

**Edelweiss Financial Services Limited**

 Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098  
 Tel: +91-22-40094400 Fax: +91-22-42273838

**Consolidated Financial Results for the quarter and year ended 31 March 2012**

(Rs. in Crores)

Particulars	Quarter Ended			Year Ended	
	March 31, 2012 (Unaudited)	December 31, 2011 (Unaudited)	March 31, 2011 (Unaudited)	March 31, 2012 (Audited)	March 31, 2011 (Audited)
<b>1 Income from operations</b>					
(a) Fee and commission income	92.27	76.93	102.33	321.31	414.05
(b) Interest and treasury income	365.48	369.69	274.87	1,309.95	1,006.84
(c) Premium from Life Insurance business	7.49	2.46	0.00	10.72	0.00
(d) Other operating income	4.12	2.03	4.28	10.98	14.72
<b>Total income from operations</b>	<b>469.36</b>	<b>451.11</b>	<b>381.48</b>	<b>1,652.96</b>	<b>1,435.61</b>
<b>2 Expenses</b>					
(a) Employee benefits expense	78.07	69.72	64.20	271.21	235.42
(b) Depreciation and amortisation expense	15.64	12.31	6.74	42.19	20.40
(c) Other expenses	91.80	90.76	79.45	328.94	290.21
<b>Total expenses</b>	<b>185.51</b>	<b>172.79</b>	<b>150.39</b>	<b>642.34</b>	<b>546.03</b>
<b>3 Profit / (Loss) from operations before other income and finance costs (1-2)</b>	<b>283.85</b>	<b>278.32</b>	<b>231.09</b>	<b>1,010.62</b>	<b>889.58</b>
<b>4 Other income</b>	5.63	(0.82)	1.10	8.19	3.58
<b>5 Profit / (Loss) from ordinary activities before finance costs (3+4)</b>	<b>289.48</b>	<b>277.50</b>	<b>232.19</b>	<b>1,018.81</b>	<b>893.16</b>
<b>6 Finance costs</b>	234.60	234.52	158.67	829.65	532.85
<b>7 Profit / (Loss) before tax (5-6)</b>	<b>54.88</b>	<b>42.98</b>	<b>73.52</b>	<b>189.16</b>	<b>360.31</b>
<b>8 Tax expense</b>	22.64	16.23	16.25	68.09	103.10
<b>9 Net Profit / (Loss) after tax (7-8)</b>	<b>32.24</b>	<b>26.75</b>	<b>57.27</b>	<b>121.07</b>	<b>257.21</b>
<b>10 Share of profit / (loss) of associates</b>	4.01	3.50	(9.29)	9.54	(10.29)
<b>11 Minority interest</b>	(2.51)	0.81	4.72	2.87	13.90
<b>12 Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (9+10-11)</b>	<b>38.76</b>	<b>29.44</b>	<b>43.26</b>	<b>127.74</b>	<b>233.02</b>
<b>13 Paid-up equity share capital (Face Value of Re. 1/- Per Share)</b>	75.68	75.66	75.20	75.68	75.20
<b>14 Reserves excluding Revaluation Reserves</b>				2,559.17	2,364.68
<b>15 Earnings Per Share (EPS) in Rupees (Face Value of Re. 1/- Per Share)</b>					
- Basic (Not annualised)	0.51	0.39	0.58	1.69	3.10
- Diluted (Not annualised)	0.50	0.38	0.56	1.66	3.00
<b>16 PARTICULARS OF SHAREHOLDING</b>					
<b>a Public shareholding</b>					
- Number of shares	471,083,590	470,930,590	466,310,590	471,083,590	466,310,590
- Percentage of shareholding	62.25%	62.24%	62.01%	62.25%	62.01%
<b>b Promoters &amp; promoter group shareholding</b>					
<b>a) Pledged/ Encumbered</b>					
- Number of shares	35,216,667	35,216,667	32,600,000	35,216,667	32,600,000
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	12.33%	12.33%	11.41%	12.33%	11.41%
- Percentage of shares (as a % of total share capital of the company)	4.65%	4.65%	4.33%	4.65%	4.33%
<b>b) Non-encumbered</b>					
- Number of shares	250,499,023	250,499,023	253,115,690	250,499,023	253,115,690
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	87.67%	87.67%	88.59%	87.67%	88.59%
- Percentage of shares (as a % of total share capital of the company)	33.10%	33.11%	33.66%	33.10%	33.66%

**Standalone Financial Results for the quarter and year ended 31 March 2012**

(Rs. in Crores)

