

PART - I

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2015

Particulars	Quarter ended				Half year ended		Rs. in Lacs
	30th Sep 2015 (Unaudited)		30th Sep 2014 (Unaudited)		30th Sep 2015 (Audited)		
	30th Sep 2015 (Unaudited)	30th June 2015 (Unaudited)	30th Sep 2014 (Unaudited)	30th Sep 2014 (Audited)	30th Sep 2015 (Audited)	31st March 2015 (Audited)	
1 Income from operations	142000.45	136082.79	135367.04	262879.77	262879.77	553605.61	
Total Income from operations	142000.45	136082.79	135367.04	262879.77	262879.77	553605.61	
2 Expenses:							
a) Employee benefits expense	13838.23	12941.43	11741.89	22583.79	22583.79	45908.20	
b) Depreciation and amortization expense	1014.93	979.93	1007.75	2123.47	2123.47	4151.63	
c) Loan provisions and write off (refer note no.6)	27719.89	32283.94	18416.08	40911.29	40911.29	82748.89	
d) Other expenses	13231.49	12427.25	12464.89	23200.43	23200.43	50624.35	
Total expenses	55804.54	58632.55	43630.61	88818.98	88818.98	183433.07	
3 Profit from operations before other income and finance costs (1-2)	86195.91	77450.24	91736.43	174060.79	174060.79	370172.54	
4 Other income	1830.88	758.48	1520.75	2306.63	2306.63	4864.99	
5 Profit from ordinary activities before finance costs (3+4)	88026.79	78208.72	93257.18	176367.42	176367.42	375037.53	
6 Finance costs	65420.12	64446.81	61675.85	121167.30	121167.30	249673.13	
7 Profit from ordinary activities before tax (5-6)	22606.67	13761.91	31581.33	55200.12	55200.12	125364.40	
8 Tax expense	7989.12	4863.51	10872.03	19003.03	19003.03	42186.81	
9 Net profit after taxes for the period / year (7-8)	14617.55	8898.40	20709.30	36197.09	36197.09	83177.59	
10 Paid-up equity share capital (face value of Rs.2/- each)							
11 Reserves				11277.75	11277.75	11282.81	
12 Earnings per share #						555658.09	
a) Basic (Rs.)	2.59	1.58	3.67	6.42	6.42	14.75	
b) Diluted (Rs.)	2.57	1.56	3.64	6.36	6.36	14.62	

Earnings per share for the interim period is not annualised.



SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2015

Particulars	Quarter ended			Half year ended		Year ended
	30th Sep 2015	30th June 2015	30th Sep 2014	30th Sep 2015	30th Sep 2014	
A						
PARTICULARS OF SHAREHOLDING						
1 Public shareholding	273031115	272965246	272679771	273031115	272679771	272933011
- Number of shares	48.00%	47.99%	47.94%	48.00%	47.94%	47.99%
- Percentage of shareholdings						
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)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	295733845	295799714	296085189	295733845	296085189	295831949
- 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%
- Percentage of shares (as a % of the total share capital of the Company)	52.00%	52.01%	52.06%	52.00%	52.06%	52.01%
B						
INVESTOR COMPLAINTS						
Pending at the beginning of the quarter	-					
Received during the quarter	3					
Disposed off during the quarter	3					
Remaining unresolved at the end of the quarter	-					



SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2015

Particulars	Quarter ended			Half year ended		Year ended
	30th Sep 2015	30th June 2015	30th Sep 2014	30th Sep 2015	30th Sep 2014	
A						
PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
- Number of shares	273031115	272965246	272679771	273031115	272679771	272933011
- Percentage of shareholdings	48.00%	47.99%	47.94%	48.00%	47.94%	47.99%
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)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	295733845	295799714	296085189	295733845	296085189	295831949
- 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%
- Percentage of shares (as a % of the total share capital of the Company)	52.00%	52.01%	52.06%	52.00%	52.06%	52.01%



