

Indiabulls

Indiabulls Financial Services Limited Unaudited Consolidated Financial Results for the quarter ended December 31, 2010

(Rupees in Lakhs)

Particulars	Quarter ended		Nine months ended		Year ended
	31.12.10 (Unaudited)	31.12.09 (Unaudited)	31.12.10 (Unaudited)	31.12.09 (Unaudited)	31.03.10 (Audited)
1 a) Income from Operations	59,620.68	37,157.40	157,126.94	105,061.15	144,301.27
b) Other Operating Income	8,032.09	4,119.12	13,904.47	15,108.80	18,263.81
Total	67,652.77	41,276.52	171,031.41	120,169.95	162,565.08
2 Expenditure					
a) Employees Cost	4,171.90	3,455.52	12,419.23	9,685.13	13,635.61
b) Depreciation	255.75	213.01	742.34	610.73	844.03
c) Operating Expenses	682.04	467.92	2,065.01	1,027.87	1,719.81
d) Administrative & Other Expenses	9,675.42	15,138.65	25,809.34	31,041.23	41,764.18
Total	14,785.11	19,275.10	41,035.92	42,364.96	57,963.63
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	52,867.66	22,001.42	129,995.49	77,804.99	104,601.45
4 Other Income	852.34	297.12	2,726.63	547.44	938.96
5 Profit before Interest & Exceptional Items (3+4)	53,720.00	22,298.54	132,722.12	78,352.43	105,540.41
6 Interest and Finance Charges	24,009.49	12,765.09	57,930.17	46,980.61	59,808.16
7 Profit after Interest but before Exceptional Items (5-6)	29,710.51	9,533.45	74,791.95	31,371.82	45,732.25
8 Exceptional Items	-	-	-	-	-
9 Profit from Ordinary Activities before Tax (7-8)	29,710.51	9,533.45	74,791.95	31,371.82	45,732.25
10 Tax expense (including Deferred Tax)	9,035.05	2,954.19	23,312.82	10,060.62	14,984.62
11 Net Profit from Ordinary Activities after Tax (9-10)	20,675.46	6,579.26	51,479.13	21,311.20	30,747.63
12 Extraordinary Items (net of tax expenses Rs. NIL)	-	-	-	-	-
13 Net Profit for the period before Minority Interest (11-12)	20,675.46	6,579.26	51,479.13	21,311.20	30,747.63
14 Minority Interest	421.09	179.76	807.55	608.78	617.89
15 Net Profit from Ordinary Activities after Tax and Minority Interest (13-14)	20,254.37	6,399.50	50,671.58	20,702.42	30,129.74
16 Preference Dividend for the period (including corporate dividend tax thereon)	-	-	-	915.11	915.11
17 Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	6,216.30	6,197.77	6,216.30	6,197.77	6,197.89
18 Paid-up Preference Share Capital	-	-	-	-	-
19 Reserves excluding Revaluation Reserves	449,833.06	433,622.31	449,833.06	433,622.31	424,809.02
20 Minority Interest	11,894.93	10,923.80	11,894.93	10,923.80	11,087.38
21 Earnings per Share before extraordinary items (Face Value of Rs.2 per Equity Share)					
-Basic (Amount in Rs.)	6.52	2.07	16.33	6.91	9.94
-Diluted (Amount in Rs.)	6.46	2.04	16.18	6.80	9.84
Earnings per Share after extraordinary items (Face Value of Rs.2 per Equity Share)					
-Basic (Amount in Rs.)	6.52	2.07	16.33	6.91	9.94
-Diluted (Amount in Rs.)	6.46	2.04	16.18	6.80	9.84
22 Public Shareholding					
- Number of Equity Shares	210,260,124	219,559,437	210,260,124	219,559,437	211,232,714
- Percentage of shareholding	67.65%	70.85%	67.65%	70.85%	68.16%
23 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)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
b) Non-encumbered					
-Number of shares	100,555,118	75,368,614	100,555,118	75,368,614	85,612,251
- 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)	32.35%	24.32%	32.35%	24.32%	27.63%
Share of Reserves and Surplus in Associates (Loss included in Administrative & Other Expense and Profit included in Other Income)	435.99	85.88	(58.47)	69.35	(228.23)

Notes to the 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 / period have been regrouped and / or reclassified wherever considered necessary.

