

# Indiabulls

## Indiabulls Financial Services Limited Audited Financial Results for the year ended March 31, 2009

(Rupees in Lakhs)

Particulars	Year ended	
	31.03.09 (Audited)	31.03.08 (Audited)
1 a) Income from Operations	140,957.03	96,118.59
b) Other Operating Income	37,132.51	36,450.94
<b>Total</b>	<b>178,089.54</b>	<b>132,569.53</b>
2 Expenditure		
a) Employees Cost	13,836.30	20,802.30
b) Depreciation	680.89	605.11
c) Operating Expenses	1,919.38	2,957.74
d) Administrative & Other Expenses	43,413.05	15,254.30
<b>Total</b>	<b>59,849.62</b>	<b>39,619.45</b>
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	118,239.92	92,950.08
4 Other Income	261.32	215.03
5 Profit before Interest & Exceptional Items (3+4)	118,501.24	93,165.11
6 Interest and Finance Charges	93,811.63	36,478.83
7 Profit after Interest but before Exceptional Items (5-6)	24,689.61	56,686.28
8 Exceptional Items	-	-
<b>9 Profit from Ordinary Activities before Tax (7-8)</b>	<b>24,689.61</b>	<b>56,686.28</b>
10 Tax expense (including Deferred Tax and Fringe Benefits Tax)	5,672.40	18,489.28
<b>11 Net Profit from Ordinary Activities after Tax (9-10)</b>	<b>19,017.21</b>	<b>38,197.00</b>
12 Extraordinary Items (net of tax expense Rs. NIL)	-	-
<b>13 Net Profit for the period (11-12)</b>	<b>19,017.21</b>	<b>38,197.00</b>
14 Preference Dividend for the year (Including corporate dividend tax thereon)	1,835.25	1,065.55
15 Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	5,072.60	5,068.54
16 Paid-up Preference Share Capital (Face Value of Rs.157.39 per Preference Share)	15,686.54	15,686.54
17 Reserves excluding Revaluation Reserves	299,941.26	288,613.53
18 Earnings Per Share before extraordinary items (Face Value of Rs.2 per Equity Share)		
-Basic	6.78	15.08
-Diluted	6.72	14.59
Earnings Per Share after extraordinary items (Face Value of Rs.2 per Equity Share)		
-Basic	6.78	15.08
-Diluted	6.72	14.59
<b>19 Public Shareholding</b>		
- Number of Equity Shares	133,853,485	147,986,523
- Percentage of shareholding	52.78%	58.39%
<b>20 Promoters and promoter group Shareholding</b>		
a) Pledged/Encumbered		
-Number of shares	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-
- Percentage of shares (as a% of the total share capital of the company)	-	-
b) Non-encumbered		
-Number of shares	75,368,614	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	
- Percentage of shares (as a% of the total share capital of the company)	29.72%	
<b>Items exceeding 10% of Total Expenditure</b>		
--Assignment Expenses	5,579.60	-
--Provision for Doubtful Loans	1,898.44	4,551.20
--Bad Loans written off	28,631.82	4,444.55

