



A V Deven & Co

CHARTERED ACCOUNTANTS

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**Limited Review Report on the accounts of Indbank Merchant Banking Services Limited, Chennai, for
the Quarter ended 31st December, 2014**

To
The Board of Directors,
Indbank Merchant Banking Services Limited,
1st Floor, Khivraj Complex 1
No.480, Anna Salai, Nandanam,
Chennai 600 035

We have reviewed the accompanying statement of Unaudited Financial Results of Indbank Merchant Banking Services Limited, Chennai for the period ended **31st December, 2014** except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter group Shareholding' which have been traced from the disclosures made by the Management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2400, engagements to Review financial statements 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 misstatements. A review is limited primarily to inquiries of Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.

Based on our review conducted as above and subject to our observations as given below, relating to unaudited financial results for the quarter ended 31st December 2014,

- i. **As regards a claim of ₹ 897.48 lakhs under the right of recompense clause on certain settled borrowings, the Holding Company (Indian Bank) has permitted IBMBSL, Chennai to enjoy a moratorium period of 3 years from**


07/02/2015

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Branch Offices at :

No. 4, Balaiah Avenue, Luz, Mylapore, Chennai - 600 004. Phone : 24992675
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First Floor, Old No 14, New No 36, Ramachandran Street, (Parallel To Railway Track), T. Nagar, Chennai - 600 017. Phone : 28140109

September 2013 to September 2016, after which repayment of this claim shall commence by way of payment of ₹ 0.75 cr per half year from the half year end 31.03.2017 without any interest charge for the period of moratorium/repayment. However, no liability has been created in the books for ₹ 897.48 lakhs.

Had the above observations been considered, the profit of ₹ 106.25 lakhs made during this quarter of the financial year 2014-15, would have become a loss of ₹ 791.23 lakhs and there is an understatement of liability amounting to ₹ 897.48 lakhs.

nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Financial Results prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies had not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place : Chennai

Date : 07.02.2015

**For A V Deven & Co
Chartered Accountant
(Firm Reg. No. 000726S)**



(CA. R.Raghuraman)

Partner.

M.No: 201760

INDBANK MERCHANT BANKING SERVICES LIMITED

(A Subsidiary of Indian Bank)

Regd. Office : First Floor, Khivraj Complex 1, No. 480, Anna Salai, Nandanam, Chennai 600035

Email: Investors@indbankonline.com

Website: www.indbankonline.com

PART I Statement of Un-Audited Financial Results for the qtr ended 31.12.2014

Sl. No.	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in the previous year	Year to date for the current year upto	Year to date for the Previous year upto	Previous Accounting Year ended
		31-12-2014	30-09-2014	31-12-2013	31-12-2014	31-12-2013	31.03.2014
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
Rs. Lakhs							
1	Income from Operations	192.28	195.29	155.27	659.07	490.47	608.27
2	Expenditure						
	a) Employee Cost	77.53	87.23	78.41	245.36	231.47	321.18
	b) Depreciation	16.25	16.50	17.29	52.94	52.60	67.11
	c) Postage & Telephones	2.41	5.11	2.49	11.77	13.29	14.63
	d) Provision for Non Performing Assets/Write off	(5.24)	(6.33)	(6.01)	(19.13)	13.86	9.72
	e) Other expenditure-Interest on IT refund - Excess interest reversed	0.00	0.00	0.00	0.00	0.00	9.42
	f) Other expenditure	36.81	55.10	46.51	156.91	162.35	207.21
	g) Total	127.77	157.62	138.69	447.86	473.57	629.27
3	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	64.52	37.67	16.58	211.22	16.90	(21.00)
4	Other Income	43.19	47.52	32.19	134.36	97.46	136.36
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	107.71	85.19	48.77	345.58	114.36	115.36
6	Finance costs	1.61	0.52	0.50	2.13	4.06	4.39
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	106.10	84.67	48.27	343.45	110.30	110.97
8	Exceptional items	0.00	0.00	0.00	0.00	0.00	(0.84)
9	Profit/(Loss) from Ordinary Activities before tax (7+8)	106.10	84.67	48.27	343.45	110.30	110.13
10	Tax Expense						
	(a) Current Tax	0.00	0.00	0.00	0.00	0.00	0.00
	(b) Deferred Tax	1.03	0.00	1.92	1.03	1.92	1.37
	(c) Prior years	16.33	0.00	0.00	16.33	0.00	0.00
	(d) Total	17.35	0.00	1.92	17.35	1.92	1.37
11	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	88.75	84.67	46.35	326.10	108.38	108.76
12	Profit/(loss) from discontinued operations	17.51	20.81	22.84	39.27	(79.01)	(78.74)
13	Tax expense of discontinued operations	0.00	0.00	0.00	0.00	0.00	0.00
14	Net Profit (loss) from discontinued operations	17.51	20.81	22.84	39.27	(79.01)	(78.74)
15	Net Profit/(Loss) from Ordinary Activities/discontinued operations after tax (11+14)	106.25	105.48	69.19	365.36	29.37	30.02
16	Extraordinary items (net of tax expense Rs.Nil)	0.00	0.00	0.00	0.00	0.00	0.00
17	Net Profit/(Loss) for the period after tax (15+16)	106.25	105.48	69.19	365.36	29.37	30.02
18	Paid up equity share capital (Face value per share - Rs. 10/-)	4437.82	4437.82	4437.82	4437.82	4437.82	4437.82
19	Reserves excluding revaluation reserves (as per balance sheet) of previous accounting year						(268.49)
20	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)	0.24	0.24	0.16	0.82	0.07	0.07
	(b) Basic & diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not annualised)	0.24	0.24	0.16	0.82	0.07	0.07

PART II Select Information for the Quarter ended 31.12.2014

A Particulars of Share Holding							
1	Public Shareholding						
	- Number of Shares	15604400	15604400	15604400	15604400	15604400	15604400
	- Percentage of shareholding	35.16%	35.16%	35.16%	35.16%	35.16%	35.16%
2	Promoters & Promoter Group Shareholding						
	(a) Pledged/encumbered						
	- Number of Shares	0	0	0	0	0	0
	- Percentage of shareholding as a %age of the total shareholding of promoter and promoter group	0.00%	0.00%	0.00%	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%	0.00%	0.00%	0.00%
	(b) Non-encumbered						
	- Number of Shares	28773800	28773800	28773800	28773800	28773800	28773800
	- Percentage of shareholding as a %age of the total shareholding of promoter and promoter group	100.00%	100.00%	100.00%	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%	64.84%	64.84%	64.84%
	Particulars						
	Investors Complaint						
	Pending at the beginning of the Quarter	0					