AUDITED STATEMENT OF ASSETS AND LIABILITIES

Particulars	STANDALONE				CONSOLIDATED			
	As at	As at	As at	As at	As at	As at	As at	As at
	30th Sep 2015	30th Sep 2014	31st March 2015	30th Sep 2015	30th Sep 2014	30th Sep 2015	31st March 2015	
EQUITY AND LIABILITIES								
1 Shareholders' funds								
a) Share capital	11284.78	11277.75	11282.81	11284.78	11277.75	11284.78	11282.81	11282.81
b) Reserves and surplus	580021.22	534181.11	555658.09	610996.24	556358.06	567635.81	582988.88	582988.88
	591306.00	645458.86	566940.90	622281.02	567635.81	567635.81	594271.69	594271.69
2 Minority Interest	-	-	-	5,229.88	4,183.73	4,183.73	4,929.60	4,929.60
3 Non-current liabilities								
a) Long-term borrowings	1741199.19	1543986.92	1478714.78	2002340.53	1709435.42	1709435.42	1686524.66	1686524.66
b) Other long-term liabilities	36881.52	27715.91	30247.97	36882.52	27777.15	27777.15	30247.97	30247.97
c) Long term provisions	46290.69	31878.17	32796.05	50253.24	34064.13	34064.13	35267.59	35267.59
	1824371.40	1603581.00	1541758.80	2089476.29	1771276.70	1771276.70	1752040.22	1752040.22
4 Current liabilities								
a) Short term borrowings	462535.96	393232.59	487098.39	525828.62	432394.37	432394.37	525861.91	525861.91
b) Trade payables	46488.50	47789.19	47790.43	48610.65	49124.16	49124.16	49545.23	49545.23
c) Other current liabilities	666403.48	698164.67	748764.20	746482.21	753106.31	753106.31	818226.02	818226.02
d) Short term provisions	109957.66	81990.44	115061.82	114351.79	84566.62	84566.62	118439.35	118439.35
	1285385.60	1221176.89	1398714.84	1435273.27	1319191.46	1319191.46	1512072.51	1512072.51
	3701063.00	3370216.75	3507414.54	4152260.46	3662287.70	3662287.70	3863314.02	3863314.02
TOTAL - EQUITY AND LIABILITIES								
ASSETS								
1 Non-current assets								
a) Fixed assets	10927.69	10572.92	11005.32	11630.88	11422.64	11422.64	11913.52	11913.52
b) Goodwill on consolidation	-	-	-	4.05	4.05	4.05	4.05	4.05
c) Non-current investments	89959.64	62921.48	75992.00	62026.83	44408.83	44408.83	55967.01	55967.01
d) Deferred tax assets (Net)	44899.54	35173.23	41526.17	45703.84	35615.09	35615.09	42125.77	42125.77
e) Long-term loans and advances	1714054.94	1608125.66	1700368.74	2071560.95	1840453.13	1840453.13	1988826.44	1988826.44
f) Other non-current assets	28571.65	3217.00	23203.46	28631.65	3277.00	3277.00	23263.46	23263.46
	1888413.46	1720010.29	1852095.69	2219758.20	1935180.74	1935180.74	2122100.25	2122100.25
2 Current assets								
a) Current investments	14175.00	4595.33	9375.00	19167.46	4595.33	4595.33	9449.80	9449.80
b) Trade receivables	507.28	542.85	567.25	1016.75	1072.20	1072.20	1454.15	1454.15
c) Cash and bank balances	37878.03	60419.08	47937.84	41428.36	61840.62	61840.62	49364.02	49364.02
d) Short-term loans and advances	1752555.90	1577722.23	1592806.84	1863712.45	1652752.76	1652752.76	1676198.37	1676198.37
e) Other current assets	7533.33	6926.97	4831.92	7177.24	6846.05	6846.05	4747.43	4747.43
	1812649.54	1650206.46	1655318.85	1932502.26	1727106.96	1727106.96	1741213.77	1741213.77
	3701063.00	3370216.75	3507414.54	4152260.46	3662287.70	3662287.70	3863314.02	3863314.02
Sub-total - Current assets								
TOTAL - ASSETS								



Notes:

