.66 | 172.61 | 4338.79 | 13651.74 | 1383.70 | 226.21 | 16986.15 | 13789.65 |
| d) Other Expenses | 10596.85 | 9178.36 | 37266.04 | 31104.01 | 8753.00 | 8168.23 | 31614.51 | 24696.45 |
| 3 Profit from Operations before Other income, finance costs (1-2) | 17448.15 | 14612.80 | 74801.43 | 61485.04 | 18878.36 | 14833.57 | 80916.69 | 62465.09 |
| 4 Other income | 86437.62 | 43542.34 | 201668.64 | 134980.41 | 69148.87 | 44846.73 | 207573.47 | 146092.20 |
| 5 Profit from Ordinary Activities before finance cost (3+4) | 812.56 | 362.01 | 2680.31 | 1315.26 | 1120.68 | 277.74 | 2546.12 | 1297.59 |
| 6 Finance Cost | 87260.20 | 43967.33 | 204657.95 | 132355.79 | 70369.45 | 45447.83 | 210119.69 | 141388.79 |
| 7 Profit from Ordinary Activities before tax (5-6) | 33039.24 | 19562.42 | 112032.35 | 66020.97 | 33668.65 | 19735.05 | 113589.80 | 66618.39 |
| 8 Tax Expense | 34216.96 | 24384.91 | 82535.86 | 70244.82 | 38381.60 | 23723.18 | 96129.79 | 74771.46 |
| 9 Net Profit after taxes for the period / year (7-8) | 11441.93 | 8739.90 | 30513.93 | 23803.90 | 12104.12 | 9147.01 | 31677.68 | 25405.21 |
| 10 Minority Interest | 23768.03 | 15655.01 | 62011.67 | 46316.92 | 18.31 | 12.46 | 64482.11 | 49366.19 |
| 11 Net Profit after taxes and minority interest (9-10) | 37559.03 | 15655.91 | 62011.67 | 46316.92 | 34216.96 | 16553.31 | 64349.71 | 49277.13 |
| 12 Paid-up Equity Share Capital (Face Value of Rs.10/- each) | | | 16268.76 | 10246.29 | | | 16268.76 | 10246.29 |
| 13 Reserves | | | 294832.31 | 236764.13 | | | 292338.96 | 244252.61 |
| 14 Earnings Per Share # | | | | | | | | |
| a) Basic (Rs.) | 22.19 | 16.83 | 60.46 | 47.85 | 23.61 | 16.74 | 62.74 | 50.92 |
| b) Diluted (Rs.) | 21.89 | 15.05 | 59.63 | 44.53 | 23.31 | 15.92 | 61.67 | 47.38 |

Earnings per share for the interim period is not audited.

PART - II

| Particulars | STANDALONE | | | | CONSOLIDATED | | | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Quarter ended | | Year ended | | Quarter ended | | Year ended | |
| | 31st March 2012 | 31st March 2011 | 31st March 2012 | 31st March 2011 | 31st March 2012 | 31st March 2011 | 31st March 2011 | 31st March 2011 |
| A PARTICULARS OF SHAREHOLDING | | | | | | | | |
| 1 Public Shareholding | | | | | | | | |
| - Number of shares | 4446039 | 4421432 | 4446039 | 4421432 | 4446039 | 4421432 | 4446039 | 4421432 |
| - Percentage of shareholdings | 42.73% | 42.81% | 42.73% | 42.81% | 42.73% | 42.81% | 42.73% | 42.81% |
| 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) | - | - | - | - | - | - | - | - |
| b) Non-encumbered | | | | | | | | |
| - Number of shares | 5955696 | 59791303 | 5955696 | 59791303 | 5955696 | 59791303 | 5955696 | 59791303 |
| - 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% | 100.00% | 100.00% |
| - Percentage of shares (as a % of the total share capital of the company) | 57.27% | 57.49% | 57.27% | 57.49% | 57.27% | 57.49% | 57.27% | 57.49% |

| Particulars | Quarter ended 31st March 2012 |
|--|-------------------------------|
| INVESTOR COMPLAINTS | |
| Pending at the beginning of the quarter | 16 |
| Received during the quarter | 16 |
| Disposed off during the quarter | 16 |
| Remaining unresolved at the end of the quarter | - |