Segment Results:

(Rupees in Lakhs)

Particulars	Quarter ended		Nine months ended		Year ended
	31.12.10 (Unaudited)	31.12.09 (Unaudited)	31.12.10 (Unaudited)	31.12.09 (Unaudited)	31.03.10 (Audited)
1 Segment Revenue					
Investing & Financing related activities	64,516.64	39,933.07	167,275.65	118,642.33	160,055.95
Fee Income	3,133.98	1,337.46	3,691.41	1,521.63	2,489.04
Others	2.15	5.99	64.35	5.99	20.09
Total	67,652.77	41,276.52	171,031.41	120,169.95	162,565.08
Less: Inter Segment Revenue	-	-	-	-	-
Income from Operations	67,652.77	41,276.52	171,031.41	120,169.95	162,565.08
2 Segment Results profit before Tax and after Interest					
Investing & Financing related activities	26,852.65	8,388.61	73,550.88	30,669.42	44,697.61
Fee Income	3,132.32	1,337.71	3,686.43	1,516.70	2,480.20
Others	16.58	5.99	28.79	5.99	20.09
Total	30,001.55	9,732.31	77,266.10	32,192.11	47,197.90
Less: Other un-allocable expenditure net off unallocable income	291.04	198.86	2,474.15	820.29	1,465.65
Total Profit Before Tax	29,710.51	9,533.45	74,791.95	31,371.82	45,732.25
3 Capital Employed (Segment Assets - Segment Liabilities)					
Investing & Financing related activities	455,309.85	552,608.51	455,309.85	552,608.51	439,555.84
Fee Income	3,872.70	2,320.71	3,872.70	2,320.71	2,384.40
Others	-	-	-	-	-
Unallocable Capital Employed	8,761.74	(104,185.34)	8,761.74	(104,185.34)	154.05
Total	467,944.29	450,743.88	467,944.29	450,743.88	442,094.29

Note: 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".

Indiabulls Financial Services Limited (as standalone entity)
Unaudited Financial Results
for the quarter ended December 31, 2010

(Rupees in Lakhs)

Particulars	Quarter ended		Nine months ended		Year ended
	31.12.10 (Unaudited)	31.12.09 (Unaudited)	31.12.10 (Unaudited)	31.12.09 (Unaudited)	31.03.10 (Audited)
1 a) Income from Operations	49,034.23	32,825.63	133,241.68	91,601.85	126,320.33
b) Other Operating Income	7,841.97	3,765.02	12,719.54	13,647.51	15,760.57
Total	56,876.20	36,590.65	145,961.22	105,249.36	142,080.90
2 Expenditure					
a) Employees Cost	2,689.65	2,857.14	8,618.35	7,829.91	10,949.82
b) Depreciation	231.79	186.71	653.36	533.28	737.09
c) Operating Expenses	531.51	390.50	1,147.24	823.70	1,383.92
d) Administrative & Other Expenses	8,647.57	13,615.92	21,899.13	27,779.80	37,056.47
Total	12,100.52	17,050.27	32,318.08	36,966.69	50,127.30
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	44,775.68	19,540.38	113,643.14	68,282.67	91,953.60
4 Other Income	665.24	132.89	2,078.80	398.86	859.70
5 Profit before Interest & Exceptional Items (3+4)	45,440.92	19,673.27	115,721.94	68,681.53	92,813.30
6 Interest and Finance Charges	20,406.27	11,212.29	50,144.08	41,903.36	53,388.45
7 Profit after Interest but before Exceptional Items (5-6)	25,034.65	8,460.98	65,577.86	26,778.17	39,424.85
8 Exceptional Items	-	-	-	-	-
9 Profit from Ordinary Activities before Tax (7-8)	25,034.65	8,460.98	65,577.86	26,778.17	39,424.85
10 Tax expense (including Deferred Tax)	7,636.43	2,748.72	20,589.19	8,714.31	13,008.82
11 Net Profit from Ordinary Activities after Tax (9-10)	17,398.22	5,712.26	44,988.67	18,063.86	26,416.03
12 Extraordinary Items (net of tax expense Rs. NIL)	-	-	-	-	-
13 Net Profit for the period (11-12)	17,398.22	5,712.26	44,988.67	18,063.86	26,416.03
14 Preference Dividend for the period (including corporate dividend tax thereon)	-	-	-	915.11	915.11
15 Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	6,216.30	6,197.77	6,216.30	6,197.77	6,197.77
16 Paid-up Preference Share Capital	-	-	-	-	-
17 Reserves excluding Revaluation Reserves as per Balance Sheet as on March 31, 2010	-	-	-	-	399,222.31
18 Earnings per Share before extraordinary items (Face Value of Rs.2 per Equity Share)					
-Basic (Amount in Rs.)	5.60	1.84	14.50	5.98	8.72
-Diluted (Amount in Rs.)	5.55	1.82	14.36	5.89	8.64
Earnings per Share after extraordinary items (Face Value of Rs.2 per Equity Share)					
-Basic (Amount in Rs.)	5.60	1.84	14.50	5.98	8.72
-Diluted (Amount in Rs.)	5.55	1.82	14.36	5.89	8.64
19 Public Shareholding					
- Number of Equity Shares	210,260,124	219,559,437	210,260,124	219,559,437	211,232,714
- Percentage of shareholding	67.65%	70.85%	67.65%	70.85%	68.16%
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)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
b) Non-encumbered					
-Number of shares	100,555,118	75,368,614	100,555,118	75,368,614	85,612,251
- 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)	32.35%	24.32%	32.35%	24.32%	27.63%
Items exceeding 10% of Total Expenditure					
--Provision for Doubtful Loans	1,478.15	2,576.98	3,638.23	3,737.23	1,656.81
--Contingent Provisions against Standard Assets	3,318.72	-	3,318.72	-	-
--Bad Loans written off (Net)	994.58	9,175.76	7,553.87	18,457.01	27,677.49