Particulars	Quarter Ended			Year Ended	
	March 31, 2012 (Unaudited)	December 31, 2011 (Unaudited)	March 31, 2011 (Unaudited)	March 31, 2012 (Audited)	March 31, 2011 (Audited)
<b>1 Income from operations</b>	52.79	46.04	111.52	206.95	439.55
<b>2 Expenses</b>					
(a) Employee benefits expense	7.78	9.25	9.99	37.35	37.85
(b) Depreciation and amortisation expense	0.47	0.42	0.45	1.71	1.42
(c) Other expenses	5.95	10.64	14.30	32.63	37.75
<b>Total expenses</b>	<b>14.20</b>	<b>20.31</b>	<b>24.74</b>	<b>71.69</b>	<b>77.02</b>
<b>3 Profit / (Loss) from operations before other income and finance costs (1-2)</b>	<b>38.59</b>	<b>25.73</b>	<b>86.78</b>	<b>135.26</b>	<b>362.53</b>
<b>4 Other income</b>	0.26	0.00	0.00	0.34	0.00
<b>5 Profit / (Loss) from ordinary activities before finance costs (3+4)</b>	<b>38.85</b>	<b>25.73</b>	<b>86.78</b>	<b>135.60</b>	<b>362.53</b>
<b>6 Finance costs</b>	23.21	14.43	77.40	59.62	300.16
<b>7 Profit / (Loss) before tax (5-6)</b>	<b>15.64</b>	<b>11.30</b>	<b>9.38</b>	<b>75.98</b>	<b>62.37</b>
<b>8 Tax expense</b>	0.09	0.68	(4.25)	7.34	3.65
<b>9 Net Profit / (Loss) after tax (7-8)</b>	<b>15.55</b>	<b>10.62</b>	<b>13.63</b>	<b>68.64</b>	<b>58.72</b>
<b>10 Paid-up equity share capital (Face Value of Re. 1/- Per Share)</b>	75.68	75.66	75.20	75.68	75.20
<b>11 Reserves excluding Revaluation Reserves</b>				1,274.95	1,247.73
<b>12 Earnings Per Share (EPS) in Rupees (Face Value of Re. 1/- Per Share)</b>					
- Basic (Not annualised)	0.21	0.14	0.18	0.91	0.78
- Diluted (Not annualised)	0.20	0.14	0.18	0.89	0.76
<b>13 Debt Service Coverage Ratio (DSCR) *</b>				0.06	0.10
<b>14 Interest Service Coverage Ratio (ISCR) **</b>				2.27	1.21
<b>15 PARTICULARS OF SHAREHOLDING</b>					
<b>a Public shareholding (Refer note 6)</b>					
- Number of shares	471,083,590	470,930,590	466,310,590	471,083,590	466,310,590
- Percentage of shareholding	62.25%	62.24%	62.01%	62.25%	62.01%
<b>b Promoters &amp; promoter group shareholding (Refer note 6)</b>					
<b>a) Pledged/ Encumbered</b>					
- Number of shares	35,216,667	35,216,667	32,600,000	35,216,667	32,600,000
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	12.33%	12.33%	11.41%	12.33%	11.41%
- Percentage of shares (as a % of total share capital of the company)	4.65%	4.65%	4.33%	4.65%	4.33%
<b>b) Non-encumbered</b>					
- Number of shares	250,499,023	250,499,023	253,115,690	250,499,023	253,115,690
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	87.67%	87.67%	88.59%	87.67%	88.59%
- Percentage of shares (as a % of total share capital of the company)	33.10%	33.11%	33.66%	33.10%	33.66%

\* DSCR = Profit before interest and tax / (Gross interest expense + Principal repayment in next six months)

\*\* ISCR = Profit before interest and tax / Gross Interest expense

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**Notes:**

- The consolidated and standalone financial results of Edelweiss Financial Services Limited ('EFSL' or 'the Company') for the quarter and year ended 31 March 2012 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 16 May 2012.
- The Company conducts its operations along with its subsidiaries and associates. The consolidated financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated accounts as set out in the Accounting Standards (AS 21 and AS 23) prescribed by Companies (Accounting Standards) Rules, 2006.
- CRISIL has assigned the rating of 'CRISIL A1+' (pronounced 'CRISIL A one Plus') to the Short Term Debt Programmes of EFSL for Rs.4,850 crores and the rating of 'CRISIL AA-' (pronounced 'CRISIL double A minus rating with Stable Outlook') to the long term debt programme of EFSL for Rs.22 crores. ICRA has assigned the rating 'ICRA]AA-' (pronounced 'ICRA double A minus with Stable Outlook') to the Long Term Debt Programme of EFSL for Rs.450 crores, the rating 'PP-MLD [ICRA] AA-' (pronounced 'PP-MLD-ICRA double A minus with Stable Outlook') to the Long Term Equity Linked Debenture Programme of EFSL for Rs.25 crores and the rating 'LAA- pn' (pronounced 'L double A Minus Principal Not Protected with Stable Outlook') to the Long Term Equity Linked Debenture Programme of EFSL for Rs.80 crores. The ratings as mentioned for these Programmes / Issues continue to remain in force.
- From 1 April 2011, the Company by virtue of its holding company activities has adopted the practice of charging its actual borrowing cost on the loans extended to its group companies. Consequently, in the standalone financial results, interest income amounting to Rs. 107.09 crores for the current quarter ended 31 March 2012 and Rs. 400.28 crores for the year then ended has been netted against interest and finance charges.
- The Company has ceased to charge brand usage fees to its subsidiaries from 1 April 2011. Had the Company continued to charge these fees, Income from Operations in the standalone financial results would have been higher by Rs. 10.95 crores for the current quarter ended 31 March 2012 and Rs. 43.80 crores for the year then ended.
- During the quarter, the Company has granted 300,000 options under Employee Stock Option Scheme; 153,000 stock options have been exercised and allotted during the quarter. 92,408,000 stock options are outstanding as at the end of the quarter.
- During the year, the Company had declared and paid interim dividend of Re. 0.30 per share (on a face value of Re. 1 per equity share). Further, the Board of Directors has recommended final dividend of Re. 0.30 per share (on face value of Re. 1) for the financial year 2011-12. The payment of final dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