**Notes to Financial Results:**

- 1 The consolidated and standalone financial results of Indiabulls Financial Services Limited ('IBFSL', 'the Company') for the year ended March 31, 2009 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on June 06, 2009.
- 2 During the current quarter CRISIL has assigned its highest rating of "P1+" (pronounced 'P one plus') to the Rs.50 Billion (enhanced from Rs.40 billion) Short Term Debt Programme of the Company.
- 3 During the previous quarter, the Shareholders of the Company have passed the following Resolutions :
  1. Cancellation and withdrawal of the following employee stock option schemes of the Company namely (a) Employee Stock Option Plan - 2005, covering 50,00,000 stock options, and (b) IBFSL-ICSL Employees Stock Option Plan II M 2006, covering 14,40,000 stock options.
  2. Authorization under Section 81 (1A) of the Companies Act, 1956 to issue at any time to or to the benefit of such person (s) who are in permanent employment of the Company, including any Director, whether whole-time or otherwise, (except the promoter directors) of the Company, under the new Scheme titled Employees Stock Option Plan - 2008 (ESOP - 2008 or Scheme), 75,00,000 (Seventy Five Lakhs) equity options entitling the option holders to purchase an equivalent number of Equity Shares of face value Rs 2/- (Rupees Two) each of the Company, at such price, in one or more tranches, and on such terms and conditions, as given in the ESOP- 2008.
  3. Authorization under Section 81 (IA) of the Companies Act, 1956 to extend the benefits of ESOP - 2008 to or for the benefit of the employees of the Company's subsidiaries, including Directors thereof (except Promoter Directors). The above mentioned options have been granted in full on December 08, 2008
- 4 The Board of Directors of the Company at its meeting held on June 6, 2009 has recommended a Dividend of Rs. 2.00 per share (100% on the face value of Rs. 2 per share) for the financial year 2008-09
- 5 During the quarter, the company has further invested a sum of Rs.250 Lakhs in Equity share Capital of one of its wholly owned subsidiary- Divya Shakti Trading Services Limited.
- 6 During the previous quarter, the Company had subscribed to 25,00,000 Redeemable Preference Shares, amounting to Rs. 25,000 Lakhs (including premium), issued by its wholly owned subsidiary company, Divya Shakti Trading Services Limited. During the current quarter, 5,00,000 Preference Shares amounting to Rs. 5,000 Lakhs (including premium) have been redeemed by the subsidiary company.
- 7 During the quarter, the subsidiaries of the Company have incurred losses in respect of dealing in securities. Accordingly, the Company has written off loans, amounting to Rs. 11,361.73 Lakhs, recoverable from these subsidiaries. The same is included in Administrative & Other expenses above.
- 8 The Joint Venture between Indiabulls Financial Services Limited (IBFSL) and MMTC Ltd. for setting up the International Multi Commodity Exchange Limited (IMCEL) is set to go live in the near future. In line with the Government of India ownership guidelines, as of date, IMCEL has fully received its entire capital contribution of Rs. 10,000 Lakhs from Indiabulls Financial Services Ltd (40%), MMTC Ltd (26%), Indian Potash Ltd (10%), United Stock Exchange of India Ltd (10%) and Abhinay Trading Private Ltd (14%), of which Rs. 9,995 Lakhs is pending allotment. Recognition of the exchange from Forward Markets Commission is expected shortly. The technology platform for the exchange including network and, infrastructure is at an advanced stage of completion and membership campaign is underway.
- 9 The regulatory approvals for commencing operations of Indiabulls Life Insurance Company Limited and Indiabulls Asset Management Company Limited (wholly owned subsidiaries of the Company) are under process.
- 10 Segment Results

**(Rupees in Lakhs)**

	Particulars	Year ended	
		31.03.09 (Audited)	31.03.08 (Audited)
<b>1</b>	<b>Segment Revenue</b>		
	Investing & Financing related activities	176,040.46	125,548.46
	Fee Income	2,310.40	7,236.10
	Others	-	-
	<b>Total</b>	<b>178,350.86</b>	<b>132,784.56</b>
	Less: Inter Segment Revenue	-	-
	<b>Income from Operations</b>	<b>178,350.86</b>	<b>132,784.56</b>
<b>2</b>	<b>Segment Results profit before Tax and Interest</b>		
	Investing & Financing related activities	24,271.72	50,469.45
	Fee Income	2,303.13	7,235.99
	Others	(225.46)	-
	<b>Total</b>	<b>26,349.39</b>	<b>57,705.44</b>
	(i) Less: Interest	-	-
	(ii) Other un-allocable expenditure net off unallocable income	1,659.78	1,019.16
	<b>Total Profit Before Tax</b>	<b>24,689.61</b>	<b>56,686.28</b>
<b>3</b>	<b>Capital Employed (Segment Assets - Segment Liabilities)</b>		
	Investing & Financing related activities	316,541.14	1,156.47
	Fee Income	48.71	1,241.15
	Others	-	-
	Unallocable Capital Employed	4,110.53	306,970.99
	<b>Total</b>	<b>320,700.38</b>	<b>309,368.61</b>

Note : "Others" business segment constitutes profit on investment / dealing in securities. This not being the normal business activity of the

11 Number of Investor Complaints received and disposed off during the quarter ended March 31, 2009:

Opening: Nil , Received: 66, Disposed Off: 66, Pending: Nil .

12 Figures for the prior year / periods have been regrouped and / or reclassified wherever considered necessary.

**Indiabulls Financial Services Limited**  
**Audited Consolidated Financial Results**  
**for the year ended March 31, 2009**

(Rupees in Lakhs)

