



Indiabulls Financial Services Limited
Audited Financial Results – FY 2010-11

April 22, 2011

Safe Harbour Statement

This document contains certain forward-looking statements based on current expectations of Indiabulls management. Actual results may vary significantly from the forward-looking statements in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, and outside India, volatility in interest rates and in Securities markets, new regulations and government policies that might impact the business of Indiabulls, the general state of the Indian economy and the and the management's ability to implement the company's strategy. Indiabulls doesn't undertake any obligation to update these forward-looking statements.

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Business Update

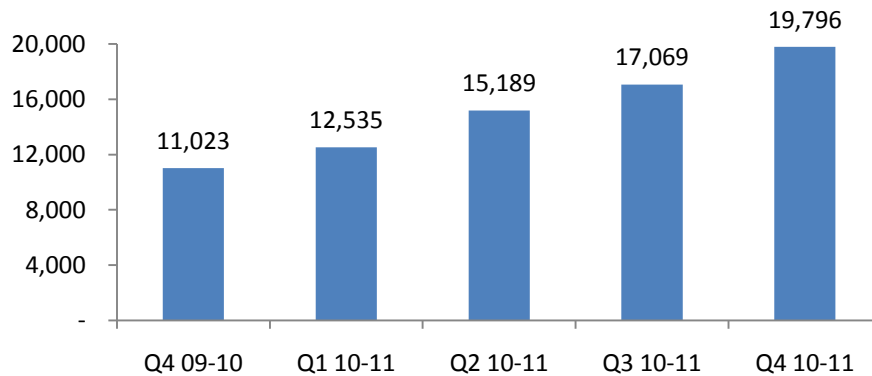
Key Financial Highlights: FY 2010-11 and Q4

	FY 10-11	FY 09-10	Q4 10-11
Total Revenues (Rs. Cr.)	2,509.96	1,635.04	772.38
PAT (Rs. Cr.)	750.92	307.48	236.13
EPS (Rs.)	23.86	9.94	7.52

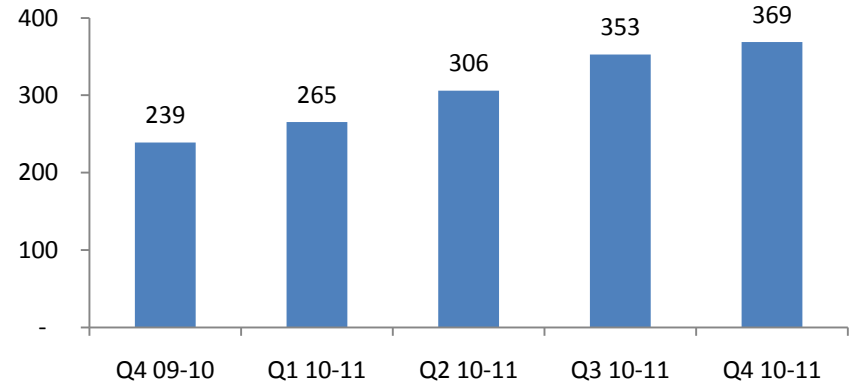
- **Return on Equity (ROE) has grown to 17%. The company intends to grow the ROE to over 20% by achieving an overall business growth of 30%**
- **250% final dividend of Rs. 5/- per share of face value of Rs 2/- has been proposed**
- Proposed total dividend for FY 2010-11 (including interim dividend of Rs. 5/- already paid) is Rs. 10/- (500%) per share of face value of Rs 2/-
- Growth in Long-Term, Low-Risk Mortgage Loans, Diversified & Long-Duration Liabilities, Decreasing Cost-Income Ratio and Falling Delinquency Levels have boosted the company's revenues and profits in FY 2010-11

Asset Growth

Assets Under Management (AUM) in Rs. Cr.

