

# Indiabulls

Indiabulls Financial Services Limited  
Unaudited Consolidated Financial Results  
for the quarter ended September 30, 2009

(Rupees in Lakhs)

Particulars	Quarter ended		Half year ended		Year ended
	30.09.09 (Unaudited)	30.09.08 (Unaudited)	30.09.09 (Unaudited)	30.09.08 (Unaudited)	31.03.09 (Audited)
1 a) Income from Operations	29,659.03	43,407.76	62,112.21	79,025.44	158,452.06
b) Other Operating Income	9,762.19	20,692.39	16,781.23	41,441.03	41,856.72
<b>Total</b>	<b>39,421.22</b>	<b>64,100.15</b>	<b>78,893.44</b>	<b>120,466.47</b>	<b>200,308.78</b>
2 Expenditure					
a) Employees Cost	3,161.57	4,075.40	6,229.61	8,468.60	16,689.23
b) Depreciation	200.70	307.82	397.71	494.24	780.96
c) Operating Expenses	322.88	838.56	559.95	1,924.20	2,270.55
d) Administrative & Other Expenses	9,428.91	15,736.63	15,902.58	23,036.17	60,226.50
<b>Total</b>	<b>13,114.06</b>	<b>20,958.41</b>	<b>23,089.85</b>	<b>33,923.21</b>	<b>79,967.24</b>
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	26,307.16	43,141.74	55,803.59	86,543.26	120,341.54
4 Other Income	123.20	52.66	250.32	94.37	269.87
5 Profit before Interest & Exceptional Items (3+4)	26,430.36	43,194.40	56,053.91	86,637.63	120,611.41
6 Interest and Finance Charges	15,757.18	25,792.82	34,215.51	49,169.51	102,865.73
7 Profit after Interest but before Exceptional Items (5-6)	10,673.18	17,401.58	21,838.40	37,468.12	17,745.68
8 Exceptional Items	-	-	-	-	-
<b>9 Profit from Ordinary Activities before Tax (7-8)</b>	<b>10,673.18</b>	<b>17,401.58</b>	<b>21,838.40</b>	<b>37,468.12</b>	<b>17,745.68</b>
10 Tax expense (including Deferred Tax and Fringe Benefits Tax)	3,347.98	3,828.39	7,106.44	9,002.06	7,149.80
<b>11 Net Profit from Ordinary Activities after Tax (9-10)</b>	<b>7,325.20</b>	<b>13,573.19</b>	<b>14,731.96</b>	<b>28,466.06</b>	<b>10,595.88</b>
12 Extraordinary Items (net of tax expense Rs. NIL)	-	-	-	-	-
<b>13 Net Profit for the period before Minority Interest (11-12)</b>	<b>7,325.20</b>	<b>13,573.19</b>	<b>14,731.96</b>	<b>28,466.06</b>	<b>10,595.88</b>
14 Minority Interest	212.57	215.08	429.02	425.36	651.24
<b>15 Net Profit from Ordinary Activities after Tax and Minority Interest (13-14)</b>	<b>7,112.63</b>	<b>13,358.10</b>	<b>14,302.94</b>	<b>28,040.70</b>	<b>9,944.64</b>
16 Preference Dividend for the period (including corporate dividend tax thereon)	457.55	462.58	915.11	920.14	1,835.25
17 Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	6,197.62	5,072.60	6,197.62	5,072.60	5,072.60
18 Paid-up Preference Share Capital (Face Value of Rs.157.39 per Preference Share)	-	15,686.54	-	15,686.54	15,686.54
19 Reserves excluding Revaluation Reserves	427,219.84	347,022.44	427,219.84	347,022.44	321,914.38
20 Minority Interest	10,744.04	9,926.92	10,744.04	9,926.92	10,315.02
21 Share of Reserves and Surplus in Associates (included in other income above)	(17.95)	1.59	(16.53)	3.00	7.10
22 Earnings per Share before extraordinary items (Face Value of Rs.2 per Equity Share)					
-Basic	2.25	5.09	4.87	10.70	3.13
-Diluted	2.21	5.04	4.79	10.56	3.11
Earnings per Share after extraordinary items (Face Value of Rs.2 per Equity Share)					
-Basic	2.25	5.09	4.87	10.70	3.13
-Diluted	2.21	5.04	4.79	10.56	3.11
23 Public Shareholding					
- Number of Equity Shares	218,705,314	148,207,797	218,705,314	148,207,797	133,853,485
- Percentage of shareholding	70.58%	58.43%	70.58%	58.43%	52.78%
24 Promoters and promoter group Shareholding					
a) Pledged/Encumbered					
-Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00%	-	0.00%	-	0.00%
- Percentage of shares (as a % of the total share capital of the company)	0.00%	-	0.00%	-	0.00%
b) Non-encumbered					
-Number of shares	75,368,614	75,368,614	75,368,614	75,368,614	75,368,614
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	24.32%	24.32%	24.32%	24.32%	29.72%