- 1) The above financial results for the quarter and half year ended 30th September, 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 October, 2015.
- 2) The results for the half year ended 30th September, 2015 have been subjected to an "Audit" and the results for the quarter ended 30th September, 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 DNBRR. 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 current 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. 6105.49 lacs (including income de-recognition) has been made with a consequent impact on Profit before tax for the quarter and half year ended 30th September, 2015.
- 7) During the quarter ended 30th September, 2015, the Company has made following investments :
 - i) Rs. 1614.00 lacs equivalent to US \$ 2.53 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 (half year ended 30th September, 2015 Rs.2657.83 lacs equivalent to US \$ 4.16 million).
 - ii) Rs. 5250.00 lacs being additional investment in Mahindra Asset Management Company Private Limited, its subsidiary, by subscription to 5,25,00,000 equity shares of face value of Rs. 10/- each, fully paid up, on a rights basis (half year ended 30th September, 2015 Rs.5250.00 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/half year ended 30th September, 2015 are strictly not comparable with corresponding quarter/half year of the previous year.
- 9) Previous period/year figures have been regrouped / reclassified, wherever found necessary, to conform to current period/year classification.

Date : 21st October, 2015
Place : Mumbai



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


Ramesh Iyer
Managing Director


The Board of Directors
Mahindra & Mahindra Financial Services Limited

Limited Review Report on Standalone Financial Results for the quarter ended 30 September 2015

1. We have reviewed for the Standalone Financial Results for the quarter ended **30 September 2015** which are included in the accompanying statement of Statement of Financial Results for the quarter and six months ended **30 September 2015** (the "Statement") of **Mahindra & Mahindra Financial Services Limited** ("the Company") except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended 30 September 2015 are not prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Pune**

T + 91 020 60601005/6/7/8/9

+ 91 020 25666932/32926341

E bkkpune@bkkhareco.com

Hotel Swaroop, 4th Floor,

Lane No.10, Prabhat Road,

Erandwane, Pune - 411 004, India

Bengaluru@page 1 of 2

T + 91 80 41105357

E bkkbengaluru@bkkhareco.com

101, Money Chambers,

1st Floor, # 6 K. H. Road,

Shanthinagar,

Bengaluru - 560027, India

New Delhi

T + 91 011 4182 8360

E bkkdelhi@bkkhareco.com

107, Siddharth Chambers,

Near IIT Gate,

Kalu Sarai, Hauz Khas,

New Delhi - 110 016, India.

4. We have also audited the Standalone Financial Results of the Company for the six months ended 30 September 2015 of the Company. These financial results were prepared by the management of the Company and approved by their Board of Directors on 21 October 2015. We have rendered our opinion thereon vide our Audit Report dated 21 October 2015.

For and on behalf of

B. K. Khare & Co.
Chartered Accountants
(FRN: 105102W)

Naresh Kumar Katara
Naresh Kumar Katara
Partner

M. No. 037825



Mumbai, 21 October 2014

The Board of Directors
Mahindra & Mahindra Financial Services Limited
Mumbai

Limited Review Report on Consolidated Financial Results for the quarter ended 30 September 2015

1. We have reviewed the consolidated results of Mahindra & Mahindra Financial Services Limited ("the Company") for the quarter ended 30 September 2015 which are included in the accompanying Statement of Financial Results for the quarter and six months ended 30 September 2015 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in Mahindra & Mahindra Financial Services Limited which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Consolidated Financial Results include the results of the Company, its subsidiaries and a joint venture (hereinafter referred as "the Group") as listed out in paragraph 2 below. The Statement is prepared by the Company's Management pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors of Mahindra & Mahindra Financial Services Limited. Our responsibility is to issue a report on the Statement based on our review.

