

Ref No.: EW/Sec/2014/195

July 25, 2014

BSE Limited

P J Towers, Dalal Street,
Fort, Mumbai – 400 001.

Dear Sir,

Ref.:- Scrip Code:- 532922

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 approved the following unaudited Results for the first quarter ended June 30, 2014:-

- a) Consolidated Financial Results of the Company; and
- b) Standalone Financial Results of the Company.

The copies of the results are enclosed. The Limited Review Report issued by the Statutory Auditors of the Company on the standalone financial results of the Company is also enclosed.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Edelweiss Financial Services Limited


B. Renganathan
Executive Vice President & Company Secretary

Encl: as above

Edelweiss Financial Services Limited

Corporate Identity Number: L99999MH1995PLC094641

Registered Office: Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai - 400 098

Tel: +91-22-40094400 Fax: +91-22-40863610

Website : www.edelweissfin.com



Consolidated Financial Results for the quarter ended 30 June 2014

Part I

(₹ in Crores)

Particulars	Quarter Ended			Year Ended
	June 30, 2014 (Unaudited)	March 31, 2014 (Unaudited)	June 30, 2013 (Unaudited)	March 31, 2014 (Audited)
1 Income from operations				
(a) Fee and commission income	105.78	99.69	82.03	355.63
(b) Fund based activities	674.85	543.43	521.93	2,050.06
(c) Premium from life insurance business	21.30	48.48	10.24	106.21
(d) Other operating income	4.88	5.25	5.23	21.90
Total income from operations	806.81	696.85	619.43	2,533.80
2 Expenses				
(a) Employee benefits expense	143.87	129.82	104.72	458.02
(b) Depreciation and amortisation expense	15.06	14.73	12.72	52.41
(c) Change in life insurance policy liability - actuarial	13.86	29.83	5.52	60.87
(d) Other expenses	134.84	120.53	104.39	422.06
Total expenses	307.63	294.91	227.35	993.36
3 Profit / (Loss) from operations before other income and finance costs (1-2)	499.18	401.94	392.08	1,540.44
4 Other income	2.09	0.96	1.43	9.32
5 Profit / (Loss) from ordinary activities before finance costs (3+4)	501.27	402.90	393.51	1,549.76
6 Finance costs	385.74	298.70	310.43	1,210.67
7 Profit / (Loss) before tax (5-6)	115.53	104.20	83.08	339.09
8 Tax expense	43.69	46.05	28.84	134.61
9 Net Profit / (Loss) after tax (7-8)	71.84	58.15	54.24	204.48
10 Share of profit / (loss) of associates	6.38	1.30	2.89	12.41
11 Minority interest	(0.03)	(1.24)	1.46	(3.35)
12 Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (9+10-11)	78.25	60.69	55.67	220.24
13 Paid-up equity share capital (Face Value of ₹ 1/- Per Share)	77.76	76.90	76.81	76.90
14 Reserves excluding Revaluation Reserves				2,656.91
15 Earnings Per Share (EPS) in Rupees (Face Value of ₹ 1/- Per Share)				
- Basic (See note 7)	0.98	0.79	0.73	2.86
- Diluted (See note 7)	0.97	0.78	0.72	2.85

Part II - Select Information for the quarter ended 30 June 2014

PARTICULARS OF SHAREHOLDING				
1 Public shareholding				
- Number of shares	491,904,798	483,329,640	482,386,640	483,329,640
- Percentage of shareholding	63.26%	62.85%	62.80%	62.85%
2 Promoters & promoter group shareholding				
a) Pledged/ Encumbered				
- Number of shares	27,683,000	16,183,000	22,100,000	16,183,000
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	9.69%	5.66%	7.73%	5.66%
- Percentage of shares (as a % of total share capital of the company)	3.56%	2.10%	2.88%	2.10%
b) Non-encumbered				
- Number of shares	258,032,690	269,532,690	263,615,690	269,532,690
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	90.31%	94.34%	92.27%	94.34%
- Percentage of shares (as a % of total share capital of the company)	33.18%	35.05%	34.32%	35.05%
B INVESTOR COMPLAINTS	Quarter ended June 30, 2014			
Pending at the beginning of the quarter	Nil			
Received during the quarter	6			
Disposed off during the quarter	6			
Remaining unresolved at the end of the quarter	Nil			