Notes to the Financial Results:

- The consolidated and standalone financial results of Indiabulls Financial Services Limited ("IBFSL", "the Company") for the quarter ended December 31, 2010 have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on January 21, 2011. The financial results pertaining to IBFSL as a standalone entity have been subjected to a limited review by the Statutory Auditors of the Company.
- During the current quarter, upon exercise of stock options vested in terms of (1) IBFSL-ICSL Employees Stock Option Plan - 2006 (2) IBFSL-ICSL Employees Stock Option Plan II - 2006 and (3) Employees Stock Option Plan - 2008, by certain eligible employees, the Company issued 473,614 (Four Lakh Seventy Three Thousand Six Hundred and Fourteen) Equity shares of face value Rs. 2/- each to such employees, being 45,478 Equity shares allotted under IBFSL-ICSL Employees Stock Option Plan - 2006, 42,228 Equity shares allotted under IBFSL - ICSL Employees Stock Option Plan II - 2006 and 385,908 Equity shares allotted under Employees stock Option Plan - 2008. Consequent to the said allotment, the paid-up Equity share capital of the Company stands increased from Rs. 620,683,256/- divided into 310,341,628 Equity shares of face value Rs. 2/- each to Rs. 621,630,484/- divided into 310,815,242 Equity shares of face value Rs. 2/- each.
- During the current quarter, CARE has upgraded its rating to "CARE AA+" [Double A Plus] from its earlier assigned rating "CARE AA" [DOUBLE A] to the Company's Long Term Debt Programme (including NCDs and Bank Borrowings) aggregating to Rs. 10 Billion.
- The interim dividend of Rs.5.00 per equity share (250% of the face value of Rs. 2/- per equity share) amounting to Rs. 15,526.42 lakhs (excluding corporate dividend tax) was approved at the meeting of the Board of Directors of the Company held on October 21, 2010 and was transferred by the Company on October 25, 2010 into the designated Dividend Account.
- During the current quarter, the Company has sold 26% of its stake in Indian Commodity Exchange Limited (ICEL) to Reliance Exchangenext Limited. As a result thereof, the stake of the Company in ICEL has been reduced to 14%.
- In respect of Non Convertible Debentures (NCDs) of Rs. 126,000 Lakhs issued on July 06, 2010 and Rs. 25,000 Lakhs issued on August 09, 2010, the premium on redemption (Accrued but not due upto December 31, 2010) amounting to Rs. 6,448.93 Lakhs has been adjusted against the Securities Premium Account.

Segment Results

(Rupees in Lakhs)

Particulars	Quarter ended		Nine months ended		Year ended
	31.12.10 (Unaudited)	31.12.09 (Unaudited)	31.12.10 (Unaudited)	31.12.09 (Unaudited)	31.03.10 (Audited)
1 Segment Revenue					
Investing & Financing related activities	53,743.41	35,247.21	142,350.04	103,722.19	140,456.31
Fee Income	3,132.79	1,337.45	3,611.18	1,521.18	1,617.58
Others	-	5.99	-	5.99	7.01
Total	56,876.20	36,590.65	145,961.22	105,249.36	142,080.90
Less: Inter Segment Revenue	-	-	-	-	-
Income from Operations	56,876.20	36,590.65	145,961.22	105,249.36	142,080.90
2 Segment Results profit before Tax and after Interest					
Investing & Financing related activities	22,056.06	7,506.83	63,196.80	25,994.75	38,699.46
Fee Income	3,131.13	1,337.71	3,606.21	1,516.25	1,610.68
Others	14.93	5.99	(35.06)	5.99	7.01
Total	25,202.12	8,850.53	66,767.95	27,516.99	40,317.15
Less: Other un-allocable expenditure	167.47	389.55	1,190.09	738.82	892.30
net off unallocable income	-	-	-	-	-
Total Profit Before Tax	25,034.65	8,460.98	65,577.86	26,778.17	39,424.85
3 Capital Employed (Segment Assets - Segment Liabilities)					
Investing & Financing related activities	422,618.16	511,693.36	422,618.16	511,693.36	399,864.01
Fee Income	3,722.46	1,627.99	3,722.46	1,627.99	1,682.48
Others	-	-	-	-	-
Unallocable Capital Employed	(1,574.66)	(98,190.12)	(1,574.66)	(98,190.12)	3,873.71
Total	424,765.96	415,131.23	424,765.96	415,131.23	405,420.20

Note: 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".

8 Number of Investor Complaints received and disposed off during the quarter ended December 31, 2010:

Opening: Nil, Received: 148, Disposed Off: 148, Pending: Nil

9 Figures for the prior year / period 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
Date : January 21, 2011

Gagan Banga
CEO