

EW/Sec/2013/74

May 15, 2013

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051.

BSE Limited
P J Towers, Dalal Street,
Fort, Mumbai - 400 001.

Dear Sir,

Sub: Outcome of the Board Meeting

This is to inform you that the Board of Directors of the Company at their meeting held today have:

- i. approved the audited financial results of the Company (both standalone and consolidated) for the financial year ended March 31, 2013;
- ii. recommended payment of final dividend of Re. 0.10/- per share (on the face value of Re. 1/-) for the financial year 2012-13. The payment of final dividend is subject to the approval of the members at the ensuing Annual General Meeting (AGM) of the Company. The dividend, if declared, will be credited/dispatched between August 5, 2013 and August 12, 2013; and
- iii. appointed Mr. Navtej S. Nandra as an Additional (Independent) Director on the Board of Directors of the Company.

Kindly take the above on record.

Thanking you,

Yours faithfully,
For Edelweiss Financial Services Limited


B. Renganathan
Sr. Vice President & Company Secretary

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
Website : www.edelweissfin.com


Consolidated Financial Results for the quarter and year ended 31 March 2013
Part I

(₹ in Crores)

Particulars	Quarter Ended			Year Ended	
	March 31, 2013 (Unaudited)	December 31, 2012 (Unaudited)	March 31, 2012 (Unaudited)	March 31, 2013 (Audited)	March 31, 2012 (Audited)
1 Income from operations					
(a) Fee and commission income	90.03	82.80	92.27	319.37	321.31
(b) Interest and treasury income	467.98	438.00	365.48	1,772.52	1,309.95
(c) Premium from Life Insurance business	32.33	10.38	7.49	52.48	10.72
(d) Other operating income	5.12	5.50	4.12	24.34	10.98
Total income from operations	595.46	536.68	469.36	2,168.71	1,652.96
2 Expenses					
(a) Employee benefits expense	104.65	97.63	78.07	363.91	271.21
(b) Depreciation and amortisation expense	14.31	13.28	15.64	51.43	42.19
(c) Change in life insurance policy liability - actuarial	21.67	6.72	4.05	31.49	5.76
(d) Other expenses	94.29	89.55	87.75	364.54	323.18
Total expenses	234.92	207.18	185.51	811.37	642.34
3 Profit / (Loss) from operations before other income and finance costs (1-2)	360.54	329.50	283.85	1,357.34	1,010.62
4 Other income	1.50	2.54	5.63	6.75	8.19
5 Profit / (Loss) from ordinary activities before finance costs (3+4)	362.04	332.04	289.48	1,364.09	1,018.81
6 Finance costs	290.80	264.93	234.60	1,113.33	829.65
7 Profit / (Loss) before tax (5-6)	71.24	67.11	54.88	250.76	189.16
8 Tax expense	28.82	22.16	22.64	88.15	68.09
9 Net Profit / (Loss) after tax (7-8)	42.42	44.95	32.24	162.61	121.07
10 Share of profit / (loss) of associates	2.99	0.74	4.01	8.57	9.54
11 Minority interest	(5.67)	(0.35)	(2.51)	(7.29)	2.87
12 Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (9+10-11)	51.08	46.04	38.76	178.47	127.74
13 Paid-up equity share capital (Face Value of ₹ 1/- Per Share)	76.38	76.17	75.68	76.38	75.68
14 Reserves excluding Revaluation Reserves				2,683.09	2,559.17
15 Earnings Per Share (EPS) in Rupees (Face Value of ₹ 1/- Per Share)					
- Basic (Not annualised)	0.67	0.60	0.51	2.35	1.69
- Diluted (Not annualised)	0.66	0.59	0.50	2.31	1.66

Part II - Select Information for the quarter and year ended 31 March 2013

A PARTICULARS OF SHAREHOLDING					
1 Public shareholding					
- Number of shares	47,81,26,590	47,60,24,590	47,10,83,590	47,81,26,590	47,10,83,590
- Percentage of shareholding	62.59%	62.49%	62.25%	62.59%	62.25%
2 Promoters & promoter group shareholding					
a) Pledged/ Encumbered					
- Number of shares	1,42,00,000	3,23,00,000	3,52,16,667	1,42,00,000	3,52,16,667
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	4.97%	11.30%	12.33%	4.97%	12.33%
- Percentage of shares (as a % of total share capital of the company)	1.86%	4.24%	4.65%	1.86%	4.65%
b) Non-encumbered					
- Number of shares	27,15,15,690	25,34,15,690	25,04,99,023	27,15,15,690	25,04,99,023
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	95.03%	88.70%	87.67%	95.03%	87.67%
- Percentage of shares (as a % of total share capital of the company)	35.55%	33.27%	33.10%	35.55%	33.10%
B INVESTOR COMPLAINTS					
				Quarter ended March 31, 2013	
Pending at the beginning of the quarter				Nil	
Received during the quarter				9	
Disposed off during the quarter				9	
Remaining unresolved at the end of the quarter				Nil	