**Notes to Financial Results:**

- Indiabulls Financial Services Limited conducts its operations along with its subsidiaries and associates. 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 associates are accounted on "Equity Method". The consolidated financial statements are prepared by applying uniform accounting policies.
- Figures for the prior year / periods have been regrouped and / or reclassified wherever considered necessary.

**3 Segment Results:**

Particulars	Quarter ended		Half year ended		Year ended
	30.09.09 (Unaudited)	30.09.08 (Unaudited)	30.09.09 (Unaudited)	30.09.08 (Unaudited)	31.03.09 (Audited)
<b>1 Segment Revenue</b>					
Investing & Financing related activities	39,301.61	52,866.63	78,682.99	102,215.37	197,460.94
Fee Income	110.24	318.21	194.40	2,770.64	3,076.18
Others	-	11,135.40	-	15,700.56	296.43
<b>Total</b>	<b>39,411.85</b>	<b>64,320.24</b>	<b>78,877.39</b>	<b>120,686.57</b>	<b>200,833.55</b>
Less: Inter Segment Revenue	-	-	-	-	-
<b>Income from Operations</b>	<b>39,411.85</b>	<b>64,320.24</b>	<b>78,877.39</b>	<b>120,686.57</b>	<b>200,833.55</b>
<b>2 Segment Results profit before Tax and Interest</b>					
Investing & Financing related activities	10,797.06	7,078.99	22,252.16	20,620.78	41,773.94
Fee Income	108.71	305.20	191.25	2,737.90	3,024.69
Others	-	10,512.34	-	14,768.76	(24,646.33)
<b>Total</b>	<b>10,905.77</b>	<b>17,896.53</b>	<b>22,443.41</b>	<b>38,127.44</b>	<b>20,152.30</b>
(i) Less: Interest	-	-	-	-	-
(ii) Other un-allocable expenditure net of unallocable income	232.59	494.95	605.01	659.32	2,406.62
<b>Total Profit Before Tax</b>	<b>10,673.18</b>	<b>17,401.58</b>	<b>21,838.40</b>	<b>37,468.12</b>	<b>17,745.68</b>
<b>3 Capital Employed (Segment Assets - Segment Liabilities)</b>					
Investing & Financing related activities	416,753.91	317,264.81	416,753.91	317,264.81	346,321.99
Fee Income	969.20	812.17	969.20	812.17	735.37
Others	70,680.66	70,680.66	70,680.66	70,680.66	70,680.66
Unallocable Capital Employed	26,438.39	(11,049.14)	26,438.39	(11,049.14)	5,931.16
<b>Total</b>	<b>444,161.50</b>	<b>377,088.50</b>	<b>444,161.50</b>	<b>377,088.50</b>	<b>352,988.52</b>

Note:

- "Fee Income" business segment mainly comprises of Financial Service related fee based advisory services income, selling of Insurance products as a Licensed Corporate Agent; and other related ancillary services.
- "Others" business segment constitutes profit / (loss) on investment / dealing in securities. This not being the normal business activity of the company the same is shown as "Others".

