

Indiabulls

Indiabulls Financial Services Limited Audited Consolidated Financial Results for the year ended March 31, 2006

(Rupees in Lacs)

Particulars	Nine months ended 31.12.05 (Unaudited)	Quarter ended		Year ended	
		31.03.06 (Unaudited)	31.03.05 (Audited)	31.03.06 (Audited)	31.03.05 (Audited)
Income from Operations	41,602	19,431	6,980	61,033	16,704
Other Income	165	117	25	282	137
Total Revenue	41,767	19,548	7,005	61,315	16,841
Operating Expenses	3,799	1,679	1,063	5,478	2,202
Employees Remuneration & Benefits	4,796	3,193	640	7,989	2,230
Administrative & Other Expenses	4,492	2,055	736	6,547	1,763
Deferred Employee Compensation Expense	68	22	22	90	90
Total Expenditure	13,155	6,949	2,461	20,104	6,285
Interest and Finance Charges	2,269	880	693	3,149	1,338
Depreciation	493	232	75	725	217
Profit before Tax	25,850	11,487	3,776	37,337	9,001
Provision for Taxation (including Deferred Tax and Fringe Benefits Tax)	8,552	3,449	1,383	12,001	3,330
Net Profit	17,298	8,038	2,393	25,336	5,671
Paid-up Equity Share Capital	3,241	3,205	2,665	3,205	2,665
Reserves excluding Revaluation Reserves	137,383	165,463	53,300	165,463	53,300
Earnings per Share (Face Value of Rs.2 per Share)-Basic (in Rs.)	10.91	4.63	2.02	15.61	5.10
-Diluted (in Rs.)	10.64	4.53	1.94	15.23	4.87
Preference Dividend - Subsidiary (including corporation dividend tax)	62	-	154	62	614
Aggregate of Non-Promoters' Shareholding					
Number of Shares	113,422,389	111,608,693	84,622,389	111,608,693	84,622,389
Percentage of Holding	70.00%	69.66%	63.51%	69.66%	63.51%

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) issued by the Institute of Chartered Accountants of India. 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 and transactions and resulting unrealized gains / losses. The Investment in associate companies, are accounted on "Equity Method". The consolidated financial statements are prepared by applying uniform accounting policies. Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.

Indiabulls Financial Services Limited (as standalone entity) Audited Financial Results for the year ended March 31, 2006

(Rupees in Lacs)

Particulars	Nine months ended 31.12.05 (Unaudited)	Quarter ended		Year ended	
		31.03.06 (Unaudited)	31.03.05 (Audited)	31.03.06 (Audited)	31.03.05 (Audited)
Income from Operations	13,934	6,652	2,354	20,586	5,189
Other Income	87	485	32	572	45
Total Revenue	14,021	7,137	2,386	21,158	5,234
Operating Expenses	128	44	45	172	103
Employees Remuneration & Benefits	884	317	58	1,201	76
Administrative & Other Expenses	1,481	882	114	2,363	165
Deferred Employee Compensation Expense	68	22	22	90	90
Total Expenditure	2,561	1,265	239	3,826	434
Interest and Finance Charges	3,756	2,641	578	6,397	989
Depreciation	10	20	-	30	1
Profit before Tax	7,694	3,211	1,569	10,905	3,810
Provision for Taxation (including Deferred Tax and Fringe Benefits Tax)	2,480	999	600	3,479	1,450
Net Profit	5,214	2,212	969	7,426	2,360
Paid-up Equity Share Capital	3,241	3,205	2,665	3,205	2,665
Reserves excluding Revaluation Reserves	98,076	95,667	32,380	95,667	32,380
Earnings per Share (Face Value of Rs.2 per Share)-Basic (in Rs.)	3.51	1.38	0.90	4.89	2.42
-Diluted (in Rs.)	3.42	1.34	0.86	4.78	2.30
Aggregate of Non-Promoters' Shareholding					
Number of Shares	113,422,389	111,608,693	84,622,389	111,608,693	84,622,389
Percentage of Holding	70.00%	69.66%	63.51%	69.66%	63.51%
Items exceeding 10% of Total Expenditure					
--Rent	356	188	1	544	2
--Communication Expenses	281	72	4	353	10
--Advertisement	51	33	26	84	35
--Repair & Maintenance	98	17	1	115	1
--Stamp Duty	112	13	45	125	103
--Provision for Doubtful Assets	-	500	-	500	-
--Office Maintenance	79	64	35	143	51

Notes to Financial Results:

- The audited financial results of Indiabulls Financial Services Limited for the year ended March 31, 2006 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 24th April, 2006.
- During the fourth quarter six new subsidiaries: Indiabulls Engineering Limited, Indiabulls Resources Limited, Indiabulls Commercial Estate Limited, Indiabulls Infrastructure Projects Limited, Nilgiri Lands Ltd. and Nilgiri Land Holdings Ltd, were incorporated. Subsequently the Company sold off its entire holding in five of the six companies i.e. Indiabulls Engineering Limited, Indiabulls Commercial Estate Limited, Indiabulls Infrastructure Projects Limited, Nilgiri Lands Ltd. and Nilgiri Land Holdings Ltd., to its associate Company Indiabulls Estate Limited, on March 29, 2006. Indiabulls Infrastructure Limited (IBIL) which was a wholly owned subsidiary of the Company, became an associate of the Company with the acquisition of 60 % stake in IBIL by FIM Limited, an FVC. The Company now holds 40% stake in IBIL.
- During the fourth quarter the Company completed buy back of its equity shares pursuant to which 18,13,696 shares of the face value of Rs. 2 per share, were bought back at an average price of Rs. 209.37 per share for a sum aggregating to Rs 37.97 Crores.
- The Board of Directors of the Company at its meeting held on January 18, 2006, inter-alia, had declared and paid second Interim Dividend of Re. 0.50 per share (25% on the face value of Rs. 2 per share) during the financial year 2005-06. First Interim Dividend was declared and paid of Re. 1 per share (50% on the face value of Rs. 2 per share). Also the Board of Directors of the Company at its meeting held on April 24, 2006, has declared the Final Dividend of Re.0.30 per Share (15% on the face value of Rs.2 per share).
- On behalf of Mr LN Mittal, LNM India Internet Ventures Limited (LNM), has paid Rs. 89.16 crore to buy 8.2% stake or 14,421,730 shares of Indiabulls Credit Services Limited (IBCSL), a majority owned subsidiary of the Company. Post the new investment the shareholding of Indiabulls Financial Services in Indiabulls Credit Services will decrease from 55.3% to 53% due to issuance of new shares.
- Company's primary business segment is reflected based on principal business activities carried on by the Company. The Company operates in one reportable business segment i.e. financing related activities and investing in various subsidiaries and in one geographical segment i.e. within India.
- Number of Investor Complaints received and disposed off during three months ended March 31, 2006:
Opening: Nil, Received: 28, Disposed Off: 28, Pending: Nil.
- Figures for the prior 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

Sameer Gehlaut
Chairman & CEO

Place : Mumbai
Date : April 24, 2006