2. The Consolidated Financial Results includes the financial results of the following entities:

Name of the Company	Relationship
Mahindra & Mahindra Financial Services Limited	Holding Company
Mahindra Insurance Brokers Limited	Subsidiary
Mahindra Rural Housing Finance Limited	Subsidiary
Mahindra Asset Management Company Private Limited	Subsidiary
Mahindra Trustee Company Private Limited	Subsidiary
Mahindra Finance USA, LLC	Joint Venture

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatement. A review is limited primarily to inquiries of Company's personnel and analytical procedures applied to group's financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

4. We did not review the financial results of the joint venture company, M/s Mahindra Finance USA, LLC included in the Statement which has total revenue of Rs. 2228.60 lacs and net profit of Rs.527.51 lacs for the quarter ended 30 September 2015 .

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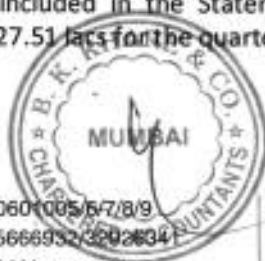
+ 91 020 25666932/3292604

E bkkpune@bkkhareco.com

Hotel Swaroop, 4th Floor,

Lane No.10, Prabhat Road,

Erandwane, Pune - 411 004, India

**Bengaluru**

T + 91 80 41105357

E bkkbengaluru@bkkhareco.com

101, Money Chambers,

1st Floor, # 6 K. H. Road,

Shanthinagar,

Bengaluru - 560027, India

New Delhi

T + 91 011 4182 8360

E bkkdelhi@bkkhareco.com

107, Siddharth Chambers,

Near IIT Gate,

Kalu Sarai, Hauz Khas,

New Delhi - 110 016, India.

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended 30 September 2015 has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We have also audited the Consolidated Financial Results of the Group for the six months ended 30 September 2015. These financial results were prepared by the management of the Company and approved by their Board of Directors on 21 October 2015. We have rendered our opinion thereon vide our Audit Report dated 21 October 2015.

For B K Khare & Co
Chartered Accountants
(FRN : 105102W)

Naresh Kumar Kataria
Naresh Kumar Kataria
Partner
M No. 037825



Mumbai, 21 October 2015

**Auditor's Report on Standalone Year to Date Results of the Company Pursuant to the Clause
41 of the Listing Agreement**

To
The Board of Directors
Mahindra & Mahindra Financial Services Limited

1. We have audited the year to date Standalone financial results of Mahindra and Mahindra Financial Services Ltd. for the six months ended **30 September 2015** which are included in the accompanying Statement of Financial Results for the quarter and six months ended 30 September 2015 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These year to date Standalone financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 133 of the Companies Act, 2013 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



Pune
T + 91 020 60601005/6/7/8/9
+ 91 020 25666932/32926341
E bkkpune@bkkhareco.com
Hotel Swaroop, 4th Floor,
Lane No.10, Prabhat Road,
Erandwane, Pune - 411 004, India

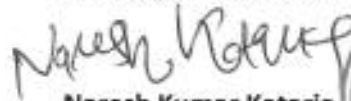
Bengaluru
T + 91 80 41105357
E bkkbengaluru@bkkhareco.com
101, Money Chambers,
1st Floor, # 6 K. H. Road,
Shanthinagar,
Bengaluru - 560027, India

New Delhi
T + 91 011 4182 8360
E bkkdelhi@bkkhareco.com
107, Siddharth Chambers,
Near IIT Gate,
Kalu Sarai, Hauz Khas,
New Delhi - 110 016, India.

3. In our opinion and to the best of our information and according to the explanations given to us these year to date Standalone financial results:
- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - (ii) give a true and fair view of the net profit and other financial information of the Company for the period from **1 April 2015 to 30 September 2015**

For B. K. Khare & Co.
Chartered Accountants

Firm Registration No. 105102W



Naresh Kumar Kataria
Partner
M. No. 037825



Mumbai, 21 October 2015

**Auditor's Report on Consolidated Year to Date Results of the Company Pursuant to the Clause
41 of the Listing Agreement**

To

Board of Directors

Mahindra & Mahindra Financial Services Limited

1. We have audited the year to date Consolidated financial results of **Mahindra & Mahindra Financial Services Limited** ("the Company") for the six months ended **30 September 2015** which are included in the accompanying Statement of Financial Results for the quarter and six months ended **30 September 2015** (the "Statement"), comprising the Consolidated Financial Results of the Company and its subsidiaries and a joint venture ("the Group"), being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These year to date Consolidated financial results have been prepared from consolidated interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 133 of the Companies Act, 2013 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

