

CHOLAMANDALAM DBS FINANCE LIMITED
Registered Office : DARE HOUSE, 2, NSC Bose Road, Chennai - 600 001.
Audited Financial Results for the year ended March 31, 2007

(Rupees in lakhs)

Particulars	Company Results					Consolidated Results	
	Unaudited			Audited		Audited	
	Nine months ended	Quarter ended		Year ended		Year ended	
	31.12.2006	31.03.2007	31.03.2006	31.03.2007	31.03.2006	31.03.2007	31.03.2006
1. Income from operations (Note 2)	24,749	15,996	5,478	40,745	22,015	43,412	24,265
2. Other income	176	(7)	56	169	136	353	169
3. Proportionate share of income in Joint Venture (Note 5)							57
4. Total Expenditure							
a) Staff cost (Note 3)	2,401	1,404	440	3,805	1,814	5,357	2,758
b) Business origination outsourcing	3,527	2,416	514	5,943	1,572	6,142	1,740
c) Other operating expenses (Note 2)	2,191	1,220	180	3,411	1,715	4,518	2,586
d) Proportionate share of expenses in Joint Venture (Note 5)							44
5. Interest	12,005	6,888	2,832	18,893	9,942	18,895	9,924
6. Depreciation	389	171	79	560	417	708	534
7. Provisions, loan losses and other charges	2,046	1,529	858	3,575	2,087	3,590	2,131
8. Profit before tax (1+2+3-4-5-6-7)	2,366	2,361	631	4,727	4,604	4,555	4,774
9. Provision for taxation							
- Current (including fringe benefit tax)	978	680	224	1,658	1,183	1,837	1,315
- Deferred	(165)	132	(106)	(33)	(100)	(21)	(96)
10. Net profit (8-9)	1,553	1,549	513	3,102	3,521	2,739	3,555
11. Loss on disinvestment of Associate Company & Joint Venture (Note 5)							(20)
12. Minority interest in profit							-
13. Net profit after loss on disinvestment of Associate Company & Joint Venture and minority interest (10-11-12)	1,553	1,549	513	3,102	3,521	2,739	3,535
14. Paid-up equity share capital (Rs.10/- per share)	3,801	3,801	3,801	3,801	3,801	3,801	3,801
15. Reserves excluding revaluation reserves				28834	27772	27085	26,338
16. Basic and diluted earnings per share (Rs) - not annualised	4.09	4.08	1.35	8.17	9.12	7.22	9.11
17. Aggregate of public shareholding							
- Number of shares				9502506	9502506	9502506	9502506
- Percentage of shareholding				25.04	25.04	25.04	25.04

- The above statement of Audited Financial Results was reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on April 25, 2007.
- Income from Operations for the year ended March 31, 2006, includes Rs. 1,454 lakhs of gain on sale of certain long term investments. Other operating expenses for the year ended March 31, 2006 include Rs 249 lakhs of non recurring expenses.
- Effective April 1, 2006, the Company adopted the revised Accounting Standard 15 (AS 15) on Employee Benefits, issued by the Institute of Chartered Accountants of India (ICAI), though not yet mandatory in nature. Consequent upon the change, Profit before Tax for the year ended March 31, 2007 is lower by Rs 39.03 lakhs. In accordance with the transitional provision contained in the said Standard, the difference of Rs 263.66 lakhs (net of Deferred Tax of Rs 32.65 lakhs) between the liability in respect of certain employee benefits existing on the date of adoption of the Standard and the liability that would have been recognised at the same date under the previous accounting policy has been adjusted against the opening balance in the General Reserve.
- The Company is primarily engaged in the business of financing. This, in the context of Accounting Standard 17 on Segment Reporting, issued by the ICAI, is considered to constitute a single primary segment.
- During the previous year ended March 31, 2006, the Company sold its interest in its Associate Company on June 30, 2005 and in its Joint Venture Company on January 3, 2006.
- During the year ended March 31, 2007, the Company has made net additional investment of Rs 1,250 lakhs in one of its subsidiaries, DBS Cholamandalam Asset Management Limited.
- The Company has obtained a fresh Certificate of Registration dated December 11, 2006 from the Reserve Bank of India for carrying on the business of Non Banking Financial Institution without accepting Public Deposits consequent to its decision to exit from deposit accepting activities effective November 1, 2006.
- The Board of Directors have recommended a dividend of 40% (previous year - 50%) on the equity shares.
- During the year, the Board at its meeting held on January 24, 2007 approved a rights issue of equity shares upto Rs.200 crs and the Company is in the process of filing the offer with SEBI.
- During the quarter ended March 31, 2007, no investor complaints was received. There were no unresolved complaints either in the beginning or at the end of the current quarter.
- Previous period figures have been regrouped wherever necessary to conform to the current period presentation.

On behalf of the Board

Place : Chennai
Date : April 25, 2007

Atul Pande
Managing Director