

CHOLAMANDALAM DBS FINANCE LIMITED
Registered Office : DARE HOUSE, 2, NSC Bose Road, Chennai - 600 001.
Audited Financial Results for the year ended March 31, 2008



Particulars	Standalone				Consolidated			
	Unaudited		Audited		Unaudited		Audited	
	Quarter ended		Year ended		Quarter ended		Year ended	
	31.03.2008	31.03.2007	31.03.2008	31.03.2007	31.03.2008	31.03.2007	31.03.2008	31.03.2007
1. Income from operations (Note 2 below)	26,453	15,997	89,128	40,745	28,116	16,435	94,546	43,551
2. Other income	45	(7)	45	169	44	25	54	214
3. Total Income (1+2)	26,498	15,990	89,173	40,914	28,160	16,460	94,610	43,765
4. Expenditure								
a) Employees cost	2,137	1,404	7,515	3,805	3,064	1,854	10,568	5,357
b) Business origination outsourcing	3,710	2,416	13,050	5,943	3,748	2,181	13,528	6,142
c) Other operating expenses	2,266	1,229	7,223	3,411	3,237	1,661	10,006	4,518
d) Depreciation	647	171	1,619	560	746	226	1,843	708
e) Provisions, loan losses and other charges	4,313	1,530	12,838	3,275	4,429	1,525	12,983	3,590
f) Total	13,073	6,741	42,245	17,294	15,224	7,447	48,988	20,315
5. Interest (Note 3 below)	11,967	6,888	37,834	18,893	11,981	6,887	37,885	18,895
6. Exceptional Items	-	-	-	-	-	-	-	-
7. Profit from Ordinary Activities before tax (3) - (4+5+6)	1,658	2,361	9,094	4,727	955	2,126	7,817	4,555
8. Tax expense (including FBT and net of deferred tax)	384	812	3,157	1,625	136	921	3,084	1,816
9. Net Profit from Ordinary Activities after tax (7 - 8)	1,274	1,549	5,937	3,102	819	1,205	4,733	2,739
10. Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-	-
11. Net Profit for this period (9 - 10)	1,274	1,549	5,937	3,102	819	1,205	4,733	2,739
12. Paid-up equity share capital (Rs.10/- per share)	5,224	3,801	5,224	3,801	5,224	3,801	5,224	3,801
13. Reserves excluding revaluation reserves	-	-	50,438	38,834	-	-	47,666	27,085
14. Earnings Per Share (EPS) - not annualised- before and after extraordinary items								
a) Basic	2.44	3.81	13.04	7.63	1.57	2.96	10.40	6.74
b) Diluted	2.19	3.81	12.38	7.63	1.41	2.96	9.87	6.74
15. Public shareholding								
- Number of shares	13,065,942	9,502,506	13,065,942	9,502,506	13,065,942	9,502,506	13,065,942	9,502,506
- Percentage of shareholding	25.04	25.04	25.04	25.04	25.04	25.04	25.04	25.04

- The above statement of Audited Financial Results for the year ended March 31, 2008 was reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on April 25, 2008.
- Income from Operations for the year ended March 31, 2008 is net of derecognition of a portion of upfront gain amounting to Rs. 467 lakhs on repurchase of receivables sold under a bilateral agreement to a Bank in 2006-07, consequent to certain developments during the year.
- Pursuant to the Announcement issued by the Institute of Chartered Accountants of India on accounting for derivative transactions, during the quarter ended March 31, 2008, a provision of Rs. 462 lakhs has been included under interest towards mark-to-market diminution in value in respect of certain foreign currency derivative transactions entered into by the Company.
- The Company allotted on rights basis 14,229,929 shares of Rs. 10 each at a premium of Rs. 130 per share aggregating to Rs. 19,122 lakhs on November 06, 2007. The allottees also received one detachable warrant for every equity share allotted. 14,229,929 warrants are outstanding as at March 31, 2008. Earnings Per Share has been restated for the quarter and year ended March 31, 2007 and the dilutive effect of warrants has been given effect to for the quarter and year ended March 31, 2008 in accordance with the Accounting Standard (AS) 20 on Earnings Per Share.
- During the year, the Compensation and Nomination Committee has granted options aggregating to 1,053,333 to certain employees of the Company and its subsidiaries. Each option is exercisable for one equity share of Rs. 10 each on payment of the requisite exercise price to the Company. All the options vest over a period of 4 years from their respective dates of grant. Dilutive effect of the options has been given effect to in the computation of Earnings Per Share for the quarter and year ended March 31, 2008 in accordance with the Accounting Standard (AS) 20 on Earnings Per Share.
- During the current quarter, the Company made an additional equity investment of Rs. 250 lakhs in one of its subsidiaries, DBS Cholamandalam Securities Limited.
- Segmental Reporting: The Company is primarily engaged in the business of financing. All the activities of the Company revolve around the main business in India. As such there are no separate reportable segments as per AS-17 'Segment Reporting' issued by the Institute of Chartered Accountants of India. The Segmental Reporting in respect of the Consolidated Accounts is given in Appendix 1.
- The Board of Directors have recommended a dividend of 40% (previous year 40%) on the equity shares.
- During the current quarter, 8 investor complaints were received and resolved within the quarter. 5 unresolved complaints at the beginning of the quarter have since been resolved. There was no unresolved investor-complaint at the end of the current quarter.
- Previous period figures have been regrouped wherever necessary to conform to the current period presentation.

Place : Chennai
Date : April 25, 2008

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 Atul Pande
 Managing Director

Segment wise Revenue, Results and Capital Employed for consolidated results under clause 41 of the listing agreement

(Rupees in lakhs)

Particulars	Consolidated			
	Unaudited		Audited	
	Quarter ended		Year ended	
	31.03.2008	31.03.2007	31.03.2008	31.03.2007
1. Segment Revenue				
Financing	26,653	15,997	89,128	40,745
Distribution	621	88	2,217	1,314
Asset Management	300	236	1,238	711
Others	619	262	2,063	936
Total	28,193	16,583	94,646	43,706
Less: Inter-Segment revenue	(77)	(148)	(100)	(155)
Net Revenue	28,116	16,435	94,546	43,551
2. Segment Results (Profit / (Loss) before Tax)				
Financing	1,568	2,177	8,860	4,374
Distribution	108	39	(707)	300
Asset Management	(59)	(181)	(115)	(571)
Others	(706)	66	(285)	238
Total	911	2,101	7,753	4,341
Add: Other unallocable income net of unallocable expenditure	44	25	64	214
Net Profit before Tax	955	2,126	7,817	4,555
3. Capital Employed (Segment Assets - Segment Liabilities)				
Financing			47,307	26,509
Distribution			10	360
Asset Management			1,474	1,643
Others			1,040	1,069
Other Unallocable assets net of unallocable liabilities			3,079	1,305
Total			52,910	30,886

Note:

With effect from April 1, 2007, the Management of the Company has identified the above reportable segments. Accordingly, the segment data for the previous periods has been restated to conform to the current quarter presentation.

Place : Chennai
Date : April 25, 2008

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On behalf of the Board

Atul Pande
Managing Director