**Pune**

T + 91 020 60601005/6/7/8/9

+ 91 020 25666932/32926341

E bkkpune@bkkhareco.com

Hotel Swaroop, 4th Floor,

Lane No.10, Prabhat Road,

Erandwane, Pune - 411 004, India

Bengaluru

T + 91 80 41105357

E bkkbengaluru@bkkhareco.com

101, Money Chambers,

1st Floor, # 6 K. H. Road,

Shanthinagar,

Bengaluru - 560027, India

New Delhi

T + 91 011 4182 8360

E bkkdelhi@bkkhareco.com

107, Siddharth Chambers,

Near IIT Gate,

Kalu Sarai, Hauz Khas,

New Delhi - 110 016, India.

3. We have neither audited nor reviewed the financial statements of its joint venture included in the year to date results, whose consolidated interim financial statements reflect total assets of Rs. 210913.71 lakhs as at **30 September 2015** as well as the total revenue of Rs. 4861.60 lakhs for the period **1 April 2015 to 30 September, 2015**.
4. In our opinion and to the best of our information and according to the explanations given to us and read with para 3 above, these consolidated year to date financial results of the Group:
- (i) include the year to date results of the following entities:
 - a. Mahindra & Mahindra Financial Services Limited – Holding Company
 - b. Mahindra Insurance Brokers Limited - Subsidiary
 - c. Mahindra Rural Housing Finance Limited - Subsidiary
 - d. Mahindra Asset Management Company Private Limited – Subsidiary
 - e. Mahindra Trustee Company Private Limited - Subsidiary
 - f. Mahindra Finance USA, LLC – Joint Venture
 - (ii) have been presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - (iii) give a true and fair view of the consolidated net profit and other financial information of the Group for the period from **1 April 2015 to 30 September 2015**

For B. K. Khare & Co.

Chartered Accountants

Firm Registration No. 105102W


Naresh Kumar Kataria

Partner

M. No. 037825



Mumbai, 21 October 2014

Press Release

Mahindra Finance

F-2016 Q2 Consolidated results

Income up by 8%

PAT declined by 28%

Mumbai, October 21, 2015: 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 half year ended 30th September, 2015.

F-2016 Q2 Consolidated Results

The **Total Income** increased by 8% at **Rs.1587 crores** during the quarter ended 30th September, 2015 as against Rs.1475 crores in the corresponding quarter last year. The **Profit After Tax (PAT)** and minority interest declined by **28%** to **Rs.157 crores** during the quarter ended 30th September, 2015 as against Rs.219 crores during the corresponding quarter last year. The PAT is after considering an additional provision of **Rs.61 crores** (# Please refer the Note).

F-2016 Q2 Standalone Results

The **Total Income** increased by 5% at **Rs.1438 crores** during the quarter ended 30th September, 2015 as against Rs.1369 crores in the corresponding quarter last year. The **Profit After Tax** declined by **29%** to **Rs.146 crores** during the quarter ended 30th September, 2015 as against Rs.207 crores during the corresponding quarter last year. The PAT is after considering an additional provision of **Rs.61 crores**.

F-2016 H1 Consolidated Results

The **Total Income** increased by 8% at **Rs.3100 crores** during the half year ended 30th September, 2015 as against Rs.2859 crores in the corresponding period last year. The **Profit After Tax** and minority interest declined by **32%** to **Rs.265 crores** during the half year ended 30th September, 2015 as against Rs.389 crores during the corresponding period last year. The PAT is after considering an additional provision of **Rs.61 crores**.

F-2016 H1 Standalone Results

The **Total Income** increased by 6% at **Rs.2807 crores** during the half year ended 30th September, 2015 as against Rs.2652 crores in the corresponding period last year. The **Profit After Tax** declined by **35%** to **Rs.235 crores** during the half year ended 30th September, 2015 as against Rs.362 crores during the corresponding period last year. The PAT is after considering an additional provision of **Rs.61 crores**.

