

Unaudited financial results for the quarter ended June 30, 2006

Rs. in Lakhs

Sr. No.	Particulars	Three months ended 30.06.06	Three months ended 30.06.05	Year ended 31.03.06 (Audited)
(1)	(2)	(3)	(4)	(5)
1	Income from Operations	5,663.78	3,556.45	21,280.82
2	Other Income	424.96	8.02	415.69
3	Total Revenue	6,088.74	3,564.47	21,696.51
	a) Sub-brokerage and Commissions	679.16	327.87	2,359.67
	b) Employee Cost	1,101.30	680.20	4,269.66
	c) Rent	335.11	200.83	1,191.00
	d) Other Expenditure	1,033.87	659.52	3,163.76
4	Total Expenditure	3,149.44	1,868.42	10,984.09
5	Profit before Interest, Depreciation and Tax (3-4)	2,939.30	1,696.05	10,712.42
6	Interest	37.68	81.72	191.84
7	Depreciation	192.62	106.92	463.96
8	Profit before Tax (5-6-7)	2,709.00	1,507.41	10,056.62
9	Provision for Current Tax	976.00	520.00	3,040.00
10	Provision for Deferred Tax (Asset)/ Liability	(66.08)	(8.50)	(22.33)
11	Short provision for tax of earlier years	-	-	17.11
12	Provision for Fringe Benefit Tax	32.50	18.60	110.00
13	Profit After Tax (8-9-10-11-12)	1,766.58	977.31	6,911.84
14	Paid up Equity Share capital (Face value Rs.10)	6,930.75	3,499.97	6,692.07
15	Reserves excluding revaluation reserves (as per Balance Sheet)			59,186.48
16	Earnings per share-Basic (Rs.)	2.57	2.79	14.54
	Earnings per share-Diluted (Rs.)	2.55	2.79	13.86
17	Aggregate of Public shareholdings:			
	- Number of shares (nos.)	48,805,616	17,032,697	46,418,794
	- Percentage of shareholding	70.42%	48.67%	69.36%

Segmentwise Revenue, Results and Capital Employed under Clause 41 of the Listing Agreement

Sr No.	Particulars	Three months ended 30.06.06	Three months ended 30.06.05	Year ended 31.03.06 (Audited)
(1)	(2)	(3)	(4)	(5)
I	Segment Revenue			
	(a) Broking	3,242.40	1,813.79	11,066.55
	(b) Other Business	1,730.50	1,635.97	8,675.67
		4,972.90	3,449.76	19,742.22
	(c) Unallocated	1,115.84	114.71	1,954.29
	Total Revenue	6,088.74	3,564.47	21,696.51
II	Segment Results			
	Segment Results before tax from each segment (See Note 1)			
	(a) Broking	1,087.65	695.35	3,871.96
	(b) Other Business	948.34	765.11	5,065.56
		2,035.99	1,460.46	8,937.52
	Less: Interest	4.80	NIL	12.65
	Add: Net unallocated	677.81	46.95	1,131.75
	Profit before Tax	2,709.00	1,507.41	10,056.62
III	Capital Employed			
	(a) Broking	6,400.76	1,183.06	5,039.15
	(b) Other Business	2,320.98	1,013.89	3,952.60
	(c) Unallocated	60,094.94	7,968.33	56,886.80
		68,816.68	10,165.28	65,878.55

Notes:

- 1 Segment Results are arrived at after allocation of Interest cost.
- 2 The above financial results for the quarter ended June 30, 2006 have been reviewed by the Audit Committee and approved by the Board at its meeting held on July 25, 2006. In compliance with clause 41 of the listing agreement with the stock exchange a limited review of the unaudited financial results has been carried out by the statutory auditors.
- 3 During the quarter, the Company invested Rs.65.50 crores in its Subsidiaries viz. IL&FS Investsmart Commodities Ltd - Rs. 5.00 crores and IL&FS Investsmart Securities Ltd - Rs. 60.50 crores. Further, the Company has also invested Rs.175 crores in Optionally Fully Convertible Debentures of Tajir Investment & Properties Ltd. The Company also entered into Memorandum of Understanding with Apeejay Securities Pvt. Ltd. to acquire Securities Business for Rs.6 crores.
- 4 Effective July 01,2006, as part of restructuring process, the Company transferred its Securities Business to its wholly owned subsidiary namely IL&FS Investsmart Securities Ltd who will undertake all securities related business viz. Securities Broking, Merchant Banking and Porfolio Management Services. Consequently, the Cost of Stock Exchange membership card amounting to Rs.0.43 crores has been impaired.
- 5 Pursuant to the Accounting Standard 15 (Revised) on 'Employee Benefits' (AS-15) with effect from April 01, 2006, the Company has debited an additional amount of Rs.0.89 crore for the quarter ended June 30, 2006 in respect of provision for leave, gratuity and other employee benefits.
- 6 Equity investor complaints/ grievances for the quarter ended June 30, 2006: Pending at beginning of the quarter - Nil, received and disposed off during the quarter - 3, unresolved at the end of the quarter - Nil.
- 7 The Company has allocated 4,000,000 Equity shares under Employee Stock Option Scheme (ESOP), 2006. There are no grants from ESOP 2006
- 8 Previous period/ year figures have been regrouped and rearranged wherever necessary, in order to be consistent with the current period.

For and on behalf of the Board of Directors

Hemang Raja
Managing Director and CEO

Place: Mumbai

Date: July 25, 2006