**8 Consolidated Segment Results**

Particulars	(Rs. in Crores)				
	Quarter Ended			Year Ended	
	March 31, 2012 (Unaudited)	December 31, 2011 (Unaudited)	March 31, 2011 (Unaudited)	March 31, 2012 (Audited)	March 31, 2011 (Audited)
<b>1 Segment revenue [Total income]</b>					
Agency	119.16	128.64	88.24	375.13	446.62
Capital Based	337.25	311.60	280.59	1,231.18	975.27
Unallocated	22.59	13.55	4.46	64.38	7.01
<b>Total income</b>	<b>479.00</b>	<b>453.79</b>	<b>373.29</b>	<b>1,670.69</b>	<b>1,428.90</b>
<b>2 Segment results [Profit / (Loss) before tax]</b>					
Agency	15.81	11.73	28.97	33.62	147.69
Capital Based	73.33	54.48	69.42	244.05	371.69
Unallocated	(30.25)	(19.73)	(34.16)	(78.97)	(169.36)
<b>Profit / (Loss) before tax</b>	<b>58.89</b>	<b>46.48</b>	<b>64.23</b>	<b>198.70</b>	<b>350.02</b>
<b>3 Capital employed [Segment assets - Segment liabilities]</b>					
Agency	561.52	536.44	783.18	561.52	783.18
Capital Based	1,695.27	1,687.94	1,640.01	1,695.27	1,640.01
Unallocated	379.24	412.20	16.77	379.24	16.77
<b>Total capital employed</b>	<b>2,636.03</b>	<b>2,636.58</b>	<b>2,439.96</b>	<b>2,636.03</b>	<b>2,439.96</b>

The Company has made its consolidated segment reporting to meaningfully represent its business lines. Agency includes broking, advisory, product distribution and other fee based businesses; Capital includes income from treasury operations, investment income and wholesale financing. Segment data for previous financial year/period has been reclassified to conform to current financial year/period presentation.

**9 Standalone Segment Results**

Particulars	(Rs. in Crores)				
	Quarter Ended			Year Ended	
	March 31, 2012 (Unaudited)	December 31, 2011 (Unaudited)	March 31, 2011 (Unaudited)	March 31, 2012 (Audited)	March 31, 2011 (Audited)
<b>1 Segment revenue [Total income]</b>					
Agency	11.52	14.45	23.15	44.26	132.01
Holding Company activities	41.53	31.59	88.37	163.03	307.54
Others	0.00	0.00	0.00	0.00	0.00
<b>Total income</b>	<b>53.05</b>	<b>46.04</b>	<b>111.52</b>	<b>207.29</b>	<b>439.55</b>
<b>2 Segment results [Profit / (Loss) before tax]</b>					
Agency	3.00	8.59	15.09	17.83	105.86
Holding Company activities	16.63	5.47	(1.27)	70.11	(32.03)
Others	(3.99)	(2.76)	(4.44)	(11.96)	(11.46)
<b>Profit / (Loss) before tax</b>	<b>15.64</b>	<b>11.30</b>	<b>9.38</b>	<b>75.98</b>	<b>62.37</b>
<b>3 Capital employed [Segment assets - Segment liabilities]</b>					
Agency	9.77	4.19	11.25	9.77	11.25
Holding Company activities	1,339.69	1,349.06	1,295.00	1,339.69	1,295.00
Others	2.35	27.18	16.76	2.35	16.76
<b>Total capital employed</b>	<b>1,351.81</b>	<b>1,380.43</b>	<b>1,323.01</b>	<b>1,351.81</b>	<b>1,323.01</b>

Agency includes investment banking; Holding Company activities comprise of development, managerial and financial support to the businesses of subsidiaries/associates; Others include unallocated items.