Indiabulls Financial Services Limited (as standalone entity)						
Unaudited Financial Results						
for the quarter ended September 30, 2009						
						(Rupees in Lakhs)
Particulars	Quarter ended		Half year ended		Year ended	
	30.09.09 (Unaudited)	30.09.08 (Unaudited)	30.09.09 (Unaudited)	30.09.08 (Unaudited)	31.03.09 (Audited)	
1 a) Income from Operations	25,600.28	38,914.63	53,764.63	70,494.14	140,957.03	
b) Other Operating Income	8,562.39	8,569.78	14,894.08	23,456.10	37,132.51	
<b>Total</b>	<b>34,162.67</b>	<b>47,484.41</b>	<b>68,658.71</b>	<b>93,950.24</b>	<b>178,089.54</b>	
2 Expenditure						
a) Employees Cost	2,568.77	3,264.64	4,972.77	6,937.13	13,836.30	
b) Depreciation	174.50	282.40	346.57	443.91	680.89	
c) Operating Expenses	241.78	704.17	433.20	1,590.67	1,919.38	
d) Administrative & Other Expenses	8,408.11	14,512.34	14,163.88	20,192.98	43,413.05	
<b>Total</b>	<b>11,393.16</b>	<b>18,763.55</b>	<b>19,916.42</b>	<b>29,164.69</b>	<b>59,849.62</b>	
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	22,769.51	28,720.86	48,742.29	64,785.55	118,239.92	
4 Other Income	142.73	50.47	265.96	90.16	261.32	
5 Profit before Interest & Exceptional Items (3+4)	22,912.24	28,771.33	49,008.25	64,875.71	118,501.24	
6 Interest and Finance Charges	13,821.00	23,179.92	30,691.07	45,056.87	93,811.63	
7 Profit after Interest but before Exceptional Items (5-6)	9,091.24	5,591.41	18,317.18	19,818.84	24,689.61	
8 Exceptional Items	-	-	-	-	-	
<b>9 Profit from Ordinary Activities before Tax (7-8)</b>	<b>9,091.24</b>	<b>5,591.41</b>	<b>18,317.18</b>	<b>19,818.84</b>	<b>24,689.61</b>	
10 Tax expense (including Deferred Tax and Fringe Benefits Tax)	2,856.98	1,109.05	5,965.59	4,825.52	5,672.40	
<b>11 Net Profit from Ordinary Activities after Tax (9-10)</b>	<b>6,234.26</b>	<b>4,482.36</b>	<b>12,351.59</b>	<b>14,993.32</b>	<b>19,017.21</b>	
12 Extraordinary Items (net of tax expense Rs. Nil)	-	-	-	-	-	
<b>13 Net Profit for the period (11-12)</b>	<b>6,234.26</b>	<b>4,482.36</b>	<b>12,351.59</b>	<b>14,993.32</b>	<b>19,017.21</b>	
14 Preference Dividend for the period (Including corporate dividend tax thereon)	457.55	462.58	915.11	920.14	1,835.25	
15 Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	6,197.62	5,072.60	6,197.62	5,072.60	5,072.60	
16 Paid-up Preference Share Capital (Face Value of Rs.157.39 per Preference Share)	-	15,686.54	-	15,686.54	15,686.54	
17 Reserves excluding Revaluation Reserves as per Balance Sheet as on March 31, 2009	-	-	-	-	299,941.26	
18 Earnings per Share before extraordinary items (Face Value of Rs.2 per Equity Share)						
-Basic	1.95	1.59	4.16	5.55	6.78	
-Diluted	1.92	1.57	4.09	5.48	6.72	
Earnings per Share after extraordinary items (Face Value of Rs.2 per Equity Share)						
-Basic	1.95	1.59	4.16	5.55	6.78	
-Diluted	1.92	1.57	4.09	5.48	6.72	
19 Public Shareholding						
- Number of Equity Shares	218,705,314	148,207,797	218,705,314	148,207,797	133,853,485	
- Percentage of shareholding	70.58%	58.43%	70.58%	58.43%	52.78%	
20 Promoters and promoter group Shareholding						
a) Pledged/Encumbered						
-Number of shares	-	-	-	-	-	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00%	-	0.00%	-	0.00%	
- Percentage of shares (as a % of the total share capital of the company)	0.00%	-	0.00%	-	0.00%	
b) Non-encumbered						
-Number of shares	75,368,614	-	75,368,614	-	75,368,614	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	-	100.00%	-	100.00%	
