

Indiabulls

Indiabulls Securities Limited (as standalone entity) Unaudited Financial Results for the quarter ended December 31, 2008

(Rupees in Lakhs)

Particulars	Quarter ended		9 months ended		Year ended
	31,12,08 (Unaudited)	31,12,07 (Unaudited)	31,12,08 (Unaudited)	31,12,07 (Unaudited)	31,03,08 (Audited)
1 a) Income from Operations	7,111.82	19,416.98	27,256.64	41,777.97	56,721.14
b) Other Operating Income	1,352.47	2,240.88	4,832.14	3,886.87	5,047.94
2 Expenditure					
a) Employees Cost	2,774.28	3,928.97	8,888.79	7,404.76	10,541.29
b) Depreciation	568.21	551.04	1,716.21	1,554.85	2,121.07
c) Operating Expenses	638.35	1,028.92	2,460.36	3,039.56	4,322.98
d) Administrative & Other Expenses	1,144.41	2,098.09	4,172.39	4,604.20	7,135.20
Total	5,125.25	7,607.02	17,237.75	16,603.37	24,120.54
3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	3,339.04	14,050.84	14,851.03	29,061.47	37,648.54
4 Other Income	208.29	320.48	830.68	812.27	1,097.77
5 Profit before Interest & Exceptional Items (3+4)	3,547.33	14,371.32	15,681.71	29,873.74	38,746.31
6 Interest and Finance Charges	431.40	633.65	1,327.77	993.45	1,569.13
7 Profit after Interest but before Exceptional Items (5-6)	3,115.93	13,737.67	14,353.94	28,880.29	37,177.18
8 Exceptional Items	-	-	-	-	-
9 Profit from Ordinary Activities before Tax (7-8)	3,115.93	13,737.67	14,353.94	28,880.29	37,177.18
10 Tax expense (including Deferred Tax and Fringe Benefits Tax)	1,038.78	4,503.92	4,767.00	9,542.29	12,311.34
11 Net Profit from Ordinary Activities after Tax (9-10)	2,077.15	9,233.75	9,586.94	19,338.00	24,865.84
12 Extraordinary Items (net of tax expense Rs. NIL)	-	-	-	-	-
13 Net Profit for the period (11-12)	2,077.15	9,233.75	9,586.94	19,338.00	24,865.84
14 Preference Dividend for the period (Including corporate dividend tax thereon)	13.55	20.16	40.50	20.16	31.18
15 Paid-up Equity Share Capital (Face Value of Rs. 2 per Equity Share)	5,068.54	5,068.54	5,068.54	5,068.54	5,068.54
16 Paid-up Preference Share Capital (Face Value of Rs. 4.61 per Preference Share)	459.46	459.46	459.46	459.46	459.46
17 Reserves excluding Revaluation Reserves as per Balance Sheet as on March 31, 2008					30,874.48
18 Earnings per Share before extraordinary items (Face Value of Rs. 2 per Equity Share)					
- Basic	0.81	3.64	3.77	7.62	9.80
- Diluted	0.81	3.64	3.75	7.62	9.53
Earnings per Share after extraordinary items (Face Value of Rs. 2 per Equity Share)					
- Basic	0.81	3.64	3.77	7.62	9.80
- Diluted	0.81	3.64	3.75	7.62	9.53
19 Public Shareholding					
- Number of Equity Shares	168,067,693	-	168,067,693	-	154,075,703
- Percentage of shareholding	66.32%	-	66.32%	-	60.80%

Notes to Financial Results

- The standalone financial results of Indiabulls Securities Limited ('IBSL', 'the Company') for the quarter ended December 31, 2008 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 24, 2009. The financial results pertaining to IBSL as a standalone entity have been subjected to a limited review by the Statutory Auditors of the Company.
- The Scheme of Arrangement ("the Scheme") providing for inter-alia, the demerger of the securities broking and advisory services business of Indiabulls Financial Services Limited (IBFSL) as a going concern, into the Company 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, the securities broking and advisory business of IBFSL stands demerged and transferred to and vested in the Company on a going concern basis.
- During the quarter, on November 26, 2008, CRISIL assigned its highest rating of "P1+" (pronounced 'P one plus') to the Rs. 10 Billion short term debt programme and to the Rs. 5.85 Billion short term bank facility of the Company.
- During the quarter, on December 10, 2008, CRISIL assigned its highest broker grading "CRISIL BQ - 1" to the Company. This Grading is an opinion on the quality of operations and service provided by the graded broker. The Grading is expressed on a five point scale from BQ-1 to BQ-5, with BQ-1 being the highest."
- The economic slow down has affected the business of the Company during the quarter, resulting in lower profitability.
- Subsequent to the quarter end, the Shareholders of the Company have approved to cancel and withdraw the existing Employee Stock Option Scheme - 2007, covering 1,50,00,000 stock options and launch a new Employee Stock Option Scheme titled "Indiabulls Securities Limited Employees Stock Option Scheme - 2008", for grant of 2,00,00,000 stock option's convertible into equal number of Equity Shares of face value Rs. 2/- each of the Company. These options have not yet been granted to the employees of the Company.

Segment Results

(Rupees in Lakhs)

Particulars	Quarter ended		9 months ended		Year ended
	31,12,08 (Unaudited)	31,12,07 (Unaudited)	31,12,08 (Unaudited)	31,12,07 (Unaudited)	31,03,08 (Audited)
1 Segment Revenue					
Broking related activities	8,562.67	21,662.33	32,293.37	45,692.84	61,804.51
Others	-	46.55	-	58.90	58.90
Total	8,562.67	21,708.88	32,293.37	45,751.74	61,863.41
Less: Inter Segment Revenue	-	-	-	-	-
Income from Operations	8,562.67	21,708.88	32,293.37	45,751.74	61,863.41
2 Segment Results profit before Tax and Interest					
Broking related activities	3,050.25	13,538.26	14,072.59	28,284.81	36,393.90
Others	-	46.55	-	58.90	58.90
Total	3,050.25	13,584.81	14,072.59	28,343.71	36,452.80
(i) Less: Interest	-	-	-	-	-
(ii) Other un-allocable expenditure net off unallocable income	(65.68)	(152.86)	(281.35)	(536.58)	(724.38)
Total Profit Before Tax	3,115.93	13,737.67	14,353.94	28,880.29	37,177.18
3 Capital Employed (Segment Assets - Segment Liabilities)					
Broking related activities	28,036.34	24,845.24	28,036.34	24,845.24	(7,914.75)
Others	-	-	-	-	-
Unallocable Capital Employed	17,912.57	28,277.68	17,912.57	28,277.68	44,317.23
Total	45,948.91	53,122.92	45,948.91	53,122.92	36,402.48
8 Number of Investor Complaints received and disposed off during the quarter ended December 31, 2008: Opening: Nil, Received: 373, Disposed Off: 373, Pending: Nil.					
9 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