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**10 Consolidated statement of assets and liabilities as at 31 March 2012**

(Rs. in Crores)

	As at	
	March 31, 2012 (Audited)	March 31, 2011 (Audited)
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
(a) Share capital	75.68	75.20
(b) Reserves and surplus	2,559.17	2,364.68
<b>Sub-total - Shareholders' funds</b>	<b>2,634.85</b>	<b>2,439.88</b>
<b>2 Share application money pending allotment</b>	1.18	0.08
<b>3 Minority interest</b>	238.78	115.50
<b>4 Non-current liabilities</b>		
(a) Long-term borrowings	1,077.46	461.69
(b) Other long-term liabilities	11.58	8.17
(c) Long-term provisions	34.42	29.01
<b>Sub-total - Non-current liabilities</b>	<b>1,123.46</b>	<b>498.87</b>
<b>5 Current liabilities</b>		
(a) Short-term borrowings	9,047.21	7,223.45
(b) Trade payables	783.32	4,078.22
(c) Other current liabilities	634.14	684.88
(d) Short-term provisions	82.81	85.07
<b>Sub-total - Current liabilities</b>	<b>10,547.48</b>	<b>12,071.62</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>14,545.75</b>	<b>15,125.95</b>
<b>B ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Fixed assets	523.30	478.05
(b) Goodwill on consolidation	139.47	139.47
(c) Non-current investments	731.61	235.38
(d) Deferred tax assets (net)	25.98	52.75
(e) Long-term loans and advances	1,926.93	837.87
(f) Other non-current assets	134.89	1,273.99
<b>Sub-total - Non-current assets</b>	<b>3,482.18</b>	<b>3,017.51</b>
<b>2 Current assets</b>		
(a) Current investments	669.46	153.34
(b) Inventories	3,383.04	1,417.17
(c) Trade receivables	188.86	3,693.31
(d) Cash and cash equivalents	3,274.76	2,410.96
(e) Short-term loans and advances	2,796.38	4,159.42
(f) Other current assets	751.07	274.24
<b>Sub-total - Current assets</b>	<b>11,063.57</b>	<b>12,108.44</b>
<b>TOTAL - ASSETS</b>	<b>14,545.75</b>	<b>15,125.95</b>

**11 Standalone statement of assets and liabilities as at 31 March 2012**

(Rs. in Crores)

	As at	
	March 31, 2012 (Audited)	March 31, 2011 (Audited)
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
(a) Share capital	75.68	75.20
(b) Reserves and surplus	1,274.95	1,247.73
<b>Sub-total - Shareholders' funds</b>	<b>1,350.63</b>	<b>1,322.93</b>
<b>2 Share application money pending allotment</b>	1.18	0.08
<b>3 Non-current liabilities</b>		
(a) Long-term borrowings	252.55	53.83
<b>Sub-total - Non-current liabilities</b>	<b>252.55</b>	<b>53.83</b>
<b>4 Current liabilities</b>		
(a) Short-term borrowings	2,130.06	3,496.60
(b) Trade payables	9.41	16.41
(c) Other current liabilities	78.90	106.26
(d) Short-term provisions	31.15	36.09
<b>Sub-total - Current liabilities</b>	<b>2,249.52</b>	<b>3,655.36</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>3,853.88</b>	<b>5,032.20</b>
<b>B ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Fixed assets	5.69	3.75
(b) Non-current investments	1,440.69	1,196.67
(c) Deferred tax assets (net)	2.00	4.23
(d) Long-term loans and advances	210.06	222.82
(e) Other non-current assets	0.00	0.31
<b>Sub-total - Non-current assets</b>	<b>1,658.44</b>	<b>1,427.78</b>
<b>2 Current assets</b>		
(a) Current investments	23.79	2.86
(b) Trade receivables	20.48	17.12
(c) Cash and cash equivalents	1.48	10.97
(d) Short-term loans and advances	2,084.60	3,554.06
(e) Other current assets	65.09	19.41
<b>Sub-total - Current assets</b>	<b>2,195.44</b>	<b>3,604.42</b>
<b>TOTAL - ASSETS</b>	<b>3,853.88</b>	<b>5,032.20</b>

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## 12 Investor Complaints

Particulars	Quarter
	Ended March 31, 2012
Pending at the beginning of the quarter	Nil
Received during the quarter	12
Disposed of during the quarter	12
Remaining unresolved at the end of the quarter	Nil

13 The previous year/period figures have been regrouped/reclassified wherever necessary to conform to current financial year/period's presentation.

14 The standalone and consolidated results will be available on the Company's website - [www.edelweissfn.com](http://www.edelweissfn.com)

On behalf of the Board of Directors

Rashesh Shah  
Chairman

Mumbai, 16 May 2012.