

# Indiabulls

**Indiabulls Financial Services Limited**  
**Audited Consolidated Financial Results for the year ended March 31, 2008**  
**(Figures for the periods of current FY are post demerger and**  
**figures for periods of previous FY are pre demerger and not comparable)**

(Rupees in Crore)

Particulars	Nine months ended	Quarter ended		Year ended	
	31.12.07 (Unaudited)	31.03.08 (Unaudited)	31.03.07 (Unaudited)	31.03.08 (Audited)	31.03.07 (Audited)
1 Income from Operations	1,104.50	581.75	418.45	1,686.25	1,240.95
2 Other Income	2.43	0.09	0.14	2.52	3.46
<b>3 Total Income (1+2)</b>	<b>1,106.93</b>	<b>581.84</b>	<b>418.59</b>	<b>1,688.77</b>	<b>1,244.41</b>
4 Expenditure					
a) Employees Cost	184.25	54.67	73.41	238.92	234.24
b) Depreciation	5.30	1.86	6.12	7.16	17.69
c) Operating Expenses	32.15	10.48	23.84	42.63	84.74
d) Deferred Employee Compensation Expense	-	-	2.02	-	2.70
e) Administrative & Other Expenses	128.16	48.60	43.59	176.76	174.01
<b>Total</b>	<b>349.86</b>	<b>115.61</b>	<b>148.98</b>	<b>465.47</b>	<b>513.38</b>
5 Interest and Finance Charges	183.88	208.38	24.34	382.26	67.97
6 Exceptional Items (Refer note No. 2 below)	-	-	-	-	-
<b>7 Profit from Ordinary Activities before Tax (3)-(4+5+6)</b>	<b>573.19</b>	<b>257.85</b>	<b>245.27</b>	<b>831.04</b>	<b>663.06</b>
8 Tax expense (including Deferred Tax and Fringe Benefits Tax)	181.89	68.51	88.25	250.40	219.66
<b>9 Net Profit from Ordinary Activities after Tax (7-8)</b>	<b>391.30</b>	<b>189.34</b>	<b>157.02</b>	<b>580.64</b>	<b>443.40</b>
10 Extraordinary Items (net of tax expense Rs. NIL)	-	-	-	-	-
<b>11 Net Profit for the period before Minority Interest (9-10)</b>	<b>391.30</b>	<b>189.34</b>	<b>157.02</b>	<b>580.64</b>	<b>443.40</b>
12 Minority Interest	5.58	0.67	13.86	6.25	49.50
<b>13 Net Profit from Ordinary Activities after Tax and Minority Interest (11-12)</b>	<b>385.72</b>	<b>188.67</b>	<b>143.16</b>	<b>574.39</b>	<b>393.90</b>
14 Preference Dividend for the period (including corporate dividend tax thereon)	6.89	3.77	5.02	10.66	13.27
15 Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	50.69	50.69	36.66	50.69	36.66
16 Paid-up Preference Share Capital	156.87	156.87	347.76	156.87	347.76
Face Value per Preference Share (Rs.)	157.39	157.39	162.00	157.39	162.00
17 Reserves excluding Revaluation Reserves	3,266.90	3,198.22	1,463.00	3,198.22	1,463.00
18 Minority Interest	92.78	95.01	345.95	95.01	345.95
19 Share of Reserves and Surplus in Associate (Included in Other Income above)	0.05	0.02	-	0.07	0.21
20 Earnings per Share before extraordinary items (Face Value of Rs.2 per Equity Share)					
-Basic	15.54	7.23	7.75	22.84	22.84
-Diluted	14.97	7.10	7.33	22.09	21.87
Earnings per Share after extraordinary items (Face Value of Rs.2 per Equity Share)					
-Basic	15.54	7.23	7.75	22.84	22.84
-Diluted	14.97	7.10	7.33	22.09	21.87
<b>21 Public Shareholding</b>					
- Number of Equity Shares	153,700,858	147,986,523	121,742,353	147,986,523	121,742,353
