

Indiabulls

Indiabulls Financial Services Limited Unaudited Consolidated Financial Results for the quarter ended September 30, 2007

Particulars	Quarter ended		Half year ended		Year ended
	30.09.07	30.09.06	30.09.07	30.09.06	31.03.07
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from Operations	492.87	270.35	935.58	489.26	1,240.95
2 Other Income	2.47	0.02	2.59	1.83	3.46
3 Total Income (1+2)	495.34	270.37	938.17	491.09	1,244.41
4 Expenditure					
a) Operating Expenses	18.20	16.18	37.83	37.41	84.74
b) Employees Cost	84.40	52.90	162.32	92.31	234.24
c) Administrative & Other Expenses	32.51	29.38	61.24	48.25	102.73
d) Provision for Doubtful Loans	37.98	25.20	66.73	32.39	71.28
e) Deferred Employee Compensation Expense	-	0.23	-	0.45	2.70
f) Depreciation / Amortisation	7.09	3.81	13.58	6.85	17.69
4 Total	180.18	127.70	341.70	217.66	513.38
5 Interest and Finance Charges	53.07	11.15	86.29	25.14	67.97
6 Profit before Tax (3)-(4+5)	262.09	131.52	510.18	248.29	663.06
7 Tax expense (including Deferred Tax and Fringe Benefits Tax)	88.89	36.42	170.64	76.58	219.66
8 Net Profit after Tax (6-7)	173.20	95.10	339.54	171.71	443.40
9 Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	44.55	32.29	44.55	32.29	36.66
10 Paid-up Preference Share Capital	161.46	644.00	161.46	644.00	347.76
Face Value per Preference Share (Rs.)	162.00	300.00	162.00	300.00	162.00
11 Reserves excluding Revaluation Reserves	3,227.52	1,425.94	3,227.52	1,425.94	1,463.00
12 Minority Interest	346.90	401.39	346.90	401.39	345.95
13 Earnings per Share (Face Value of Rs.2 per Equity Share)-Basic (in Rs.)	8.22	5.03	15.46	9.23	22.84
-Diluted (in Rs.)	8.03	4.72	15.04	8.75	21.87
14 Public Shareholding					
- Number of Equity Shares	144,887,033	105,303,807	144,887,033	105,303,807	121,742,353
- Percentage of shareholding	65.05%	65.23%	65.05%	65.23%	66.43%

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) 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.
- Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary, except for the effect of discontinued operations (pursuant to the demerger of the real estate undertaking to Indiabulls Real Estate Limited) for the comparative quarter and half year of the previous year, as the same is not considered material.

Indiabulls Financial Services Limited (as standalone entity) Unaudited Financial Results for the quarter ended September 30, 2007

Particulars	Quarter ended		Half year ended		Year ended
	30.09.07	30.09.06	30.09.07	30.09.06	31.03.07
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from Operations	263.71	69.55	377.36	128.45	352.18
2 Other Income	-	0.01	-	0.47	1.56
3 Total Income (1+2)	263.71	69.56	377.36	128.92	353.74
4 Expenditure					
a) Employees Cost	7.97	3.22	13.41	6.01	22.00
b) Depreciation	0.73	0.29	1.25	0.56	1.25
c) Operating Expenses	5.05	0.42	6.05	0.83	1.50
d) Deferred Employee Compensation Expense	-	0.23	-	0.45	2.70
e) Administrative & Other Expenses	26.96	8.28	33.96	15.81	32.23
Total	40.71	12.44	54.67	23.66	59.68
5 Interest and Finance Charges	45.61	11.54	68.81	32.91	63.12
6 Exceptional Items	-	-	-	-	-
7 Profit from Ordinary Activities before Tax (3)-(4+5+6)	177.39	45.58	253.88	72.35	230.94
8 Tax expense (including Deferred Tax and Fringe Benefits Tax)	60.34	14.95	85.02	24.04	77.83
9 Net Profit from Ordinary Activities after Tax (7-8)	117.05	30.63	168.86	48.31	153.11
10 Extraordinary Items (net of tax expense Rs. NIL)	-	-	-	-	-
11 Net Profit for the period (9-10)	117.05	30.63	168.86	48.31	153.11
12 Preference Dividend for the period (Including corporate dividend tax thereon)	2.37	6.04	4.72	6.04	13.27
13 Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	44.55	32.29	44.55	32.29	36.66
14 Paid-up Preference Share Capital	161.46	644.00	161.46	644.00	347.76
Face Value per Preference Share (Rs.)	162.00	300.00	162.00	300.00	162.00
15 Reserves excluding Revaluation Reserves as per Balance Sheet as on March 31, 2007	-	-	-	-	959.39
16 Earnings per Share before extraordinary items (Face Value of Rs.2 per Equity Share)					
-Basic	5.15	1.52	7.60	2.62	8.39
-Diluted	5.03	1.45	7.39	2.51	8.11
Earnings per Share after extraordinary items (Face Value of Rs.2 per Equity Share)					
-Basic	5.15	1.52	7.60	2.62	8.39
-Diluted	5.03	1.45	7.39	2.51	8.11
17 Public Shareholding					
- Number of Equity Shares	144,887,033	105,303,807	144,887,033	105,303,807	121,742,353
- Percentage of shareholding	65.05%	65.23%	65.05%	65.23%	66.43%
Items exceeding 10% of Total Expenditure					
--Provision for Doubtful Loans	20.48	2.76	24.02	4.55	10.97
--Rent	1.22	1.54	2.31	3.31	6.39