STATEMENT OF ASSETS AND LIABILITIES AS ON 31ST MARCH, 2012

| Particulars | (Rs. in Lakhs) | | | |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| | STANDALONE | | CONSOLIDATED | |
| | Year ended 31st March 2012 | Year ended 31st March 2011 | Year ended 31st March 2012 | Year ended 31st March 2011 |
| A EQUITY AND LIABILITIES | | | | |
| 1 Shareholders' funds | 10268.75 | 10245.29 | 10268.75 | 10245.29 |
| a) Share Capital | 284532.31 | 238764.13 | 262838.56 | 244232.51 |
| b) Reserves and Surplus | 295101.06 | 349009.42 | 303107.31 | 354497.86 |
| | | 770.74 | | 468.34 |
| 2 Minority interest | | | | |
| 3 Non-current liabilities | 929073.96 | 649401.44 | 991100.74 | 660251.92 |
| a) Long-term borrowings | 4874.18 | 3720.26 | 4874.18 | 3720.26 |
| b) Other Long-term liabilities | 40222.25 | 44437.22 | 40733.33 | 44561.05 |
| c) Long term provisions | 974170.38 | 607568.92 | 1036796.25 | 708613.23 |
| 4 Current liabilities | 164913.51 | 67655.80 | 143885.09 | 65463.80 |
| a) Short Term Borrowings | 37653.68 | 28653.37 | 38132.75 | 28971.29 |
| b) Trade payables | 362989.85 | 288077.88 | 377061.14 | 291670.45 |
| c) Other current liabilities | 41327.34 | 36441.87 | 42406.23 | 37141.04 |
| d) Short term provisions | 56884.38 | 42178.32 | 601495.21 | 423276.88 |
| Sub-total - Current liabilities | 186155.82 | 136297.26 | 1942081.51 | 1386355.95 |
| TOTAL - EQUITY AND LIABILITIES | | | | |
| | 9892.30 | 7896.86 | 10274.84 | 8108.95 |
| | | | 4.76 | 4.76 |
| | 21313.04 | 14287.67 | 14725.95 | 9309.64 |
| | 20121.03 | 21872.96 | 20331.14 | 21795.96 |
| | 921058.92 | 631214.32 | 963940.17 | 667051.21 |
| | 972383.29 | 876881.81 | 1009276.86 | 696280.52 |
| 2 Current assets | 28937.55 | 53157.78 | 28937.55 | 53157.78 |
| a) Current investments | 768.40 | 694.62 | 1112.13 | 1047.37 |
| b) Trade receivables | 24521.03 | 29761.99 | 27173.87 | 32356.73 |
| c) Cash and cash equivalents | 828791.06 | 609223.63 | 874836.96 | 602647.38 |
| d) Short-term loans and advances | 754.99 | 977.43 | 744.44 | 364.17 |
| e) Other current assets | 863772.83 | 691316.45 | 937804.95 | 690575.43 |
| Sub-total - Current assets | 186155.82 | 136297.26 | 1942081.51 | 1386355.95 |
| TOTAL - ASSETS | | | | |

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The above results have been reviewed by the audit committee and subsequently approved by the Board of Directors of the Company at its Meeting held on 23rd April, 2012.

The Board of Directors have recommended a dividend of Rs. 14/- per share on Equity Share of Rs. 10/- each. The dividend will amount to a sum of Rs. 15816.18 lacs (including dividend distribution tax).

The Consolidated results includes the audited Financial Results of the subsidiaries Mahindra Insurance Brokers Ltd. (100%), Mahindra Bunk Housing Finance Ltd. (87.50%), Mahindra Business & Consulting Services Private Ltd. (100%) and financial results of a (99%) Joint Venture company, Mahindra Finance USA LLC, in the United States which were neither audited nor reviewed.

1) The Company has a single reportable segment, namely financial services for the purpose of Accounting Standard 17 on Segment Reporting.


2) 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.

3) The figures for the last quarter of the current year and for the previous year are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to third quarter.

4) During the quarter ended 31st March, 2012, the company has made an additional investment of Rs. 249.36 lacs (US \$ 0.49 million) in Mahindra Finance USA LLC, a Joint Venture company formed jointly with De Lage Landin Financial Services Inc. in the United States.

5) In the standalone results, Other Expenses for the quarter includes Rs. 2820.31 lacs (Quarter ended 31st Dec. 2011 : Rs. 2652.95 lacs, Quarter ended 31st March 11 : Rs. 1899.46 lacs) and for the year includes Rs. 9574.63 lacs (March '11: Rs. 5626.22 lacs) incurred towards professional fees for manpower services provided by Mahindra Business & Consulting Services Private Ltd., a wholly owned subsidiary company.

6) The accounts have been prepared as per Revised Schedule VI prescribed under the Companies Act, 1956, which has had a significant impact on the presentation of accounts. As such, 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.