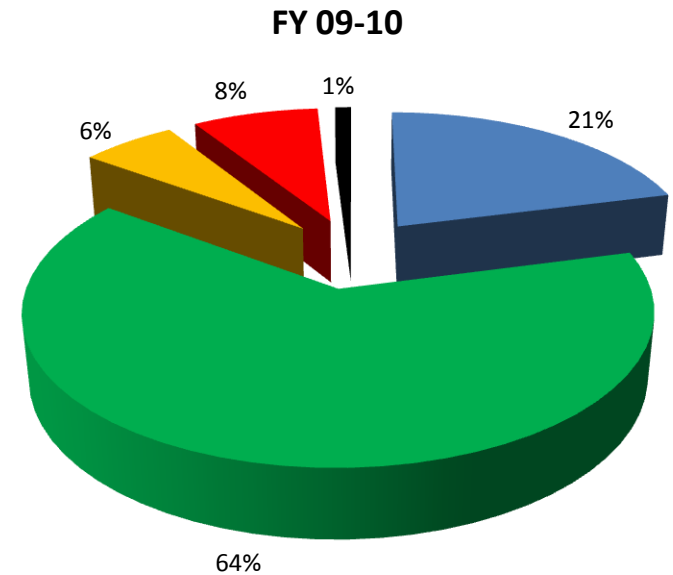
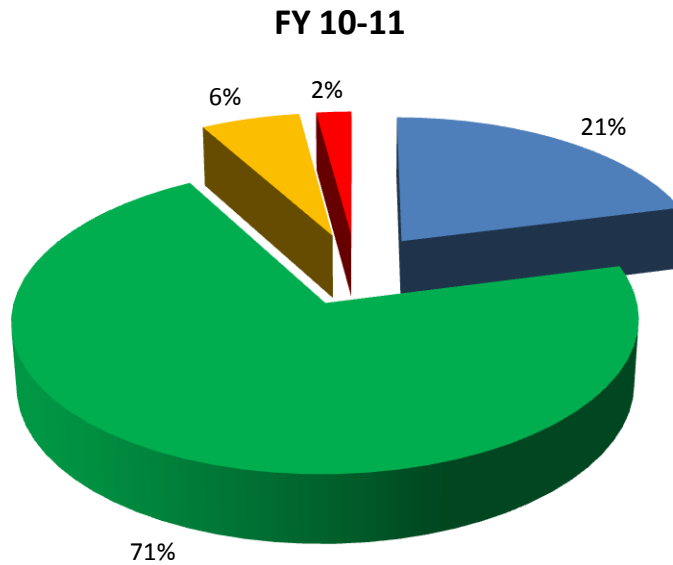


NII (Rs. Cr.)



- On the back of a strong and steady demand for Home Loans the company has seen sustained growth in its Assets Under Management by an average of Rs. 2,200 Cr per quarter for the last 4 quarters

Asset Composition



■ Corporate Loans ■ Mortgages ■ Commercial Vehicles ■ Business Loans ■ Other Loans

- Long-term, Low-risk Mortgage Loans constitute 71% of the Asset Book
- The unsecured Personal Loans' portfolio is zero. The book completely ran off in Q2 FY 2010-11

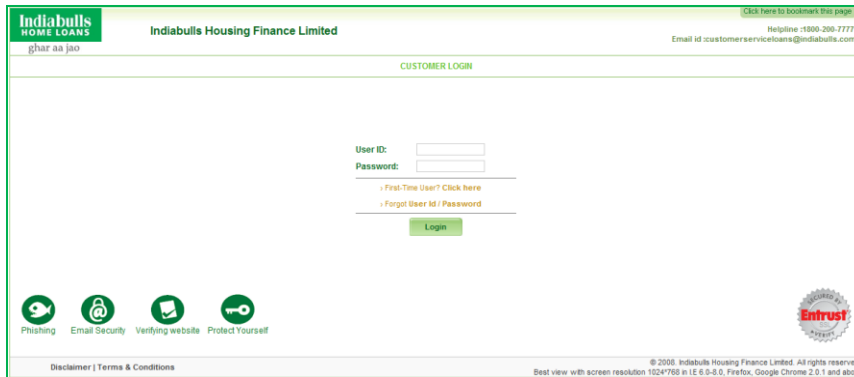
Strong Customer Service Focus

Awards and Accolades

The Company has won the MCHI award for “*Excellence in Customer Information & Responsiveness*”

Customer Service and Customer Convenience

The company has launched a **web portal** for customers to access account details, download tax certificates, track changes in rates of interest, track their statement of accounts and make payments online



Amazing world facts

A **hippopotamus** can run faster than a man.