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Standalone Financial Results for the quarter ended 30 June 2014

Part I

	Particulars	Quarter Ended			Year Ended
		June 30, 2014 (Unaudited)	March 31, 2014 (Unaudited)	June 30, 2013 (Unaudited)	March 31, 2014 (Audited)
1	Income from operations				
	(a) Income from operations	38.83	86.26	46.15	207.38
	(b) Other operating income	7.23	11.52	0.30	7.53
	Total income from operations	46.06	97.78	46.45	214.91
2	Expenses				
	(a) Employee benefits expense	8.79	8.22	9.90	31.12
	(b) Depreciation and amortisation expense	0.77	0.94	0.53	2.71
	(c) Other expenses	5.24	12.21	15.74	39.79
	Total expenses	14.80	21.37	26.17	73.62
3	Profit / (Loss) from operations before other income and finance costs (1-2)	31.26	76.41	20.28	141.29
4	Other income	-	0.02	-	0.17
5	Profit / (Loss) from ordinary activities before finance costs (3+4)	31.26	76.43	20.28	141.46
6	Finance costs (net)	6.71	25.97	8.15	61.18
7	Profit / (Loss) before tax (5-6)	24.55	50.46	12.13	80.28
8	Tax expense	1.28	3.51	0.65	6.98
9	Net Profit / (Loss) after tax (7-8)	23.27	46.95	11.48	73.30
10	Paid-up equity share capital (Face Value of ₹ 1/- Per Share)	77.76	76.90	76.81	76.90
11	Reserves excluding Revaluation Reserves				1,145.34
12	Earnings Per Share (EPS) in Rupees (Face Value of ₹ 1/- Per Share)				
	- Basic (See note 7)	0.30	0.61	0.15	0.95
	- Diluted (See note 7)	0.30	0.61	0.15	0.95

Part II - Select Information for the quarter ended 30 June 2014

A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	491,904,798	483,329,640	482,386,640	483,329,640
	- Percentage of shareholding	63.26%	62.85%	62.80%	62.85%
2	Promoters & promoter group shareholding				
	a) Pledged/ Encumbered				
	- Number of shares	27,683,000	16,183,000	22,100,000	16,183,000
	- Percentage of shares (as a % of total shareholding of promoter and promoter group)	9.69%	5.66%	7.73%	5.66%
	- Percentage of shares (as a % of total share capital of the company)	3.56%	2.10%	2.88%	2.10%
	b) Non-encumbered				
	- Number of shares	258,032,690	269,532,690	263,615,690	269,532,690
	- Percentage of shares (as a % of total shareholding of promoter and promoter group)	90.31%	94.34%	92.27%	94.34%
	- Percentage of shares (as a % of total share capital of the company)	33.18%	35.05%	34.32%	35.05%
B	INVESTOR COMPLAINTS				
	Pending at the beginning of the quarter			Quarter ended June 30, 2014	
	Received during the quarter			Nil	
	Disposed off during the quarter			6	
	Remaining unresolved at the end of the quarter			6	
				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 ended 30 June 2014 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 25 July 2014.
- 2 The financial results for the quarter ended 30 June 2014 of EFSL, on standalone basis, have been subjected to a 'Limited Review' by the Statutory Auditors of the Company and the auditors have issued an unqualified review report.
- 3 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).
- 4 In respect of the standalone Company, (i) CARE has assigned the rating of 'CARE AA' (pronounced 'CARE double A') to the Long Term Debt Programme for ₹ 150 crores. (ii) CRISIL has assigned the rating of 'CRISIL A1+' (pronounced 'CRISIL A one Plus') to the Short Term Debt Programme for ₹ 4,850 crores. The ratings as mentioned for these Programmes / Issues continue to remain in force.
- 5 As per the requirement of the Companies Act, 2013 (the Act), the Company has evaluated the useful lives of its fixed assets and has computed depreciation according to the provisions of Schedule II of the Act. Consequently, in the standalone financial results of the Company, the depreciation charge for the quarter ended 30 June 2014 is higher by ₹ 0.18 crores and an amount of ₹ 0.22 crores has been charged to the opening balance of the retained earnings in respect of assets whose remaining useful life has expired as at 1 April 2014. Also, in the consolidated financial results of the Company, the depreciation charge for the quarter ended 30 June 2014 is higher by ₹ 2.03 crores and an amount of ₹ 2.95 crores has been charged to the opening balance of the retained earnings in respect of assets whose remaining useful life has expired as at 1 April 2014.
- 6 During the quarter ended 30 June 2014, the Company has issued 10,197,149 equity shares of face value of ₹ 1 each to employees on exercise of employee stock options and has bought back 1,621,991 equity shares of the face value of ₹ 1 each.
- 7 Earnings per share for the quarters ended 30 June 2014, 31 March 2014 and 30 June 2013, have been calculated for three months and not annualised.