- Percentage of shareholding	60.65%	58.39%	66.43%	58.39%	66.43%
<b>Notes to Financial Results:</b>					
1 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) 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, 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.					
2 The Scheme of Arrangement ("the Scheme") providing for amalgamation of Indiabulls Credit Services Limited ("ICSL") with the Company and the demerger of the securities broking and advisory business of the Company as a going concern, to Indiabulls Securities Limited ("ISL") and their respective shareholders and creditors under sections 391 - 394 of the Companies Act, 1956, had been sanctioned by the Hon'ble High Court of Judicature at Delhi on November 23, 2007. Upon coming into effect of the Scheme on December 24, 2007 and with effect from the Appointed Date on April 1, 2007, ICSL stands amalgamated with the Company and the securities broking and advisory business of the Company stands demerged from IBFSL and transferred to and vested in ISL on a going concern basis. Consequent upon the Scheme being given effect to by the Company, the earnings per share and the figures in respect of the current quarter and year to date are not comparable with those of previous periods.					
<b>3 Segment Results</b> (Rupees in Crore)					
Particulars	Nine months ended	Quarter ended		Year ended	
	31.12.07 (Unaudited)	31.03.08 (Unaudited)	31.03.07 (Unaudited)	31.03.08 (Audited)	31.03.07 (Audited)
<b>1 Segment Revenue</b>					
Investing & Financing related activities	956.48	488.26	223.04	1,444.74	700.37
Broking related activities	-	-	109.96	-	426.97
Fee Income	64.08	16.62	74.75	80.70	74.83
Others	86.33	76.90	10.32	163.23	41.23
<b>Total</b>	<b>1,106.89</b>	<b>581.78</b>	<b>418.07</b>	<b>1,688.67</b>	<b>1,243.40</b>
Less: Inter Segment Revenue	-	-	-	-	-
<b>Income from Operations</b>	<b>1,106.89</b>	<b>581.78</b>	<b>418.07</b>	<b>1,688.67</b>	<b>1,243.40</b>
<b>2 Segment Results profit before Tax and Interest</b>					
Investing & Financing related activities	441.23	163.61	90.90	604.84	371.66
Broking related activities	-	-	57.38	-	183.32
Fee Income	64.08	16.42	74.29	80.50	74.34
Others	82.31	76.10	22.82	158.41	41.24
<b>Total</b>	<b>587.62</b>	<b>256.13</b>	<b>245.39</b>	<b>843.75</b>	<b>670.56</b>
(i) Less: Interest	-	-	-	-	-
(ii) Other un-allocable expenditure net of unallocable income	14.43	(1.72)	0.12	12.71	7.50
<b>Total Profit Before Tax</b>	<b>573.19</b>	<b>257.85</b>	<b>245.27</b>	<b>831.04</b>	<b>663.06</b>
<b>3 Capital Employed (Segment Assets - Segment Liabilities)</b>					
Investing & Financing related activities	2,590.98	(332.38)	1,505.24	(332.38)	1,505.24
Broking related activities	-	-	(50.67)	-	(50.67)
Fee Income	20.41	19.59	11.83	19.59	11.83
Others	599.95	528.64	258.37	528.64	258.37
Unallocable Capital Employed	355.88	3,284.93	468.58	3,284.93	468.58
<b>Total</b>	<b>3,567.22</b>	<b>3,500.78</b>	<b>2,193.35</b>	<b>3,500.78</b>	<b>2,193.35</b>