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Standalone Financial Results for the quarter and year ended 31 March 2013

Part I

Particulars	(₹ in Crores)				
	Quarter Ended		Year Ended		
	March 31, 2013 (Unaudited)	December 31, 2012 (Unaudited)	March 31, 2012 (Unaudited)	March 31, 2013 (Audited)	March 31, 2012 (Audited)
1 Income from operations					
(a) Income from operations					
(b) Other operating income	45.61	31.53	60.50	147.36	166.32
Total income from operations	2.19	1.77	(7.71)	9.45	40.63
2 Expenses	47.80	33.30	52.79	156.81	206.95
(a) Employee benefits expense	10.55	10.64	7.78	38.89	37.35
(b) Depreciation and amortisation expense	0.59	0.46	0.47	1.95	1.71
(c) Other expenses	6.87	5.80	4.92	29.88	28.91
Total expenses	18.01	16.90	13.17	70.72	67.97
3 Profit / (Loss) from operations before other income and finance costs (1-2)	29.79	16.40	39.62	86.09	138.98
4 Other income	0.05	-	0.26	0.06	0.34
5 Profit / (Loss) from ordinary activities before finance costs (3+4)	29.84	16.40	39.88	86.15	139.32
6 Finance costs	12.09	5.51	24.24	39.04	63.34
7 Profit / (Loss) before tax (5-6)	17.75	10.89	15.64	47.11	75.98
8 Tax expense	0.32	-	0.09	0.32	7.34
9 Net Profit / (Loss) after tax (7-8)	17.43	10.89	15.55	46.79	68.64
10 Paid-up equity share capital (Face Value of ₹ 1/- Per Share)	76.38	76.17	75.68	76.38	75.68
11 Reserves excluding Revaluation Reserves				1,278.12	1,274.95
12 Earnings Per Share (EPS) in Rupees (Face Value of ₹ 1/- Per Share)					
- Basic (Not annualised)	0.23	0.14	0.21	0.62	0.91
- Diluted (Not annualised)	0.22	0.14	0.20	0.60	0.89
13 Debt Service Coverage Ratio (DSCR) *				0.20	0.06
14 Interest Service Coverage Ratio (ISCR) **				2.42	2.27

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

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

Part II - Select Information for the quarter and year ended 31 March 2013

A PARTICULARS OF SHAREHOLDING					
1 Public shareholding					
- Number of shares	47,81,26,590	47,60,24,590	47,10,83,590	47,81,26,590	47,10,83,590
- Percentage of shareholding	62.59%	62.49%	62.25%	62.59%	62.25%
2 Promoters & promoter group shareholding					
a) Pledged/ Encumbered					
- Number of shares	1,42,00,000	3,23,00,000	3,52,16,667	1,42,00,000	3,52,16,667
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	4.97%	11.30%	12.33%	4.97%	12.33%
- Percentage of shares (as a % of total share capital of the company)	1.86%	4.24%	4.65%	1.86%	4.65%
b) Non-encumbered					
- Number of shares	27,15,15,690	25,34,15,690	25,04,99,023	27,15,15,690	25,04,99,023
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	95.03%	88.70%	87.67%	95.03%	87.67%
- Percentage of shares (as a % of total share capital of the company)	35.55%	33.27%	33.10%	35.55%	33.10%
B INVESTOR COMPLAINTS					
Pending at the beginning of the quarter	Quarter ended March 31, 2013				
Received during the quarter	Nil				
Disposed off during the quarter	9				
Remaining unresolved at the end of the quarter	9				
	Nil				

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Notes:

