



Indiabulls Financial Services Limited

Unaudited Consolidated Financial Results
for the quarter and Nine months period ended 31 December 2004

(Rupees in thousands)

Particulars	Quarter ended		Nine months ended		Year ended 31.03.04 (Audited)
	31.12.04 (Unaudited)	31.12.03 (Unaudited)	31.12.04 (Unaudited)	31.12.03 (Unaudited)	
Income from Operations	461,427	218,238	961,938	475,888	697,540
Other Income	9,485	-	24,338	530	21,946
Total Revenue	470,912	218,238	986,276	476,418	719,486
Operating Expenses	50,946	37,990	113,929	82,864	119,625
Employee Remuneration & Benefits	54,839	34,098	159,050	69,419	109,436
Administrative & Other Expenses	30,670	20,534	105,353	59,834	125,035
Deferred employee compensation expense	2,250	-	6,750	-	-
Total Expenditure	138,705	92,622	385,082	212,117	354,096
Interest and Finance Charges	33,455	14,014	64,525	37,106	45,299
Depreciation	6,111	2,785	14,138	7,865	11,117
Profit before tax	292,641	108,617	522,531	219,331	308,974
Provision for taxation	108,566	41,281	194,683	87,127	115,435
Net Profit	184,075	67,536	327,848	132,203	193,539
Paid-up equity share capital	217,500	157,125	217,500	157,125	163,125
Reserves excluding revaluation reserves	2,735,959	278,448	2,735,959	278,448	860,068
Earnings per share (Face value of Rs. 2 per share)-Basic	1.71	0.85	3.07	1.68	2.37
-Diluted	1.63	0.85	2.92	1.68	2.23
Preference Dividend - Subsidiary	15,356	-	46,044	-	7,033
Aggregate of Non-promoters' shareholding					
Number of shares	60,133,389	6,777,149	60,133,389	6,777,149	36,885,745
Percentage of holding	55.30%	43.13%	55.30%	43.13%	45.22%

Notes :

- Indiabulls Financial Services Ltd. conducts its operations alongwith its four subsidiary Companies - Indiabulls Securities Ltd., Indiabulls Commodities Pvt. Ltd., Indiabulls Credit Services Ltd. and Indiabulls Insurance Advisors Pvt. Ltd.
- Principles of consolidation : The financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements as set out in the Accounting Standard on Consolidated Financial Statements prescribed 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 and transactions and resulting unrealized gains / losses. The consolidated financial statements are prepared by applying uniform accounting policies.
- The company has split the nominal value of its equity share from Rs. 10 per equity share to Rs. 2 per equity share on February 3, 2004. Accordingly the details as regards earning per share as stated above in respect of the previous accounting year/periods, has been restated to reflect the above change.
- The earnings considered in ascertaining the company's Earnings Per Share comprises of the Net Profit after Tax and after payment of Preference Dividend to Preference Shareholders. The number of shares used in computing the basic earnings per share is the weighted average number of shares outstanding during the period / year and are adjusted for bonus shares and sub division of shares for all periods / years presented in these financial statements. The number of shares used in computing diluted Earnings Per Share comprises of the weighted average shares considered for deriving basic Earnings Per Share and also the weighted average number of shares, if any, would have been issued on the conversion of all dilutive potential equity shares.
- Figures for the prior periods have been regrouped and / or reclassified wherever considered necessary.

Indiabulls Financial Services Limited (as standalone entity)

Unaudited Financial Results for the quarter and Nine months period ended 31 December 2004

(Rupees in thousands)