**Indiabulls Financial Services Limited (as standalone entity)**  
**Audited Financial Results**  
**for the year ended March 31, 2008**

(Rupees in Crore)

Particulars	Nine months ended	Quarter ended		Year ended	
	31.12.07 (Unaudited)	31.03.08 (Unaudited)	31.03.07 (Unaudited)	31.03.08 (Audited)	31.03.07 (Audited)
1 Income from Operations	862.00	463.70	145.02	1,325.70	352.18
2 Other Income	2.12	0.03	0.01	2.15	1.56
3 <b>Total Income (1+2)</b>	<b>864.12</b>	<b>463.73</b>	<b>145.03</b>	<b>1,327.85</b>	<b>353.74</b>
4 Expenditure					
a) Employees Cost	163.69	44.33	12.21	208.02	22.00
b) Depreciation	4.44	1.61	0.39	6.05	1.25
c) Operating Expenses	20.98	8.60	0.42	29.58	1.50
d) Deferred Employee Compensation Expense	-	42.71	2.02	152.54	2.70
e) Administrative & Other Expenses	109.93	97.25	7.29	396.19	59.69
Total	298.94	192.62	18.45	364.79	63.12
5 Interest and Finance Charges	172.17	192.62	18.45	364.79	63.12
6 Exceptional Items (Refer note No. 5 below)	-	-	-	-	-
7 <b>Profit from Ordinary Activities before Tax (3)-(4+5+6)</b>	<b>393.01</b>	<b>173.86</b>	<b>104.25</b>	<b>566.87</b>	<b>230.93</b>
8 Tax expense (including Deferred Tax and Fringe Benefits Tax)	130.92	53.98	35.76	184.90	77.83
9 <b>Net Profit from Ordinary Activities after tax (7-8)</b>	<b>262.09</b>	<b>119.88</b>	<b>68.49</b>	<b>381.97</b>	<b>153.10</b>
10 Extraordinary Items (net of tax expense Rs. Nil)	-	-	-	-	-
11 <b>Net Profit for the period (9-10)</b>	<b>262.09</b>	<b>119.88</b>	<b>68.49</b>	<b>381.97</b>	<b>153.10</b>
12 Preference Dividend for the period (including corporate dividend tax thereon)	6.89	3.77	5.02	10.66	13.27
13 Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	50.69	50.69	36.66	50.69	36.66
14 Paid-up Preference Share Capital	156.87	156.87	347.76	156.87	347.76
Face Value per Preference Share (Rs.)	157.39	157.39	162.00	157.39	162.00
15 Reserves excluding Revaluation Reserve:				2,886.14	959.39
16 Earnings per Share before extraordinary items (Face Value of Rs.2 per Equity Share)					
-Basic	10.47	4.58	3.56	15.08	8.39
-Diluted	10.08	4.50	3.42	14.59	8.11
Earnings per Share after extraordinary items (Face Value of Rs.2 per Equity Share)					
-Basic	10.47	4.58	3.56	15.08	8.39
-Diluted	10.08	4.50	3.42	14.59	8.11
17 <b>Public Shareholding</b>					
- Number of Equity Shares	153,700,858	147,986,523	121,742,353	147,986,523	121,742,353
- Percentage of shareholding	60.65%	58.39%	66.43%	58.39%	66.43%
<b>Items exceeding 10% of Total Expenditure</b>					
--Provision for Doubtful Loans	59.23	(13.72)	2.59	45.51	10.97
--Bad Loans written off	4.58	39.87	0.04	44.45	0.07
--Rent	15.15	3.98	1.71	19.13	6.39
--Communication Expenses	8.09	2.59	2.43	10.68	4.19

