



INDBANK MERCHANT BANKING SERVICES LIMITED

(A Subsidiary of Indian Bank)

Regd. Office : First Floor, Khivraj Complex I, No. 480, Anna Salai, Nandanam, Chennai - 600 035.

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Un-Audited Financial Results for the Quarter ended 30.06.2010

| Sl. No. | Particulars | Three months ended 30.06.2010 | Corresponding three months ended in the previous year 30.06.2009 | Previous Accounting Year ended 31.03.2010 |
|---------|--|-------------------------------|--|---|
| | | Unaudited | | Audited |
| | | | | |
| 1 | Income from Operations | 190.12 | 327.69 | 1864.57 |
| 2 | Expenditure | | | |
| | a) Employee Cost | 121.60 | 76.18 | 371.72 |
| | b) Depreciation | 23.98 | 31.24 | 109.61 |
| | c) Postage & Telephones | 14.14 | 15.15 | 74.29 |
| | d) Provision for Non Performing Assets | (63.83) | (34.04) | (163.21) |
| | e) Provision for Depreciation on Investments | 21.60 | (220.21) | (280.11) |
| | f) Other expenditure | 77.01 | 88.14 | 321.56 |
| | g) Total | 194.50 | (43.54) | 433.86 |
| 3 | Profit / (Loss) from operations before other income, interest and exceptional items (1-2) | (4.38) | 371.23 | 1430.71 |
| 4 | Other Income | 7.13 | 18.53 | 49.54 |
| | Profit / (Loss) before interest and exceptional items (3+4) | 2.75 | 389.76 | 1480.25 |
| 6 | Interest | 150.00 | 0.00 | 1250.00 |
| 7 | Profit / (Loss) after interest but before exceptional items (5-6) | (147.25) | 389.76 | 230.25 |
| 8 | Exceptional items | 0.00 | 0.00 | 0.00 |
| 9 | Profit / (Loss) from Ordinary Activities before tax (7+8) | (147.25) | 389.76 | 230.25 |
| 10 | Tax Expense | | | |
| | (a) Current Tax | 0.00 | 66.24 | 0.00 |
| | (b) Deferred Tax | 162.38 | 20.10 | 395.53 |
| | (c) Total | 162.38 | 86.34 | 395.53 |
| 11 | Net Profit / (Loss) from Ordinary Activities after tax (9-10) | (309.63) | 303.42 | (165.28) |
| 12 | Extraordinary items (net of tax expense Rs.Nil) | 0.00 | 0.00 | 0.00 |
| 13 | Net Profit / (Loss) for the period (11-12) | (309.63) | 303.42 | (165.28) |
| 14 | Paid up equity share capital (Face value per share - Rs. 10/-) | 4437.82 | 4437.82 | 4437.82 |
| 15 | Reserves excluding revaluation reserves (as per balance sheet) of previous accounting year | | | 610.03 |
| 16 | Earnings Per Share (EPS) (Rs.) | | | |
| | (a) Basic & diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not annualised) | (0.70) | 0.68 | (0.37) |
| | (b) Basic & diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not annualised) | (0.70) | 0.68 | (0.37) |
| 17 | Public Shareholding | | | |
| | - Number of Shares | 15604400 | 15604400 | 15604400 |
| | - Percentage of shareholding | 35.16% | 35.16% | 35.16% |
| 18 | Promoters & Promoter Group Shareholding | | | |
| | (a) Pledge/encumbered | | | |
| | - Number of Shares | 0.00 | 0.00 | 0.00 |
| | - Percentage of shareholding as a %age of the total shareholding of promoter and promoter group | 0.00% | 0.00% | 0.00% |
| | - Percentage of shareholding as a %age of the total shareholding of the company | 0.00% | 0.00% | 0.00% |
| | (b) Non-encumbered | | | |
| | - Number of Shares | 28773800 | 28773800 | 28773800 |
| | - Percentage of shareholding as a %age of the total shareholding of promoter and promoter group | 100.00% | 100.00% | 100.00% |
| | - Percentage of shareholding as a %age of the total shareholding of the company | 64.84% | 64.84% | 64.84% |

Quarterly reporting of segment wise revenue, results and capital employed

| | | | | |
|---|--|----------|---------|---------|
| 1 | Segment Revenue | | | |
| | (a) Fee Based | 159.03 | 245.72 | 925.95 |
| | (b) Fund Based | 38.22 | 100.50 | 988.16 |
| | (c) Un-allocated | 0.00 | 0.00 | 0.00 |
| | Total | 197.25 | 346.22 | 1914.11 |
| | Less : Inter segment revenue | 0.00 | 0.00 | 0.00 |
| | Income from operations (including other income) | 197.25 | 346.22 | 1914.11 |
| 2 | Segment Results - Profit / (Loss) before tax and interest from each segment | | | |
| | (a) Fee Based | (3.54) | 74.73 | 452.08 |
| | (b) Fund Based | 6.29 | 315.03 | 1028.17 |
| | (c) Un-allocated | 0.00 | 0.00 | 0.00 |
| | Total | 2.75 | 389.76 | 1480.25 |
| | Less : i) Interest (Other than pertaining to segments) | 150.00 | 0.00 | 1250.00 |
| | ii) Other unallocable expenditure net off | 0.00 | 0.00 | 0.00 |
| | iii) Unallocable income | 0.00 | 0.00 | 0.00 |
| | Total profit / (Loss) before tax | (147.25) | 389.76 | 230.25 |
| 3 | Capital employed (Segment assets-liabilities) | | | |
| | (a) Fee Based | 2146.55 | 2651.27 | 2226.01 |
| | (b) Fund Based | 1298.04 | 1508.03 | 1369.47 |
| | (c) Unallocated | 1293.64 | 1357.25 | 1452.38 |
| | Total | 4783.23 | 5516.55 | 5047.86 |

Notes

- The Market value of quoted investments (Cost-Rs.6.64 crore) of the Company as on 30.06.2010 was Rs.5.87 crore
- There were no investor complaints pending at the beginning of the quarter, 17 investor complaints was received and resolved during the quarter. No complaints were pending at the end of the quarter.
- During the Previous year the company has received a claim from Indian Bank for payment of interest of Rs.2397.48 lakhs (involving a waiver of Rs.1808.84 lakhs) under the right of recompense clause, out of the interest waived by them in the past aggregating to Rs.4206.32 lakhs. The company has paid Rs 1250 lakhs in the previous year which was considered in the accounts of the previous year. The bank has permitted the company to pay the balance Rs 1147.48 lakhs in instalments with a minimum of Rs 50 lakhs per month on or before 30.9.2011. The company has paid Rs.150 lakhs during the Quarter which has been considered in the quarterly accounts.

The above financial results have been taken on record by the Board of Directors of the company at the meeting held on 28.07.2010

Place : Chennai

Date : 28.07.2010

G. RANGARAJAN
PRESIDENT & WHOLETIME DIRECTOR