You can get a HOME LOAN in **48 Hours.**

Doorstep service | Online account access
Safe document storage | Vast branch network

9.5%

Helpline: 1800-200-7777
SMS: 'HOME' to 56677
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Indiabulls HOME LOANS

9.5% A home loan that helps you to be smart with your money.

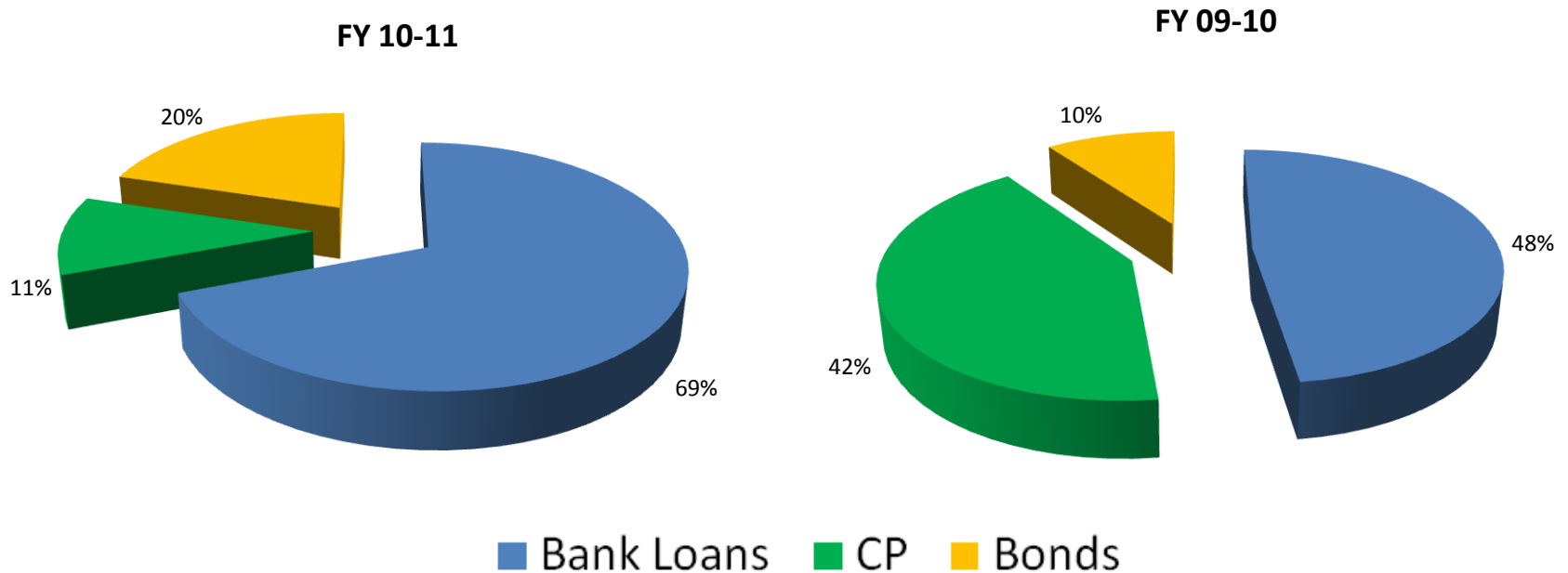
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Indiabulls HOME LOANS