- Percentage of shares (as a % of the total share capital of the company)	24.32%	-	24.32%	-	29.72%	
Items exceeding 10% of Total Expenditure						
--Bad Debts written off	6,247.96	4,216.97	10,441.51	6,977.62	28,631.82	
--Assignment expenses	566.23	2,566.59	907.18	3,123.83	5,579.60	
--Provision for Doubtful Loans	-	5,682.36	-	6,477.64	1,898.44	
<b>Notes to Financial Results:</b>						
1 The consolidated and standalone financial results of Indiabulls Financial Services Limited (IBFSL, 'the Company') for the quarter ended September 30, 2009 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 31, 2009. The financial results pertaining to IBFSL as a standalone entity have been subjected to a limited review by the Statutory Auditors of the Company.						
2 During the current quarter, the Company issued 56,140,350 fully paid-up Equity Shares at a price of Rs. 171/- per Equity Share (including a premium of Rs. 169/- per Equity Share), aggregating to Rs.9,599,999,850 (Rupees Nine Hundred Fifty Nine Crores, Ninety Nine Lacs, Ninety Nine Thousand, Eight Hundred and Fifty only) to Qualified Institutional Buyers (QIBs) in terms of Chapter XIII-A of SEBI (Disclosure and Investor Protection) Guidelines, 2000. Consequent to the issue of the Equity Shares as aforesaid, the Paid-up Equity Share Capital of the Company stands increased from Rs. 507,259,538/- divided into 253,629,769 Equity shares of face value Rs. 2/- each, to Rs. 619,540,238/- divided into 309,770,119 Equity shares of face value Rs.2/- each.						
3 During the current quarter, upon exercise of Stock options vested in terms of (1) IBFSL-ICSL Employees Stock Options Plan -2006 and (2) IBFSL-ICSL Employees Stock Option Plan II - 2006, by the eligible employees, the Company issued 110,681 (One Lac Ten Thousand Six Hundred Eighty One) Equity shares of face value Rs. 2/- each to eligible employees, being 75,654 Equity shares allotted under IBFSL-ICSL Employees Stock Option Plan -2006 and 35,027 Equity shares allotted under IBFSL-ICSL Employees Stock Option Plan II-2006. Consequent to the said allotment, the paid-up Equity share capital of the Company stands increased from Rs.619,540,238/- divided into 309,770,119 Equity shares of face value Rs. 2/- each to Rs. 619,761,600/- divided into 309,880,800 Equity shares of face value Rs. 2/- each.						
4 The dividend for Financial Year 2008-09 of Rs. 2/- per equity share (100% on the face value of Rs. 2/- per equity share) amounting to Rs. 6,197.62 lakhs (Including Rs. 1,122.81 lakhs and Rs. 2.21 lakhs on increased capital pursuant to preferential issue to QIBs and exercise of stock options respectively) - excluding corporate dividend tax was approved at the Annual General Meeting of the Company held on September 30, 2009 and was transferred by the Company on October 01, 2009 into the designated Dividend Account.						
5 During the current quarter, the Board of Directors at their meeting held on September 30, 2009 have, pursuant to the approval granted by the Members of the Company, at their AGM held on September 30, 2009, redeemed the 9,966,667, 10% Non-Convertible Preference Shares of face value Rs. 157.39 per share, held by Oberon Limited in the Company by utilization of proceeds from the preferential issue made to QIBs during the current quarter.						