Particulars	Quarter ended		Nine months ended		Year ended 31.03.04 (Audited)
	31.12.04 (Unaudited)	31.12.03 (Unaudited)	31.12.04 (Unaudited)	31.12.03 (Unaudited)	
Income from Operations	146,299	1,851	283,487	2,024	2,829
Other Income	670	-	1,362	-	6,762
Total Revenue	146,969	1,851	284,849	2,024	9,591
Operating Expenses	2,443	-	5,808	-	5
Employee Remuneration & Benefits	1,310	33	1,819	105	269
Administrative & Other Expenses	3,544	24	5,135	175	384
Deferred employee compensation expense	2,250	-	6,750	-	-
Total Expenditure	9,547	57	19,512	280	658
Interest and Finance Charges	24,852	-	41,084	1,157	1,267
Depreciation	88	1	90	4	5
Profit before tax	112,482	1,793	224,163	583	7,661
Provision for taxation	42,303	246	85,004	237	2,733
Net Profit	70,179	1,547	139,159	346	4,928
Paid-up equity share capital	217,500	157,125	217,500	157,125	163,125
Share Application Money pending allotment	-	1,500	-	1,500	-
Reserves excluding revaluation reserves	663,417	47,686	663,417	47,686	120,600
Earnings per share (Face Value of Rs. 2 per share)-Basic	0.688	0.019	1.520	0.004	0.063
-Diluted	0.658	0.019	1.445	0.004	0.059
Aggregate of Non-promoters' shareholding					
Number of shares	60,133,389	6,777,149	60,133,389	6,777,149	36,885,745
Percentage of holding	55.30%	43.13%	55.30%	43.13%	45.22%
Items exceeding 10% of aggregate expenditure included under Administrative & Other Expenses :					
--Professional Charges	228	-	462	50	200
--Audit Fees	234	14	703	41	54
--Travelling & Conveyance	306	8	318	16	31
--Office Maintenance	1,487	-	1,580	-	-
--Communication Expense	531	2	553	69	72

Notes :

- The financial results of Indiabulls Financial Services Limited for the Quarter / Nine months Period ended December 31, 2004 have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 13th January, 2005 and have been subjected to a Limited Review by the Statutory Auditors of the Company. The above financials pertain to Indiabulls Financial Services Ltd. (IFSL) as a standalone entity. IFSL conducts its operations alongwith its subsidiaries. The consolidated financial statements has been furnished optionally to provide additional information.
- During the current quarter, Farallon Capital and affiliates have invested Rs 876,346,866 towards share application money to acquire 8,000,000 equity shares of Rs 10 face value of Indiabulls Credit services Ltd at a premium of Rs 99.54 per share for a total premium of Rs 796,346,866 for a proposed 33.3% stake in Indiabulls Credit Services Ltd, a new subsidiary incorporated during the quarter. The said investment is subject to FIPB approval and approval of share holders of Indiabulls Financial Services Limited.
- During the IInd quarter of FY 2004-05, the Company completed listing of its equity shares on the Stock Exchange, Mumbai and the National Stock Exchange by way of an Initial Public Offering consisting of 2,71,87,519 Equity Shares of Rs. 2 each at a premium of Rs. 17 per share. As a result of the same, the paid-up equity share capital of the Company has, during the quarter, increased by Rs. 5,43,75,038 to Rs. 21,75,00,148 and the Securities Premium Account increased by Rs. 46,21,87,823 to Rs. 57,77,18,061.
- The company has split the nominal value of its equity share from Rs. 10 per equity share to Rs. 2 per equity share on February 3, 2004. Accordingly the details as regards earning per share as stated above in respect of the previous accounting year / periods, has been restated to reflect the above change.
- The company's primary business segment is reflected based on principal business activities carried on by the company. The company's primary business activity comprises of investing in various subsidiaries ; and financing related activities with effect from April 1, 2004. Other Income reflected in the column for the year ended March 31, 2004, consisted of profit on short term investments which was shown as separate segment in the previous year, but being a one time activity, is not considered as normal business activity or business segment of the company.
- Operating expenses mainly consists of stamp duty expenses.
- Shareholder's complaints received and disposed off during quarter ended December 31, 2004.

Complaints pending at the beginning of the quarter	(Nos.) NIL
Complaints received during the quarter	1390
Disposal of complaints	1390
Complaints lying unresolved at the end of the quarter.	NIL
- Figures for the prior periods have been regrouped and/or reclassified wherever considered necessary.

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sameer Gehlaut
Chairman & CEO

Mumbai, January 13, 2005