**Notes to Financial Results:**

- The consolidated and standalone financial results of Indiabulls Financial Services Limited ('IBFSL', 'the Company') for the quarter and year ended March 31, 2008 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on April 24, 2008.
- The Scheme of Arrangement ("the Scheme") providing for amalgamation of Indiabulls Credit Services Limited ("ICSL") with the Company and the demerger of the securities broking and advisory business of the Company as a going concern, to Indiabulls Securities Limited ("ISL") and their respective shareholders and creditors under sections 391 - 394 of the Companies Act, 1956, had been sanctioned by the Hon'ble High Court of Judicature at Delhi on November 23, 2007. Upon coming into effect of the Scheme on December 24, 2007 and with effect from the Appointed Date on April 1, 2007, ICSL stands amalgamated with the Company and the securities broking and advisory business of the Company stands demerged from IBFSL and transferred to and vested in ISL on a going concern basis. Subsequent upon the Scheme being given effect to by the Company, the earnings per share and the figures in respect of the current quarter and year to date are not comparable with those of previous periods.
- The Board of Directors of the Company at its meeting held on April 24, 2008 has recommended a Final Dividend of Rs. 8.50 per share (425% on the face value of Rs. 2 per share) for the financial year 2007-08.
- During the quarter ended March 31, 2008, Securities and Exchange Board of India (SEBI) has approved setting up of an Asset Management Company and a Trustee Company for setting up a Mutual Fund. As a result thereof, the Company is in the process of setting up of an Asset Management Company and a Trustee Company for setting up the Mutual Fund.
- Profit after Tax for the year includes profit from continuing operations Rs. 381.96 crore (Previous Year Rs. 153.07 crore) and profit from discontinued operations Rs. Nil (Previous year Rs. 0.03 crore). The basic and diluted earnings per share excluding profits from discontinued operations for the current year is Rs. 15.08 and Rs. 14.59 respectively (Previous year Rs. 8.39 and Rs. 8.11 respectively).
- Subsequent to the quarter ended March 31, 2008 the Company has entered into a Joint Venture Agreement with Sogecap, the life insurance subsidiary of Societe Generale of France for its upcoming life insurance venture. The Company together with its promoters/associates will hold 74% while Sogecap will hold the remaining 26% in the JV.

(Rupees in Crore)

Particulars	Nine months ended	Quarter ended		Year ended	
	31.12.07 (Unaudited)	31.03.08 (Unaudited)	31.03.07 (Unaudited)	31.03.08 (Audited)	31.03.07 (Audited)
1 <b>Segment Revenue</b>					
Investing & Financing related activities	804.00	451.49	83.72	1,255.49	277.89
Fee Income	60.12	12.24	61.30	72.36	74.76
Others	-	-	0.01	-	1.09
<b>Total</b>	<b>864.12</b>	<b>463.73</b>	<b>145.03</b>	<b>1,327.85</b>	<b>353.74</b>
Less: Inter Segment Revenue	-	-	-	-	-
<b>Income from Operations</b>	<b>864.12</b>	<b>463.73</b>	<b>145.03</b>	<b>1,327.85</b>	<b>353.74</b>
2 <b>Segment Results profit before Tax and Interest</b>					
Investing & Financing related activities	335.24	169.45	43.66	504.69	157.28
Fee Income	60.12	12.24	61.05	72.36	74.28
Others	-	-	-	-	1.08
<b>Total</b>	<b>395.36</b>	<b>181.69</b>	<b>104.71</b>	<b>577.05</b>	<b>232.64</b>
(i) Less: Interest	-	-	0.03	-	0.03
(ii) Other un-allocable expenditure net of unallocable income	2.35	7.83	0.43	10.18	1.68
<b>Total Profit Before Tax</b>	<b>393.01</b>	<b>173.86</b>	<b>104.25</b>	<b>566.87</b>	<b>230.93</b>
3 <b>Capital Employed (Segment Assets - Segment Liabilities)</b>					
Investing & Financing related activities	2,882.80	11.56	1,310.58	11.56	1,310.58
Fee Income	19.00	12.41	11.81	12.41	11.81
Others	-	-	-	-	-
Unallocable Capital Employed	327.78	3,069.72	21.41	3,069.72	21.41
<b>Total</b>	<b>3,229.58</b>	<b>3,093.69</b>	<b>1,343.80</b>	<b>3,093.69</b>	<b>1,343.80</b>

8 Number of Investor Complaints received and disposed off during the quarter ended March 31, 2008:

Opening: Nil, Received: 15, Disposed Off: 15, Pending: Nil

9 Figures for the prior year / periods have been regrouped and / or reclassified wherever considered necessary, except for the effect of discontinued operations pursuant to the demerger of security broking and advisory services business to Indiabulls Securities Limited.

Registered Office: F-60, Malhotra Building, 2nd Floor, Connaught Place, New Delhi 110 001.

For and on behalf of Board of Directors

Place : Mumbai  
Date : April 24, 2008

Gagan Banga  
CEO