ghar aa jao

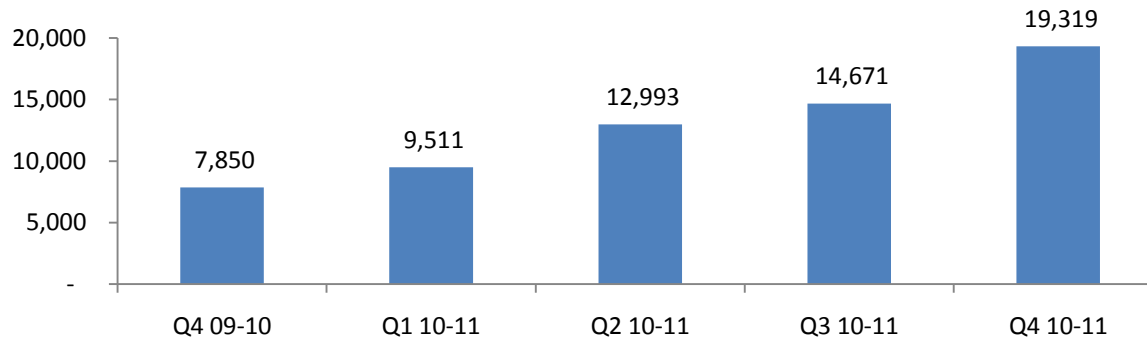
Improving Liability Profile



- The company has been successful in diversifying its sources of funding and has raised long-term bonds and bank loans to match the increasing share of long-term assets
- 69% of the borrowings coming from long-term bank loans and the dependence on short-term money is only 11%, well within the target of a maximum of 15%

Diversified Borrowing Programme

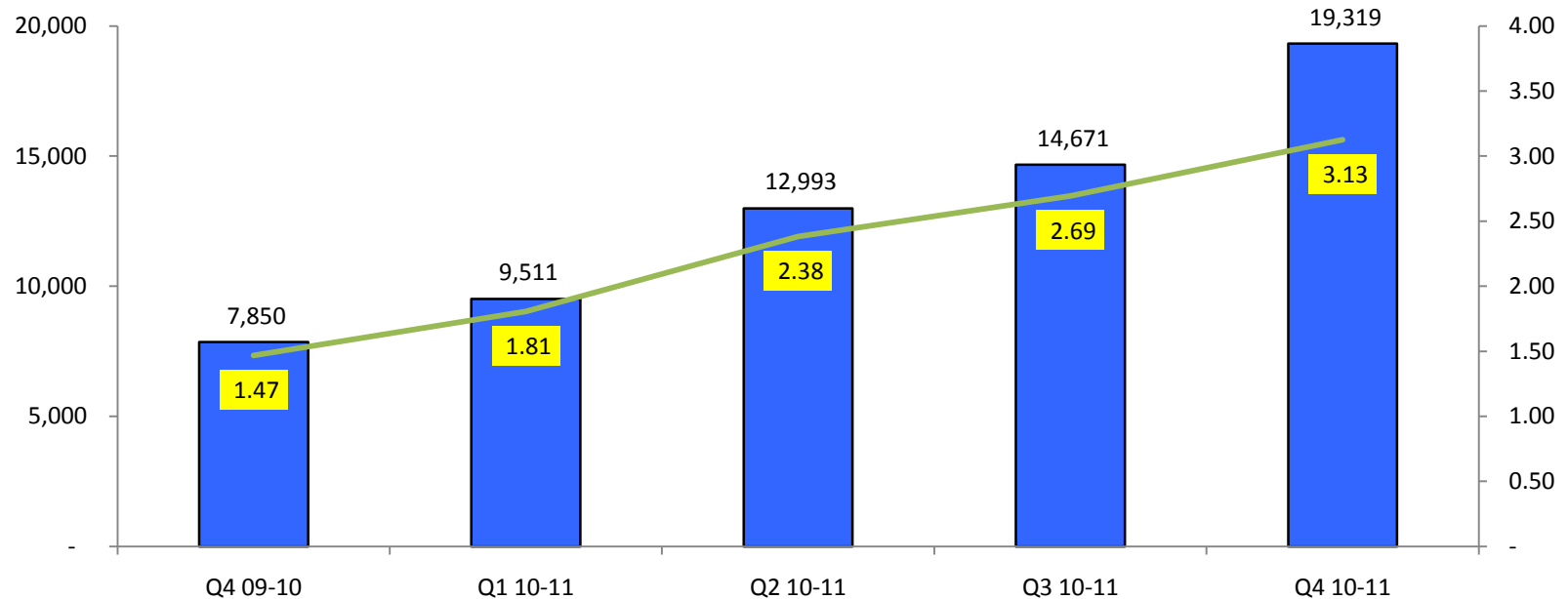
Borrowings (Rs. Cr.)