- 1 The consolidated and standalone financial results of Edelweiss Financial Services Limited ('EFSL' or 'the Company') for the quarter and year ended 31 March 2013 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 15 May 2013.
- 2 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.
- 3 CRISIL has assigned the rating of 'CRISIL A1+' (pronounced 'CRISIL A one Plus') to the Short Term Debt Programmes of EFSL for ₹ 4,850 Crores and the rating of 'CRISIL AA-/stable' (pronounced 'CRISIL double A minus rating with Stable Outlook') to the long term debt programme of EFSL for ₹ 22 Crores. ICRA has assigned the rating '[ICRA]AA-stable' (pronounced 'ICRA double A minus with Stable Outlook') to the Long Term Debt Programme of EFSL for ₹ 450 Crores, the rating 'PP-MLD [ICRA] AA-/Stable' (pronounced 'PP-MLD-ICRA double A minus with Stable Outlook') to the Long Term Equity Linked Debenture Programme of EFSL for ₹ 25 Crores and the rating '[ICRA]AA - pn stable' (pronounced 'ICRA double A Minus Principal Not Protected with Stable Outlook') to the Long Term Equity Linked Debenture Programme of EFSL for ₹ 80 Crores. The ratings as mentioned for these Programmes / Issues continue to remain in force.
- 4 The Company as a part of its holding company activities, continues to adopt 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 ₹ 98.78 crores for the current quarter ended 31 March 2013 and ₹ 426.82 crores for the year ended has been netted against finance costs.
- 5 During the quarter, the Company has granted 3,42,000 options under Employee Stock Option Scheme; 21,02,000 stock options have been allotted on exercise of employee stock options during the quarter.
- 6 During the year, the Company had declared and paid interim dividend of ₹ 0.55 per share (on a face value of ₹ 1 per equity share). Further, the Board of Directors has recommended final dividend of ₹ 0.10 per share (on face value of ₹ 1 per equity share) for the financial year 2012-13. The payment of final dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

7 Consolidated Segment Results

(₹ in Crores)

Particulars	Quarter Ended		Year Ended		
	March 31, 2013 (Unaudited)	December 31, 2012 (Unaudited)	March 31, 2012 (Unaudited)	March 31, 2013 (Audited)	March 31, 2012 (Audited)
1 Segment revenue [Total income]					
Agency	128.25	118.39	119.16	494.13	375.13
Capital Based	428.97	394.21	337.25	1,590.55	1,231.18
Life Insurance	41.91	26.70	20.39	98.17	53.21
Unallocated	0.82	0.66	2.20	1.18	11.17
Total income	599.95	539.96	479.00	2,184.03	1,670.69
2 Segment results [Profit / (Loss) before tax]					
Agency	15.65	2.00	15.81	42.29	33.62
Capital Based	97.58	86.00	73.33	307.25	244.05
Life Insurance	(25.92)	(14.54)	(9.42)	(64.72)	(18.07)
Unallocated	-	-	-	-	-
Profit / (Loss) before tax	87.31	73.46	79.72	284.82	259.60
Less:					
(a) Interest	-	-	-	-	-
(b) Unallocated net expenditure	(13.08)	(5.61)	(20.83)	(25.49)	(60.90)
Total Profit before tax	74.23	67.85	58.89	259.33	198.70
3 Capital employed [Segment assets - Segment liabilities]					
Agency	453.56	477.85	500.56	453.56	500.56
Capital Based	1,575.39	1,465.56	1,511.23	1,575.39	1,511.23
Life Insurance	455.83	482.43	520.83	455.83	520.83
Unallocated	276.94	339.12	103.41	276.94	103.41
Total capital employed	2,761.72	2,764.96	2,636.03	2,761.72	2,636.03

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; Life insurance represents life insurance business. Segment data for previous financial year/period has been reclassified to conform to current financial year/period presentation.

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8 Standalone Segment Results

Particulars	(₹ in Crores)				
	Quarter Ended			Year Ended	
	March 31, 2013 (Unaudited)	December 31, 2012 (Unaudited)	March 31, 2012 (Unaudited)	March 31, 2013 (Audited)	March 31, 2012 (Audited)
1 Segment revenue [Total income]					
Agency	6.94	17.28	11.52	31.11	44.26
Holding Company activities	40.91	16.02	41.53	125.76	163.03
Unallocated	-	-	-	-	-
Total income	47.85	33.30	53.05	156.87	207.29
2 Segment results [Profit / (Loss) before tax and interest]					
Agency	0.47	10.94	3.00	7.51	17.83
Holding Company activities (after interest expenses)	19.47	2.54	16.63	51.88	70.11
Unallocated	-	-	-	-	-
Profit / (Loss) before tax	19.94	13.48	19.63	59.39	87.94
Less:					
(a) Interest	-	-	-	-	-
(b) Unallocated net expenditure	(2.19)	(2.59)	(3.99)	(12.28)	(11.96)
Total Profit before tax	17.75	10.89	15.64	47.11	75.98
3 Capital employed [Segment assets - Segment liabilities]					
Agency	5.88	7.34	9.77	5.88	9.77
Holding Company activities	1,284.98	1,321.84	1,339.69	1,284.98	1,339.69
Unallocated	65.89	55.25	2.35	65.89	2.35
Total capital employed	1,356.75	1,384.43	1,351.81	1,356.75	1,351.81