6 Subsequent to the quarter end, the Ministry of Consumer Affairs, Food and Public Distribution, Department of Consumer Affairs granted recognition to Indian Commodity Exchange Limited (ICEX), NCR, Gurgaon, under Forward Contracts (Regulation) Act, 1952. The recognition to the Exchange is on a permanent basis in respect of forward contracts in all commodities to which Section 15 of the Act is applicable and the commodities to which neither Section 17 nor Section 15 of the Act is applicable, with the prior permission of the Forward Markets Commission. ICEX, a nation-wide Multi-Commodity Exchange, had been set up by the Company in partnership with MTC Limited.						
7 Subsequent to the quarter end, the Company received R1 approval from Insurance Regulatory and Development Authority (IRDA) to enter into Insurance Joint Venture with Sogecap, in which the Company will hold 74% stake. IRDA also issued R2 form to the Company.						
8 <b>Segment Results:</b>						
						(Rupees in Lakhs)
Particulars	Quarter ended		Half year ended		Year ended	
	30.09.09 (Unaudited)	30.09.08 (Unaudited)	30.09.09 (Unaudited)	30.09.08 (Unaudited)	31.03.09 (Audited)	
1 Segment Revenue						
Investing & Financing related activities						
Fee Income	34,052.43	47,319.91	68,464.75	91,634.31	175,779.13	
Others	110.24	164.50	193.96	2,315.93	2,310.41	
<b>Total</b>	<b>34,162.67</b>	<b>47,484.41</b>	<b>68,658.71</b>	<b>93,950.24</b>	<b>178,089.54</b>	
Less: Inter Segment Revenue	-	-	-	-	-	
<b>Income from Operations</b>	<b>34,162.67</b>	<b>47,484.41</b>	<b>68,658.71</b>	<b>93,950.24</b>	<b>178,089.54</b>	
2 Segment Results profit before Tax and Interest						
Investing & Financing related activities						
Fee Income	9,124.02	5,733.85	18,475.66	17,940.89	24,271.72	
Others	108.70	162.61	190.79	2,312.37	2,303.13	
<b>Total</b>	<b>9,232.72</b>	<b>5,896.46</b>	<b>18,666.45</b>	<b>20,253.26</b>	<b>26,349.39</b>	
(i) Less: Interest	-	-	-	-	-	
(ii) Other un-allocable expenditure net of unallocable income	141.48	305.05	349.27	434.42	1,659.78	
<b>Total Profit before Tax</b>	<b>9,091.24</b>	<b>5,591.41</b>	<b>18,317.18</b>	<b>19,818.84</b>	<b>24,689.61</b>	
3 Capital Employed (Segment Assets - Segment Liabilities)						
Investing & Financing related activities						
Fee Income	395,997.17	320,884.94	395,997.17	320,884.94	316,541.15	
Others	276.44	170.12	276.44	170.12	48.72	
Unallocable Capital Employed	13,142.23	2,471.24	13,142.23	2,471.24	4,110.53	
<b>Total</b>	<b>409,415.84</b>	<b>323,526.30</b>	<b>409,415.84</b>	<b>323,526.30</b>	<b>320,700.40</b>	
<b>Note:</b>						
a) "Fee Income" business segment mainly comprises of Financial Service related fee based advisory services income, selling of Insurance products as a Licensed Corporate Agent; and other related ancillary services.						
b) "Others" business segment constitutes profit / (loss) on investment / dealing in securities. This not being the normal business activity of the company the same is shown as "Others".						
9 Number of Investor Complaints received and disposed off during the quarter ended September 30, 2009: Opening: Nil, Received: 19, Disposed Off: 19, Pending: Nil.						
10 Provision for taxation includes Rs. Nil for the quarter and six months ended September 30, 2009 on accounts of Fringe Benefit Tax (FBT).						
11 Figures for the prior year / periods have been regrouped and / or reclassified wherever considered necessary.						
Registered Office: F-60, Malhotra Building, 2nd Floor, Connaught Place, New Delhi 110 001.						
			For and on behalf of Board of Directors			
Place : Mumbai			Gagan Banga			
Date : October 31, 2009			CEO			