Total Borrowings (Rs. Cr.)			Contribution in Incremental Borrowing
	Mar-11	Mar-10	FY 10-11
Bank Loans	13,371	3,790	84%
NCD	3,903	810	27%
CP	2,045	3,250	-11%
Total	19,319	7,850	100%

- During the course of the year, the company has been successful in widely diversifying its funding sources. Amongst its lenders, the company now counts 54 strong relationships: 21 PSU banks, 11 Private and Foreign banks and 22 other Mutual Funds, Provident Funds, Pension Funds and Insurance Companies

Headroom for Growth



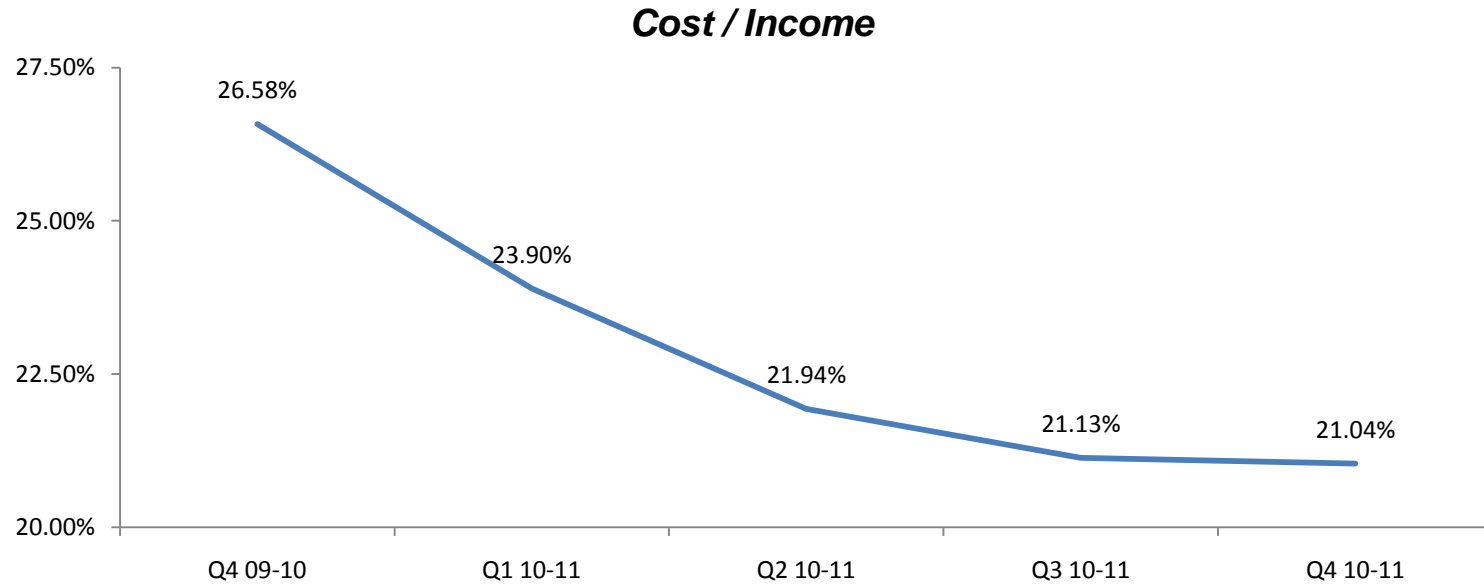
Figures in Rs. Cr.