The Company follows prudential norms for income recognition, asset classification and provisioning for Non-Performing Asset (NPA) as prescribed by Reserve Bank of India (RBI) for NBFCs and has also been making additional provision on a prudential basis. The **Company has complied with the revised norms of recognizing NPAs at 5 months** applicable for the current financial year issued by the RBI vide its notification no. DNBR. 011/CGM (CDS)-2015 dt. March 27, 2015. The cumulative additional provision over the prevailing RBI norms is at Rs.705 crores.

The Company has complied with the revised regulatory norms of recognizing NPAs at 5 months applicable for the current financial year.

Note: Effective from the current 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 NPA norms of **4 months** before 31st March, 2017. Accordingly, an **additional provision of Rs.61 crores** (including income de-recognition) has been made with a consequent impact on standalone and consolidated Profit before tax for the quarter and half year ended 30th September, 2015.

Operations

During the quarter, the Company's customer base has crossed 3.8 million customers in the month of September 2015. The Company currently has a network of **1158** offices and Total Assets Under Management of **Rs. 38428 crores** as on 30th September, 2015 as against Rs. 35694 crores as on 30th June, 2015, a growth of 8%.

The Company has been consciously moderating disbursement growth in view of cash flow pressures faced by customers in semi urban and rural markets. The income growth has been impacted by lower disbursements. In view of below average monsoon during the period and low economic activities the customer cash flows have remained under pressure resulting in reduced collections.

SUBSIDIARIES

Mahindra Insurance Brokers Limited (MIBL)

During the half year ended 30th September 2015, MIBL registered **income at Rs.62.6 crores** as against Rs.56.1 crores, registering a growth of 12% over the same period previous year. The **Profit After Tax (PAT)** registered was **Rs.18.6 crores** as against Rs.17.5 crores, registering a growth of 6% over the same period previous year.

Mahindra Rural Housing Finance Limited (MRHFL)

During the half year ended 30th September 2015, MRHFL **disbursed Rs. 680.9 crores** as against Rs. **427.1** crores during the same period previous year, registering a growth of 59 % over the same period previous year. MRHFL registered **income at Rs. 213.1 crores** as against Rs. 144.2 crores, a growth of 48 % over the same period previous year. The **Profit After Tax (PAT)** registered was **Rs. 16.7 crores** as against Rs. **15.0** crores , registering a growth of 11% over the same period previous year.

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 3.8 million customers and has an AUM of USD 5.8 billion. The Company is a leading vehicle and tractor financier and also offers fixed deposits and loans to SMEs. The Company has over 1,100 offices across the country and is the first finance Company from India to form a part of Dow Jones Sustainability Index.

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 MMFSL provides loans for purchase, renovation, construction of houses to individuals in the rural areas of the country.

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 focuses on enabling people to rise through solutions that power mobility, drive rural prosperity, enhance urban lifestyles and increase business efficiency.

A USD 16.9 billion multinational group based in Mumbai, India, Mahindra provides employment opportunities to over 200,000 people in over 100 countries. Mahindra operates in the key industries that drive economic growth, enjoying a leadership position in tractors, utility vehicles, information technology, financial services and vacation ownership. In addition, Mahindra enjoys a strong presence in the agribusiness, aerospace, components, consulting services, defence, energy, industrial equipment, logistics, real estate, retail, steel, commercial vehicles and two wheeler industries.

In 2015, Mahindra & Mahindra was recognized as the Best Company for CSR in India in a study by the Economic Times. In 2014, Mahindra featured on the Forbes Global 2000, a comprehensive listing of the world's largest, most powerful public companies, as measured by revenue, profit, assets and market value. The Mahindra Group also received the Financial Times 'Boldness in Business' Award in the 'Emerging Markets' category in 2013.

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For further enquiries please contact:

Sunil Gate

General Manager - Group Communications

Mahindra and Mahindra Ltd.

Phone: **+91 22 2491 6633**

Email: group.communications@mahindra.com