Notes to Financial Results:

- The consolidated and standalone financial results of Indiabulls Financial Services Limited ("IBFSL", "the Company") for the Quarter ended September 30, 2007 have been reviewed by the Audit Committee and approved by the Board of Directors ("the Board") at its meeting held on October 23, 2007. The financial results pertaining to IBFSL as a standalone entity have been subjected to a Limited Review by the Statutory Auditors of the Company. Both the consolidated and standalone financial results have been submitted to the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE), where the equity shares of the Company are listed.
- During the quarter, CRISIL assigned the highest broker quality grading "CRISIL BQ 1" to Indiabulls Securities Ltd., a 100% subsidiary of the Company. CRISIL also assigned the highest rating of "P1+" (pronounced 'P one plus') to the Rs. 1,000 crore Short Term Debt Programme of the Company (enhanced from Rs.750 crore). CRISIL also assigned its highest rating "AAA (SO)" for Pass Through Certificates, in relation to loan receivables of Indiabulls Credit Services Ltd. (ICSL), and Credit Opinions equivalent to a rating of "AAA (SO)" in relation to assignment of loan receivables programmes of ICSL, the consumer finance company and a subsidiary of the Company.
- During the quarter, the Central Government of India has notified Indiabulls Housing Finance Ltd., a 100% subsidiary of the Company, as a 'Financial Institution' for the purpose of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
- The Revenue and Profit of the Company has increased substantially for the current quarter as compared to the corresponding quarter of the last year due to substantial growth in lending business.
- During the quarter, the final dividend of Re. 1.00 per equity share (50% on the face value of Rs. 2/- per equity share) amounting to Rs. 22,27,46,281/- (excluding corporate dividend tax), which was approved at the Annual General Meeting of the Company held on September 17, 2007 was distributed to the equity shareholders of the Company on September 21, 2007 for Financial Year 2006-2007
- The proposed Scheme of Arrangement (the Scheme) which provides for amalgamation of Indiabulls Credit Services Limited ("ICSL") with the Company and the demerger of the securities broking and advisory business (a part of Fee Income) of the Company as a going concern, to Indiabulls Securities Limited ("ISL") has received the consents of their respective shareholders and creditors and is now subject to the final approval of the Hon'ble High Court of Delhi at New Delhi. The said Scheme of Arrangement, when approved, shall be effective from April 01, 2007, being the appointed date.
- Segment Results

(Rupees in Crore)

Particulars	Quarter ended		Half year ended		Year ended
	30.09.07 (Unaudited)	30.09.06 (Unaudited)	30.09.07 (Unaudited)	30.09.06 (Unaudited)	31.03.07 (Audited)
1 Segment Revenue					
Investing & Financing related activities	253.60	65.88	357.00	125.24	277.89
Fee Income	10.11	3.68	20.36	3.68	74.76
Others	-	-	-	-	1.09
Total	263.71	69.56	377.36	128.92	353.74
Less: Inter Segment Revenue	-	-	-	-	-
Income from Operations	263.71	69.56	377.36	128.92	353.74
2 Segment Results profit before Tax and Interest					
Investing & Financing related activities	168.22	42.22	235.04	69.23	157.28
Fee Income	9.74	3.67	19.59	3.67	74.28
Others	-	-	-	-	1.08
Total	177.96	45.89	254.63	72.90	232.64
(i) Less: Interest	-	-	-	-	0.03
(ii) Other un-allocable expenditure	0.57	0.31	0.75	0.55	1.67
(iii) net off unallocable income	-	-	-	-	-
Total Profit Before Tax	177.39	45.58	253.88	72.35	230.94
3 Capital Employed (Segment Assets - Segment Liabilities)					
Investing & Financing related activities	1,685.76	1,470.05	1,685.76	1,470.05	1,257.86
Fee Income	3.41	0.09	3.41	0.09	11.81
Others	-	-	-	-	-
Unallocable Capital Employed	1,071.03	197.59	1,071.03	197.59	74.14
Total	2,760.20	1,667.73	2,760.20	1,667.73	1,343.81

- Number of Investor Complaints received and disposed off during the quarter ended September 30, 2007:

Opening: Nil, Received: 11, Disposed Off: 11, Pending: Nil.

- Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary, except for the effect of discontinued operations (pursuant to the demerger of the real estate undertaking to Indiabulls Real Estate Limited) for the comparative quarter and half year of the previous year, as the same is not considered material.

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 : October 23, 2007Sameer Gehlaut
Chairman & CEO