Net Gearing: Borrowings Net of 'Cash & Cash Equivalents' and 'Investments in Liquid Schemes of Mutual Funds'

- With a Net Gearing of only 3.13, the company is one of the better capitalised NBFCs and has the balance sheet strength to support an expanding loan book
- Capital Adequacy of 20.09% as of March 31, 2011

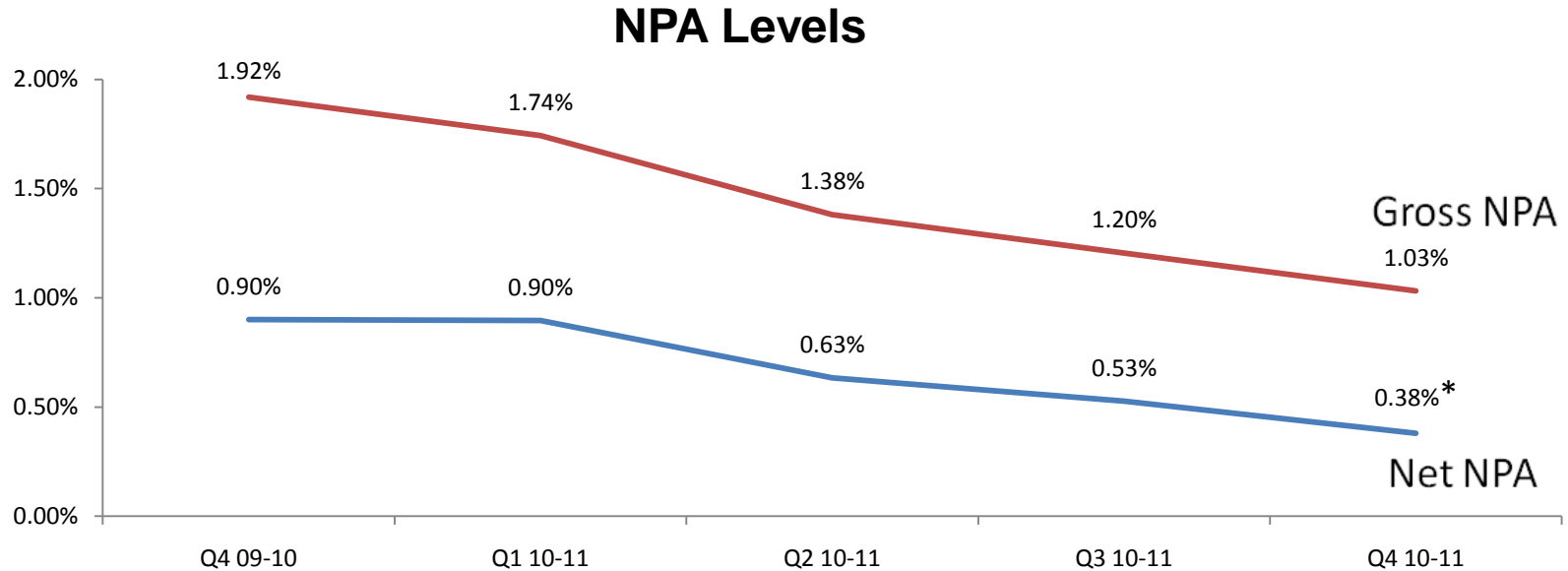
Improving Cost-Income Ratio



Costs include Salaries and Operating Expenses

- Continuing improvement in cost-income ratio due to increasing efficiency in operations and build-up of long-term assets