8 Standalone Segment Results

Particulars	(₹ in Crores)			
	Quarter Ended			Year Ended
	June 30, 2014 (Unaudited)	March 31, 2014 (Unaudited)	June 30, 2013 (Unaudited)	March 31, 2014 (Audited)
1 Segment revenue [Total income]				
Agency	19.38	26.51	4.30	64.96
Holding Company activities	26.68	71.29	42.15	150.12
Unallocated	-	-	-	-
Total income	46.06	97.80	46.45	215.08
2 Segment results [Profit / (Loss) before tax and interest]				
Agency	13.30	20.31	(1.97)	37.54
Holding Company activities (after interest expenses)	12.81	33.45	16.52	51.36
Unallocated	-	-	-	-
Profit / (Loss) before tax	26.11	53.76	14.55	88.90
Less:				
(a) Interest	-	-	-	-
(b) Unallocated net expenditure	(1.56)	(3.30)	(2.42)	(8.62)
Total Profit before tax	24.55	50.46	12.13	80.28
3 Capital employed [Segment assets - Segment liabilities]				
Agency	13.53	4.21	6.81	4.21
Holding Company activities	1,191.37	1,151.34	1,130.97	1,151.34
Unallocated	52.20	62.22	69.07	62.22
Total capital employed	1,257.10	1,217.77	1,206.85	1,217.77

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

- 9 The previous year/period figures have been regrouped/reclassified wherever necessary to conform to current financial period's presentation.
- 10 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, 25 July 2014.

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Standalone Financial Results for the quarter ended 30 June 2014

Part I

Particulars	Quarter Ended			Year Ended
	June 30, 2014 (Unaudited)	March 31, 2014 (Unaudited)	June 30, 2013 (Unaudited)	March 31, 2014 (Audited)
1 Income from operations				
(a) Income from operations				
(b) Other operating income	38.83	86.26	46.15	207.38
Total income from operations	7.23	11.52	0.30	7.53
2 Expenses	46.06	97.78	46.45	214.91
(a) Employee benefits expense				
(b) Depreciation and amortisation expense	8.79	8.22	9.90	31.12
(c) Other expenses	0.77	0.94	0.53	2.71
Total expenses	5.24	12.21	15.74	39.79
3 Profit / (Loss) from operations before other income and finance costs (1-2)	14.80	21.37	26.17	73.62
4 Other income	31.26	76.41	20.28	141.29
5 Profit / (Loss) from ordinary activities before finance costs (3+4)	-	0.02	-	0.17
6 Finance costs (net)	31.26	76.43	20.28	141.46
7 Profit / (Loss) before tax (5-6)	6.71	25.97	8.15	61.13
8 Tax expense	24.55	50.46	12.13	80.23
9 Net Profit / (Loss) after tax (7-8)	1.28	3.51	0.65	6.98
10 Paid-up equity share capital (Face Value of ₹ 1/- Per Share)	23.27	46.95	11.48	73.30
11 Reserves excluding Revaluation Reserves	77.76	76.90	76.81	76.90
12 Earnings Per Share (EPS) in Rupees (Face Value of ₹ 1/- Per Share)				1,145.34
- Basic (See note 6)	0.30	0.61	0.15	0.95
- Diluted (See note 6)	0.30	0.61	0.15	0.95

