

**Edelweiss Capital Limited**

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

**Consolidated Financial Results for the quarter and year ended 31 March 2011**

(Rs. in Crores)

Particulars	Quarter Ended		Year Ended	
	March 31, 2011 (Unaudited)	March 31, 2010 (Unaudited)	March 31, 2011 (Audited)	March 31, 2010 (Audited)
Fee and commission income	127.70	117.20	500.12	350.40
Income from treasury operations and investments	40.05	34.04	217.52	279.72
Interest income	212.26	108.25	754.33	338.91
<b>1 Income from Operations</b>	<b>380.01</b>	<b>259.49</b>	<b>1,471.97</b>	<b>969.03</b>
2 Other Operating Income	6.25	2.93	19.17	8.77
<b>3 Total Income (1+2)</b>	<b>386.26</b>	<b>262.42</b>	<b>1,491.14</b>	<b>977.80</b>
Expenditure				
a. Operating cost	93.09	80.35	353.12	276.30
b. Employees cost	64.20	46.47	235.42	162.17
c. Interest and Finance charges	158.00	56.94	532.18	194.28
d. Depreciation	6.74	3.93	20.40	12.25
<b>4 Total expenditure</b>	<b>322.03</b>	<b>187.69</b>	<b>1,141.12</b>	<b>645.00</b>
<b>5 Profit / (Loss) before tax (3-4)</b>	<b>64.23</b>	<b>74.73</b>	<b>350.02</b>	<b>332.80</b>
6 Tax expenses	16.25	18.40	103.10	87.92
<b>7 Net Profit / (Loss) after tax and before minority interest (5-6)</b>	<b>47.98</b>	<b>56.33</b>	<b>246.92</b>	<b>244.88</b>
8 Share of minority interest in profits	4.72	4.07	13.90	15.72
<b>9 Net Profit / (Loss) after minority interest (7-8)</b>	<b>43.26</b>	<b>52.26</b>	<b>233.02</b>	<b>229.16</b>
10 Paid-up equity share capital (Face Value of Re. 1/- Per Share) (Refer note 6)	75.20	37.54	75.20	37.54
11 Reserves excluding Revaluation Reserves			2,223.16	2,217.94
12 Earnings Per Share (EPS) in Rupees (Refer note 6)				
- Basic (Not annualised)	0.58	0.70	3.10	3.06
- Diluted (Not annualised)	0.56	0.67	3.00	2.94
13 Public shareholding (Refer note 6)				
- Number of shares	466,310,590	46,500,324	466,310,590	46,500,324
- Percentage of shareholding	62.01%	61.94%	62.01%	61.94%
14 Promoters & promoter group shareholding (Refer note 6)				
a) Pledged/ Encumbered				
- Number of shares	32,600,000	2,760,000	32,600,000	2,760,000
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	11.41%	9.66%	11.41%	9.66%
- Percentage of shares (as a % of total share capital of the company)	4.33%	3.68%	4.33%	3.68%
b) Non-encumbered				
- Number of shares	253,115,690	25,811,569	253,115,690	25,811,569
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	88.59%	90.34%	88.59%	90.34%
- Percentage of shares (as a % of total share capital of the company)	33.66%	34.38%	33.66%	34.38%

**Standalone Financial Results for the quarter and year ended 31 March 2011**

(Rs. in Crores)

Particulars	Quarter Ended		Year Ended	
	March 31, 2011 (Unaudited)	March 31, 2010 (Unaudited)	March 31, 2011 (Audited)	March 31, 2010 (Audited)
<b>1 Income from Operations</b>	<b>116.08</b>	<b>73.19</b>	<b>448.74</b>	<b>244.12</b>
2 Other Operating Income	(0.06)	0.03	0.00	1.41
<b>3 Total Income</b>	<b>116.02</b>	<b>73.22</b>	<b>448.74</b>	<b>245.53</b>
Expenditure				
a. Operating cost	18.85	13.20	46.99	36.15
b. Employees cost	9.99	6.49	37.85	28.14
c. Interest and Finance charges	77.35	36.08	300.11	137.22
d. Depreciation	0.45	0.49	1.42	1.67
<b>4 Total expenditure</b>	<b>106.64</b>	<b>56.26</b>	<b>386.37</b>	<b>203.18</b>
<b>5 Profit / (Loss) before tax (3-4)</b>	<b>9.38</b>	<b>16.96</b>	<b>62.37</b>	<b>42.35</b>
6 Tax expenses	(4.25)	3.40	3.65	8.14
<b>7 Net Profit / (Loss) after tax (5-6)</b>	<b>13.63</b>	<b>13.56</b>	<b>58.72</b>	<b>34.21</b>
8 Paid-up equity share capital (Face Value of Re. 1/- Per Share) (Refer note 6)	75.20	37.54	75.20	37.54
9 Reserves excluding Revaluation Reserves			1,245.67	1,270.70
10 Earnings Per Share (EPS) in Rupees (Refer note 6)				
- Basic (Not annualised)	0.18	0.18	0.78	0.46
- Diluted (Not annualised)	0.18	0.17	0.76	0.44
11 Debt Service Coverage Ratio (DSCR) *			0.10	0.18
12 Interest Service Coverage Ratio (ISCR) **			1.21	1.31
13 Public shareholding (Refer note 6)				
- Number of shares	466,310,590	46,500,324	466,310,590	46,500,324
- Percentage of shareholding	62.01%	61.94%	62.01%	61.94%
14 Promoters & promoter group shareholding (Refer note 6)				
a) Pledged/ Encumbered				
- Number of shares	32,600,000	2,760,000	32,600,000	2,760,000
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	11.41%	9.66%	11.41%	9.66%
- Percentage of shares (as a % of total share capital of the company)	4.33%	3.68%	4.33%	3.68%
b) Non-encumbered				
- Number of shares	253,115,690	25,811,569	253,115,690	25,811,569
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	88.59%	90.34%	88.59%	90.34%
- Percentage of shares (as a % of total share capital of the company)	33.66%	34.38%	33.66%	34.38%