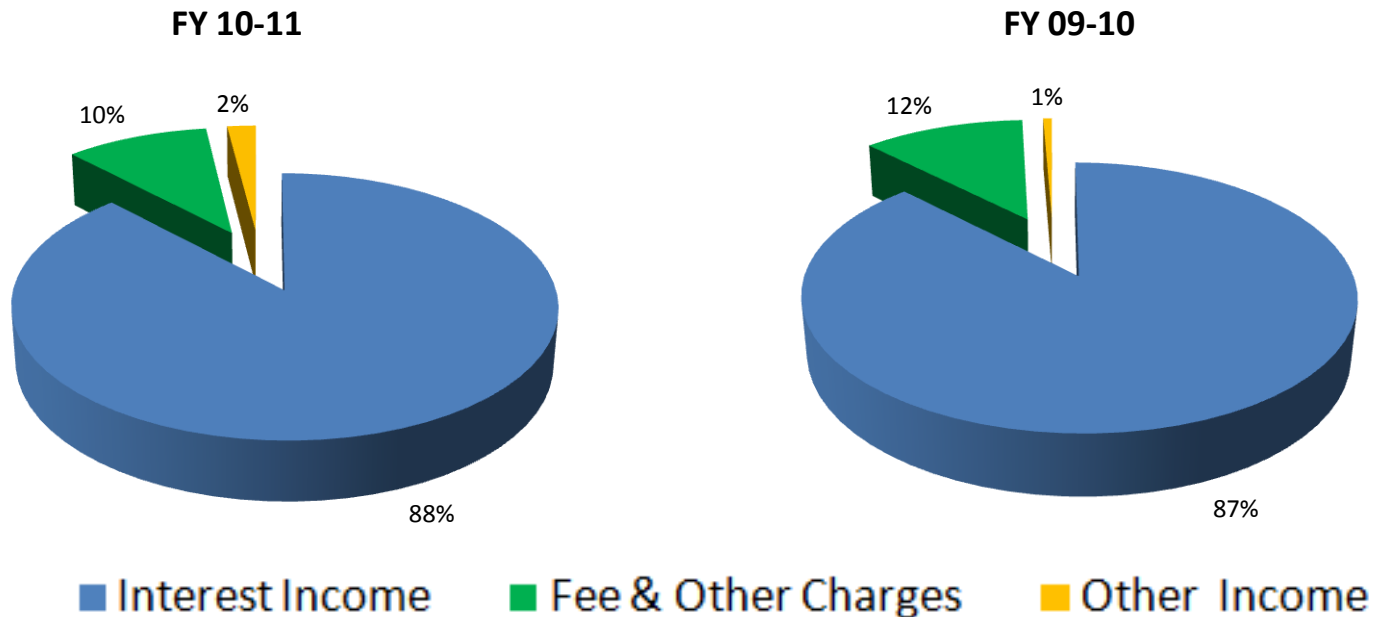
Stable Asset Quality



** Without deducting 'Floating Provision' and RBI prescribed 'Standard Asset Provision' from Gross NPA*

- In Q4 of FY 2010-11, the company has made a Floating Provision of Rs. 50 Cr to mitigate cyclicity and to build a buffer that can be drawn down in adverse circumstances
- In Q3 and Q4 of FY 2010-11, the company has created Rs. 39.74 Cr of Standard Asset provisions as prescribed by RBI in its circular dated January 17, 2011
- Six quarters of continuous reduction in Gross and Net NPA levels as low-risk mortgage portfolio increases the asset base, while contributing very low incremental delinquencies
- Total provisions are 4.19 times the regulatory requirement

Income Sources



- 'Interest Income' contributes significantly to the total income and its contribution continues to remain stable and steady
- 'Fee Income' continues to be a steady income stream for the company
- Improving recoveries from written off assets, has boosted the 'Other Income' contribution to the total income