Particulars	Year ended	
	31.03.09 (Audited)	31.03.08 (Audited)
1 a) Income from Operations	158,452.06	110,873.48
b) Other Operating Income	41,856.72	57,751.48
<b>Total</b>	<b>200,308.78</b>	<b>168,624.96</b>
2 Expenditure		
a) Employees Cost	16,689.23	23,891.74
b) Depreciation	780.96	715.67
c) Operating Expenses	2,270.55	4,263.06
d) Administrative & Other Expenses	60,226.50	17,676.47
<b>Total</b>	<b>79,967.24</b>	<b>46,546.94</b>
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	120,341.54	122,078.02
4 Other Income	269.87	251.51
5 Profit before Interest & Exceptional Items (3+4)	120,611.41	122,329.53
6 Interest and Finance Charges	102,865.73	39,225.59
7 Profit after Interest but before Exceptional Items (5-6)	17,745.68	83,103.94
8 Exceptional Items	-	-
<b>9 Profit from Ordinary Activities before Tax (7-8)</b>	<b>17,745.68</b>	<b>83,103.94</b>
10 Tax expense (including Deferred Tax and Fringe Benefits Tax)	7,149.80	25,039.96
<b>11 Net Profit from Ordinary Activities after Tax (9-10)</b>	<b>10,595.88</b>	<b>58,063.98</b>
12 Extraordinary Items (net of tax expenses Rs. NIL)	-	-
<b>13 Net Profit for the period before Minority Interest (11-12)</b>	<b>10,595.88</b>	<b>58,063.98</b>
14 Minority Interest	651.24	624.73
<b>15 Net Profit from Ordinary Activities after Tax and Minority Interest (13-14)</b>	<b>9,944.64</b>	<b>57,439.25</b>
16 Preference Dividend for the period (including corporate dividend tax thereon)	1,835.25	1,065.54
17 Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	5,072.60	5,068.54
18 Paid-up Preference Share Capital (Face Value of Rs.157.39 per Preference Share)	15,686.54	15,686.54
19 Reserves excluding Revaluation Reserves	321,914.38	319,822.03
20 Minority Interest	10,315.02	9,500.97
21 Share of Reserves and Surplus in Associate (included in other income above)	7.10	7.09
22 Earnings per Share before extraordinary items (Face Value of Rs.2 per Equity Share)		
-Basic	3.20	22.84
-Diluted	3.17	22.09
Earnings per Share after extraordinary items (Face Value of Rs.2 per Equity Share)		
-Basic	3.20	22.84
-Diluted	3.17	22.09
<b>23 Public Shareholding</b>		
- Number of Equity Shares	133,853,485	147,986,523
- Percentage of shareholding	52.78%	58.39%
<b>24 Promoters and promoter group Shareholding</b>		
a) Pledged/Encumbered		
-Number of shares	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-
- Percentage of shares (as a% of the total share capital of the company)	-	-
b) Non-encumbered		
-Number of shares	75,368,614	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	
- Percentage of shares (as a% of the total share capital of the company)	29.72%	

**Notes to Financial Results:**

- Indiabulls Financial Services Limited conducts its operations along with its subsidiaries and associate. The Consolidated financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of Consolidated Accounts as set out in the Accounting Standards (AS 21 and AS 23) notified by the Companies (Accounting Standards) Rules, 2006. The financial statements of the parent Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, transactions and resulting unrealized gains / losses. The Investment in associate is accounted on "Equity Method". The consolidated financial statements are prepared by applying uniform accounting policies.
- During the quarter, the subsidiaries of the Company have incurred / provided for losses on dealing in securities which has resulted in losses amounting to Rs. 22,753.30 Lakhs for the year. This amount has been fully charged off to the Profit and Loss Account and is stated under administrative and other expenses above. Consequently, the holding company has written off loans amounting to Rs. 11,361.73 Lakhs, which were recoverable from these subsidiaries in its stand-alone financial statements.
- Figures for the prior year / periods have been regrouped and / or reclassified wherever considered necessary.

4 Segment Results		(Rupees in Lakhs)	
	Particulars	Year ended	
		31.03.09 (Audited)	31.03.08 (Audited)
1	<b>Segment Revenue</b>		
	Investing & Financing related activities	197,198.55	144,473.60
	Fee Income	3,076.18	8,070.07
	Others	296.43	16,322.59
	<b>Total</b>	<b>200,571.16</b>	<b>168,866.26</b>
	Less: Inter Segment Revenue	-	-
	<b>Income from Operations</b>	<b>200,571.16</b>	<b>168,866.26</b>
2	<b>Segment Results profit before Tax and Interest</b>		
	Investing & Financing related activities	41,773.94	60,483.98
	Fee Income	3,024.69	8,050.02
	Others	(24,646.33)	15,840.68
	<b>Total</b>	<b>20,152.30</b>	<b>84,374.68</b>
	(i) Less: Interest	-	-
	(ii) Other un-allocable expenditure net off unallocable income	2,406.62	1,270.74
	<b>Total Profit Before Tax</b>	<b>17,745.68</b>	<b>83,103.94</b>
3	<b>Capital Employed (Segment Assets - Segment Liabilities)</b>		
	Investing & Financing related activities	346,321.99	(33,237.66)
	Fee Income	735.37	1,959.23
	Others	-	52,863.89
	Unallocable Capital Employed	5,931.16	328,492.62
	<b>Total</b>	<b>352,988.52</b>	<b>350,078.08</b>
<p>Note : "Others" business segment constitutes profit on investment / dealing in securities. This not being the normal business activity of the company, is shown as "others".</p> <p>Registered Office: F-60, Malhotra Building, 2nd Floor, Connaught Place, New Delhi 110 001.</p> <p>Place : Mumbai Date : June 06, 2009</p>			
		<p><b>For and on Behalf of Board of Directors</b></p> <p><b>Gagan Banga</b> Director &amp; CEO</p>	