\* 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 Capital Limited ("ECL" or "the Company") for the quarter and year ended 31 March 2011 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 16 May 2011.
- 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. The financial statements of the holding company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances, transactions and resulting unrealised gains. The investment in associates is accounted on "Equity Method". The consolidated financial statements are prepared by applying uniform accounting policies.
- With effect from 16 July 2010, Edelweiss Financial Advisors Limited (formerly Anagram Capital Limited) (EFAL) and its subsidiaries became the subsidiaries of the Company. The consolidated financial results include the financial results of EFAL and its subsidiaries from the said date.
- CRISIL has assigned the rating of 'P1+' (pronounced 'P one Plus') to the Short Term Debt Programmes of ECL for Rs.4,250 crores. ICRA has assigned the rating 'LAA-' (pronounced 'L double A minus') to the Long Term Debt Programme of ECL for Rs.450 crores, the rating 'LAA- pp' (pronounced 'L double A Minus Principal Protected') to the Long Term Equity Linked Debenture Programme of ECL for Rs.25 crores and the rating 'LAA- pn' (pronounced 'L double A Minus Principal Not Protected') to the Long Term Equity Linked Debenture Programme of ECL for Rs.80 crores. The ratings as mentioned for these Programmes / Issues continue to remain in force.
- During the current year, the Company has changed its policy on accounting for benchmark linked non-convertible debentures and exchange traded derivatives by applying fair valuation as against the earlier policy of ignoring unrealized gains. Had the Company continued to follow its earlier policy, "Net current assets" and the profit for the year, both appearing in the consolidated financial statements would have been lower by Rs.2.46 crores. Impact in standalone financial statements on account of this change is Nil.
- With effect from the Record Date of 11 August 2010, equity shares of the face value of Rs. 5 each of the Company had been sub-divided into equity shares of face value of Re. 1 each. Also, 1 bonus share of face value of Re. 1 each had been issued for every equity share of face value of Re. 1 each held in the Company as on the Record Date. The previous period / year earnings per share numbers have been adjusted to take the effect of corporate actions.
- During the quarter, the Company has granted 980,000 options under Employee Stock Option Scheme; 286,600 stock options have been exercised and 301,600 equity shares have been allotted. 89,606,320 stock options are outstanding as at the end of the quarter.
- During the year, the Company had declared and paid interim dividend of Re. 0.25 per share (on a face value of Re. 1 per equity share).
- The Board of Directors has recommended final dividend of Re.0.35 per share (on face value of Re. 1) for the financial year 2010-11. The payment of final dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

### 10 Consolidated Segment Results

(Rs. in Crores)

Particulars	Quarter Ended		Year Ended	
	March 31, 2011 (Unaudited)	March 31, 2010 (Unaudited)	March 31, 2011 (Audited)	March 31, 2010 (Audited)
<b>1 Segment revenue [Total income]</b>				
Agency	103.73	120.89	511.39	438.68
Capital Based	278.07	143.67	972.74	534.36
Unallocated	4.46	(2.14)	7.01	4.76
<b>Total income</b>	<b>386.26</b>	<b>262.42</b>	<b>1,491.14</b>	<b>977.80</b>
<b>2 Segment results [Profit / (Loss) before tax]</b>				
Agency	28.97	87.15	147.69	216.44
Capital Based	69.42	37.39	371.70	245.18
Unallocated	(34.16)	(49.81)	(169.37)	(128.82)
<b>Profit / (Loss) before tax</b>	<b>64.23</b>	<b>74.73</b>	<b>350.02</b>	<b>332.80</b>
<b>3 Capital employed [Segment assets - Segment liabilities]</b>				
Agency	783.18	1,057.26	783.18	1,057.26
Capital Based	1,640.00	1,325.73	1,640.00	1,325.73
Unallocated	(122.68)	(125.62)	(122.68)	(125.62)
<b>Total capital employed</b>	<b>2,300.50</b>	<b>2,257.37</b>	<b>2,300.50</b>	<b>2,257.37</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.