Corporate Social Responsibility Initiatives

- **Indiabulls Foundation** plans to set up a hospital for the poor, for treatment of life threatening diseases. The foundation also aims to work at a district level on transformation projects specifically in the areas of education and healthcare infrastructure.
- **Indiabulls Foundation** is headed by Mr. Sabyasachi Das, an MBA from IIM, Ahmedabad. In the course of his 12 year career, he has worked with Pratham (an NGO) and National Skill Development Corporation.
- **Indiabulls Financial Services Limited** (IBFSL) will actively support Indiabulls Foundation. In FY 2010-11, IBFSL has contributed Rs. 8.8 Cr to Indiabulls Foundation.
- **Other CSR Initiatives:** IBFSL has partnered with **Novartis** to launch a “**Drug Access Programme**” for Cancer Patients. Indiabulls lends its expertise by assessing the financial status of the patients to approve access to Free Drugs under the programme



Consolidated Income Statement

		(Rupees in Crore)	
		Year ended	
Particulars		31.03.11 (Audited)	31.03.10 (Audited)
1	a) Income from Operations	2,256.08	1,443.01
	b) Other Operating Income	216.62	182.64
	Total	2,472.70	1,625.65
2	Expenditure		
	a) Employees Cost	165.62	136.36
	b) Depreciation	10.99	8.44
	c) Operating Expenses	28.30	17.20
	d) Administrative & Other Expenses	414.09	417.64
	Total	619.00	579.64
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	1,853.70	1,046.01
4	Other Income	37.25	9.39
5	Profit before Interest & Exceptional Items (3+4)	1,890.95	1,055.40
6	Interest and Finance Charges	899.47	598.08
7	Profit after Interest but before Exceptional Items (5-6)	991.48	457.32
8	Exceptional Items	-	-
9	Profit from Ordinary Activities before Tax (7-8)	991.48	457.32
10	Tax expense (including Deferred Tax and Wealth Tax)	240.56	149.85
11	Net Profit from Ordinary Activities after Tax (9-10)	750.92	307.48
12	Extraordinary Items (net of tax expenses Rs. NIL)	-	-
13	Net Profit for the year before Minority Interest (11-12)	750.92	307.48
14	Minority Interest	8.17	6.18
15	Net Profit from Ordinary Activities after Tax and Minority Interest (13-14)	742.75	301.30
16	Preference Dividend for the period (including corporate dividend tax thereon)	-	9.15
17	Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	62.20	61.98
18	Paid-up Preference Share Capital	-	-
19	Reserves excluding Revaluation Reserves	4,477.58	4,248.09
20	Minority Interest	121.09	110.87
21	Earnings per Share before extraordinary items (Face Value of Rs.2 per Equity Share)		
	-Basic	23.86	9.94
	-Diluted	23.63	9.84
	Earnings per Share after extraordinary items (Face Value of Rs.2 per Equity Share)		
	-Basic	23.86	9.94
	-Diluted	23.63	9.84

Consolidated Balance Sheet

Statement of Assets and Liabilities Particulars	(Rupees in Crore)	
	As at	
	31.03.11 (Audited)	31.03.10 (Audited)
Shareholders Funds		
(a) Share Capital	62.20	61.98
(b) Reserves and Surplus	4,477.58	4,248.09
Minority Interest	121.09	110.87
Share Application Money Pending Allotment	0.27	-
Loan Funds	19,318.68	7,849.53
Total	23,979.82	12,270.47
Fixed Assets (including Capital work in progress / Capital Advances)	44.43	44.49
Investments (includes Rs. 3,072.75 crore (previous year Rs 904.15 crore) invested under debt schemes of various Mutual Funds)	3,089.37	1,168.34
Deferred Tax Asset (Net)	72.15	25.08
Current Assets, Loans And Advances		
(a) Sundry Debtors	7.66	22.17
(b) Cash and Bank Balances	2,141.33	1,231.27
(c) Other Current Assets	209.11	124.84
(d) Loans and Advances	19,663.20	10,905.64
	22,021.30	12,283.92
Less: Current Liabilities And Provisions		
(a) Current Liabilities	593.70	840.63
(b) Provisions	653.73	410.72
	1,247.43	1,251.35
Net Current Assets	20,773.87	11,032.57
Total	23,979.82	12,270.47

Rs. 5,230.70 Cr of Cash & Cash Equivalents and Investments in Liquid Mutual Funds

Thank you