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

9 Consolidated statement of assets and liabilities as at 31 March 2013

	(₹ in Crores)	
	As at	
	March 31, 2013 (Audited)	March 31, 2012 (Audited)
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	76.38	75.68
(b) Reserves and surplus	2,683.09	2,559.17
Sub-total - Shareholders' funds	2,759.47	2,634.85
2 Share application money pending allotment	2.25	1.18
3 Minority interest	233.31	238.78
4 Non-current liabilities		
(a) Long-term borrowings	1,980.08	1,077.46
(b) Other long-term liabilities	13.54	11.58
(c) Long-term provisions	72.22	34.42
Sub-total - Non-current liabilities	2,065.84	1,123.46
5 Current liabilities		
(a) Short-term borrowings	8,973.74	9,047.21
(b) Trade payables	1,023.03	783.32
(c) Other current liabilities	1,418.62	634.14
(d) Short-term provisions	57.02	82.81
Sub-total - Current liabilities	11,472.41	10,547.48
TOTAL - EQUITY AND LIABILITIES	16,533.28	14,545.75
B ASSETS		
1 Non-current assets		
(a) Fixed assets	498.21	523.30
(b) Goodwill on consolidation	140.40	139.47
(c) Non-current investments	808.66	731.61
(d) Deferred tax assets (net)	35.96	25.98
(e) Long-term loans and advances	2,716.35	1,926.93
(f) Other non-current assets	305.18	134.89
Sub-total - Non-current assets	4,504.76	3,482.18
2 Current assets		
(a) Current investments	402.60	669.46
(b) Inventories	3,152.06	3,383.04
(c) Trade receivables	158.32	188.86
(d) Cash and cash equivalents	3,708.98	3,274.76
(e) Short-term loans and advances	4,120.36	2,796.38
(f) Other current assets	486.20	751.07
Sub-total - Current assets	12,028.52	11,063.57
TOTAL - ASSETS	16,533.28	14,545.75

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**10 Standalone statement of assets and liabilities as at 31 March 2013**

		(₹ in Crores)	
		As at	
		March 31, 2013 (Audited)	March 31, 2012 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	76.38	75.68
	(b) Reserves and surplus	1,278.12	1,274.95
	Sub-total - Shareholders' funds	1,354.50	1,350.63
	2 Share application money pending allotment	2.25	1.18
4	Non-current liabilities		
	(a) Long-term borrowings	230.41	252.55
	(d) Long-term provisions	1.35	-
	Sub-total - Non-current liabilities	231.76	252.55
5	Current liabilities		
	(a) Short-term borrowings	672.85	2,130.06
	(b) Trade payables	6.58	9.41
	(c) Other current liabilities	39.85	78.90
	(d) Short-term provisions	15.02	31.15
	Sub-total - Current liabilities	734.30	2,249.52
	TOTAL - EQUITY AND LIABILITIES	2,322.81	3,853.88
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	6.48	5.69
	(b) Non-current investments	1,429.80	1,440.69
	(c) Deferred tax assets (net)	2.75	2.00
	(d) Long-term loans and advances	53.67	210.06
	Sub-total - Non-current assets	1,492.70	1,658.44
2	Current assets		
	(a) Current investments	-	23.79
	(b) Trade receivables	12.29	20.48
	(c) Cash and cash equivalents	19.39	1.48
	(d) Short-term loans and advances	770.00	2,084.60
	(e) Other current assets	28.43	65.09
	Sub-total - Current assets	830.11	2,195.44
	TOTAL - ASSETS	2,322.81	3,853.88

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

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

On Behalf of the Board of Directors

Rashesh Shah
Chairman

Mumbai, 15 May 2013.