Part II - Select Information for the quarter ended 30 June 2014

A PARTICULARS OF SHAREHOLDING				
1 Public shareholding				
- Number of shares	491,904,798	483,329,640	482,386,640	483,329,640
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b) Non-encumbered				
- Number of shares	258,032,690	269,532,690	263,615,690	269,532,690
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	90.31%	94.34%	92.27%	94.34%
- Percentage of shares (as a % of total share capital of the company)	33.18%	35.05%	34.32%	35.05%
B INVESTOR COMPLAINTS				
Pending at the beginning of the quarter				Quarter ended June 30, 2014
Received during the quarter				Nil
Disposed off during the quarter				6
Remaining unresolved at the end of the quarter				6
				Nil

***Edelweiss Financial Services Limited**

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**Notes:**

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- 2 The financial results for the quarter ended 30 June 2014 of EFSL, on standalone basis, have been subjected to a 'Limited Review' by the Statutory Auditors of the Company and the auditors have issued an unqualified review report.
- 3 CARE has assigned the rating of 'CARE AA' (pronounced 'CARE double A') to the Long Term Debt Programme of EFSL for ₹ 150 crores. CRISIL has assigned the rating of 'CRISIL A1+' (pronounced 'CRISIL A one Plus') to the Short Term Debt Programme of EFSL for ₹ 4,850 crores. The ratings as mentioned for these Programmes / Issues continue to remain in force.
- 4 As per the requirement of the Companies Act, 2013 (the Act), the Company has evaluated the useful lives of its fixed assets and has computed depreciation according to the provisions of Schedule II of the Act. Consequently, in the standalone financial results of the Company, the depreciation charge for the quarter ended 30 June 2014 is higher by ₹ 0.18 crores and an amount of ₹ 0.22 crores has been charged to the opening balance of the retained earnings in respect of assets whose remaining useful life has expired as at 1 April 2014.
- 5 During the quarter ended 30 June 2014, the Company has issued 10,197,149 equity shares of face value of ₹ 1 each to employees on exercise of employee stock options and has bought back 1,621,991 equity shares of the face value of ₹ 1 each.
- 6 Earnings per share for the quarters ended 30 June 2014, 31 March 2014 and 30 June 2013, have been calculated for three months and not annualised.

7 Standalone Segment Results

	Particulars	Quarter Ended				(₹ in Crores)
		June 30, 2014 (Unaudited)	March 31, 2014 (Unaudited)	June 30, 2013 (Unaudited)	March 31, 2014 (Audited)	Year Ended
1	Segment revenue [Total income]					
	Agency					
	Holding Company activities	19.38	26.51	4.30		64.96
	Unallocated	26.68	71.29	42.15		150.12
	Total income	46.06	97.80	46.45		215.08
2	Segment results [Profit / (Loss) before tax and interest]					
	Agency					
	Holding Company activities (after interest expenses)	13.30	20.31	(1.97)		37.54
	Unallocated	12.81	33.45	16.52		51.36
	Profit / (Loss) before tax	26.11	53.76	14.55		88.90
	Less:					
	(a) Interest	-	-	-		-
	(b) Unallocated net expenditure	(1.56)	(3.30)	(2.42)		(8.62)
	Total Profit before tax	24.55	50.46	12.13		80.28
3	Capital employed [Segment assets - Segment liabilities]					
	Agency					
	Holding Company activities	13.53	4.21	6.81		4.21
	Unallocated	1,191.37	1,151.34	1,130.97		1,151.34
	Total capital employed	1,204.90	1,155.55	1,137.78		1,155.55

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

- 8 The previous year/period figures have been regrouped/reclassified wherever necessary to conform to current financial period's presentation.
- 9 The standalone results will be available on the Company's website - www.edelweissfin.com

On behalf of the Board of Directors

Rashesh Shah
Chairman

Mumbai, 25 July 2014.

B S R & Associates LLP

Chartered Accountants

1st Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 3989 6000
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Review report

To the Board of Directors of Edelweiss Financial Services Limited

We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Edelweiss Financial Services Limited ('the Company') for the quarter ended 30 June 2014 except for the disclosures regarding 'Public shareholding' and 'Promoters and promoter group shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 25 July 2014. Our responsibility is to issue a report on the Statement based on our review.

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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 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.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W / W-100024



N Sampath Ganesh

Partner

Membership No: 042554

25 July 2014