### 11 Standalone Segment Results

(Rs. in Crores)

Particulars	Quarter Ended		Year Ended	
	March 31, 2011 (Unaudited)	March 31, 2010 (Unaudited)	March 31, 2011 (Audited)	March 31, 2010 (Audited)
<b>1 Segment revenue [Total income]</b>				
Agency	23.15	47.30	132.01	90.09
Holding Company activities	92.87	25.90	316.73	154.03
Others	-	0.02	-	1.41
<b>Total income</b>	<b>116.02</b>	<b>73.22</b>	<b>448.74</b>	<b>245.53</b>
<b>2 Segment results [Profit / (Loss) before tax]</b>				
Agency	15.09	38.91	105.86	71.05
Holding Company activities	(1.27)	(18.39)	(32.03)	(17.27)
Others	(4.44)	(3.56)	(11.46)	(11.43)
<b>Profit / (Loss) before tax</b>	<b>9.38</b>	<b>16.96</b>	<b>62.37</b>	<b>42.35</b>
<b>3 Capital employed [Segment assets - Segment liabilities]</b>				
Agency	11.25	19.31	11.25	19.31
Holding Company activities	1,295.00	1,332.94	1,295.00	1,332.94
Others	16.76	(42.12)	16.76	(42.12)
<b>Total capital employed</b>	<b>1,323.01</b>	<b>1,310.13</b>	<b>1,323.01</b>	<b>1,310.13</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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**12 Consolidated statement of assets and liabilities as at 31 March 2011**

	(Rs. in Crores)	
	As at	
	March 31, 2011 (Audited)	March 31, 2010 (Audited)
<b>SOURCES OF FUNDS</b>		
Shareholders' funds		
(a) Share capital	75.20	37.54
(b) Stock options outstanding	2.06	1.89
(c) Share application money	0.08	-
(d) Reserves and surplus *	2,223.16	2,217.94
Loan funds	8,206.57	2,713.82
Minority Interest	115.50	213.20
<b>TOTAL</b>	<b>10,622.57</b>	<b>5,184.39</b>
<b>APPLICATION OF FUNDS</b>		
Fixed assets	478.05	58.88
Investments	388.72	156.03
Deferred tax asset (net)	52.75	60.28
Current assets, loans and advances		
(a) Stock in trade	1,417.17	1,150.58
(b) Sundry debtors	3,586.96	84.83
(c) Cash and bank balances	3,662.49	1,699.89
(d) Other Current Assets	347.72	48.34
(e) Loans and advances	5,061.15	2,636.94
Less: Current liabilities and provisions		
(a) Current liabilities	(4,290.05)	(571.84)
(b) Provisions	(82.39)	(139.54)
<b>Net current assets</b>	<b>9,703.05</b>	<b>4,909.20</b>
<b>TOTAL</b>	<b>10,622.57</b>	<b>5,184.39</b>

\* Capital reserve arising on consolidation has been adjusted with goodwill arising on consolidation of Rs. 139.47 crores for the year ended 31 March 2011.

**13 Standalone statement of assets and liabilities as at 31 March 2011**

	(Rs. in Crores)	
	As at	
	March 31, 2011 (Audited)	March 31, 2010 (Audited)
<b>SOURCES OF FUNDS</b>		
Shareholders' funds		
(a) Share capital	75.20	37.54
(b) Stock options outstanding	2.06	1.89
(c) Share application money	0.08	-
(d) Reserves and surplus	1,245.67	1,270.70
Loan funds	3,596.12	1,453.41
<b>TOTAL</b>	<b>4,919.13</b>	<b>2,763.54</b>
<b>APPLICATION OF FUNDS</b>		
Fixed assets	3.75	3.10
Investments	1,199.52	1,153.61
Deferred tax asset (net)	4.23	6.74
Current assets, loans and advances		
(a) Sundry debtors	17.12	58.39
(b) Cash and bank balances	11.23	31.44
(c) Loans and advances	3,796.33	1,689.65
Less: Current liabilities and provisions		
(a) Current liabilities	(76.97)	(98.68)
(b) Provisions	(36.08)	(80.71)
<b>Net current assets</b>	<b>3,711.63</b>	<b>1,600.09</b>
<b>TOTAL</b>	<b>4,919.13</b>	<b>2,763.54</b>

14 There were no investor complaints outstanding at the beginning of the quarter. During the quarter, the Company received 11 investor complaints and has resolved all of these, with no complaint pending as at the end of the quarter.

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

16 The standalone and consolidated results will be available on the Company's website - www.edelcap.com

On behalf of the Board of Directors

Rashesh Shah  
Chairman

Mumbai, 16 May 2011.