Ramesh Iyer
Managing Director

Date : 23rd April, 2012
Place : Mumbai

Press Release

For Immediate Publication

Mahindra Finance

F-2012 Q4 PAT up by 45%

AUM Crosses Rs.20,000 crores

Customer Base Crosses 2 Million

Board Recommends 140% Dividend

Mumbai, April 23, 2012 : The Board of Directors of Mahindra & Mahindra Financial Services Ltd (Mahindra Finance), a leading provider of financial services in the rural and semi-urban markets, announced today, the audited financial results for the year ended 31st March 2012.

F-2012 Q4 Standalone Results

The **Total Income** increased by **45%** at **Rs.847 crores** during the quarter ended 31st March 2012 as against **Rs.586** crores in the corresponding period last year. The **Profit After Tax (PAT)** was at **Rs.228crores** during the quarter ended 31st March 2012 registering a growth of **45%** as compared to **Rs.157** crores during the corresponding period last year and a growth of **47%** against preceding quarter ended 31st December 2011.

F-2012 YTD Mar'12 Standalone Results

The **Total Income** increased by **41%** at **Rs.2795 crores** during the year ended 31st March 2012 as against **Rs.1978** crores in the corresponding period last year. The **Profit After Tax (PAT)** was at **Rs.620 crores** during the year ended 31st March 2012 registering a growth of **34%** as compared to **Rs.463** crores during the corresponding period last year.

The Board in its meeting held today recommended a dividend of **Rs.14** per share as against **Rs.10** paid during the last year.

The earnings per share (basic) increased from **Rs.47.85** per share during F2011 to **Rs.60.46** per share during F2012.

Operations

MMFSL over the last financial year, registered a disbursement growth of **35%**, maintaining its leadership position for vehicles and tractors in the rural and semi urban markets. The Company has significantly improved its performance as a car and utility vehicle financier, it has also made a significant growth in financing of Heavy Commercial Vehicles & Construction Equipment.

During the year, the company's customer base has crossed the **2 million** mark in the month of March 2012. The last 1 million customers were added in less than 3 years compared to the 13 years it took to achieve the first million customers.

The Company maintained healthy growth in its profits in spite of increased borrowing cost, mainly by efficient NPA Management.

MMFSL currently has a network of **607 offices** and **Total Assets Under Management of Rs.20643 crores** as on 31st March 2012.

The Company continued to broad base its consortium of lenders by bringing in new Banks, Mutual Funds, Insurance Companies and Trusts.

Mahindra Insurance Brokers Limited (MIBL)

During the year ended 31st March 2012, MIBL registered **income at Rs.46.6 crores** as against Rs.51.8 crores in the same period previous year. The **Profit After Tax (PAT)** for the year ended 31st March 2012 was **Rs.13.5 crores** as against Rs.21.8 crores registered for the same period previous year. The reduction is primarily on account of the impact of the regulatory clarification on Guidelines on Group Insurance Policies issued by the IRDA. A revised process was implemented in line with the clarifications, and the Company has been able to register a growth rate of 41% in PAT in Quarter 4, compared to Quarter 4 of previous year.

Mahindra Rural Housing Finance Limited (MRHFL)

MRHFL has **disbursed Rs.266.75 crores** during the the year ended 31st March 2012 as against Rs.202.86 crores disbursed during the same period previous year, registering a growth of 31.49% over the same period previous year. The **Profit After Tax (PAT)** registered a growth of 34.47% at **Rs. 11.91 crores** as against Rs. 8.86 crores registered for the same period previous year. During the period, NHB has issued notification on providing 0.40% provision on all standard assets and increased provisioning requirements on non- performing assets with immediate effect. The amount of Rs. 1.26 crores is debited to profit and loss account on account of above notification.

F-2012 YTD Mar'12 Consolidated Results

The **Total Income** increased by **43%** at **Rs.2910 crores** during the twelve month period ended 31st March 2012 as against Rs.2039 crores in the corresponding period last year. The **Profit After Tax (PAT)** was at **Rs.643 crores** during the twelve month period ended 31st March 2012 registering a growth of **30%** as compared to Rs. 493 crores during the corresponding period last year.

About Mahindra & Mahindra Financial Services Ltd

Mahindra & Mahindra Financial Services Ltd (MMFSL), part of the US \$14.4 billion Mahindra Group, is one of India's leading non-banking finance companies with a pan India presence. Focused on the rural and semi-urban sector, it provides finance for vehicles and tractors and has the largest network of branches amongst NBFC's operating in these areas.

Mahindra Insurance Brokers Ltd. (MIBL) is a wholly-owned subsidiary company of Mahindra & Mahindra Financial Services Ltd. MIBL is a licensed Composite Broker providing Direct and Reinsurance broking services.

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

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For further information please contact:

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