

Indiabulls

Indiabulls Financial Services Limited Unaudited Consolidated Financial Results for the quarter ended December 31, 2005

Particulars	(Rupees in Lacs)				Year ended 31.03.05 (Audited)
	Quarter ended		Nine months ended		
	31.12.05 (Unaudited)	31.12.04 (Unaudited)	31.12.05 (Unaudited)	31.12.04 (Unaudited)	
Income from Operations	15,579	4,650	40,547	9,724	16,704
Other Income	858	59	1,220	112	137
Total Revenue	16,437	4,709	41,767	9,836	16,841
Operating Expenses	1,493	509	3,799	1,139	2,202
Employee Remuneration & Benefits	1,955	548	4,796	1,590	2,230
Administrative & Other Expenses	1,432	307	4,492	1,027	1,763
Deferred employee compensation expense	23	23	68	68	90
Total Expenditure	4,903	1,387	13,155	3,824	6,285
Interest and Finance Charges	740	335	2,269	645	1,338
Depreciation	199	61	493	142	217
Profit before tax	10,595	2,926	25,850	5,225	9,001
Provision for taxation (including deferred tax and fringe benefits tax)	3,426	1,086	8,552	1,947	3,330
Net Profit	7,169	1,840	17,298	3,278	5,671
Paid-up equity share capital	3,241	2,175	3,241	2,175	2,665
Reserves excluding revaluation reserves	137,383	25,747	137,383	25,747	53,300
Earnings per share (Face value of Rs.2 per share)-Basic	3.93	1.71	10.91	3.08	5.10
-Diluted	3.84	1.63	10.64	2.93	4.87
Preference Dividend - subsidiary	-	154	62	460	614
Aggregate of Non-promoters' shareholding					
Number of shares	113,422,389	60,133,389	113,422,389	60,133,389	84,622,389
Percentage of holding	70.00%	55.30%	70.00%	55.30%	63.51%

Notes to financial results:

- Indiabulls Financial Services Limited conducts its operations along with its subsidiaries and associates. The consolidated financial statements have been furnished optionally to provide additional information. 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. 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 ended December 31, 2005

Particulars	(Rupees in Lacs)				Year ended 31.03.05 (Audited)
	Quarter ended		Nine months ended		
	31.12.05 (Unaudited)	31.12.04 (Unaudited)	31.12.05 (Unaudited)	31.12.04 (Unaudited)	
Income from Operations	4,216	1,463	13,934	2,835	5,189
Other Income	28	7	87	13	45
Total Revenue	4,244	1,470	14,021	2,848	5,234
Operating Expenses	25	24	134	58	103
Employee Remuneration & Benefits	286	13	884	18	76
Administrative & Other Expenses	531	35	1,475	51	165
Deferred employee compensation expense	23	23	68	68	90
Total Expenditure	865	95	2,561	195	434
Interest and Finance Charges	1,332	249	3,756	411	989
Depreciation	7	1	10	1	1
Profit before tax	2,040	1,125	7,694	2,241	3,810
Provision for taxation (including deferred tax and fringe benefits tax)	547	423	2,480	850	1,450
Net Profit	1,493	702	5,214	1,391	2,360
Paid-up equity share capital	3,241	2,175	3,241	2,175	2,665
Reserves excluding revaluation reserves (as per last audited Balance Sheet)					32,380
Earnings per share (Face Value of Rs.2 per share)-Basic	0.92	0.69	3.51	1.52	2.42
-Diluted	0.90	0.66	3.42	1.45	2.30
Aggregate of Non-promoters' shareholding					
Number of shares	113,422,389	60,133,389	113,422,389	60,133,389	84,622,389
Percentage of holding	70.00%	55.30%	70.00%	55.30%	63.51%
Items exceeding 10% of aggregate expenditure					
--Rent	121	1	356	1	2
--Communication Charges	88	5	275	6	10
--Stamp Duty	21	20	112	58	103
--Office Maintenance	25	15	79	16	51

Notes to financial results:

- The financial results of Indiabulls Financial Services Limited ("the Company") for the quarter ended December 31, 2005 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 18, 2006 and have been subjected to a Limited Review by the Statutory Auditors of the Company. The above financials pertain to Indiabulls Financial Services Limited as a standalone entity.
- During the third quarter, three new wholly owned subsidiaries viz: Indiabulls Infrastructure Limited, Indiabulls Land Holdings Limited and Nilgiri Land Development Private Limited have been added to the group. Also during the current period one of the subsidiary company of Indiabulls Financial Services Limited, Indiabulls Insurance Advisors Private Limited has added a wholly owned subsidiary viz: Nilgiri Software Solutions Private Limited. Also one of the wholly owned subsidiaries of the company Indiabulls Real Estate Company Private Limited has become the associate of the company as a result of acquisition of 60% stake by FIM Limited a Foreign Venture Capital Investor, registered with SEBI.
- Subsequent to the quarter end, Indiabulls Credit Services Ltd. (ICSL) and Indiabulls Housing Finance Ltd. (IHFL), majority owned subsidiaries of the Company and the Company have entered into a share subscription and shareholders' agreement with Farallon Capital and its affiliates (Farallon) for the purposes of equity investments from Farallon of Rs. 8,900 Lacs and Rs. 11,250 Lacs in ICSL and IHFL respectively. The company will make equity investments of Rs. 17,800 lacs and Rs. 8,000 lacs in ICSL and IHFL respectively. Pursuant to the above investments, Farallon's stake in ICSL and IHFL will be 33.3% and the Company's stake in ICSL and IHFL will be 55.3% and 66.7% respectively.
- The Board of Directors of the Company at its meeting held on October 17, 2005, *inter-alia*, has declared and paid an Interim Dividend of Re. 1 per share (50% on the face value of Rs. 2 per share) for the financial year 2005-06.
- The Board of Directors of the Company at its meeting held on January 18, 2006, *inter-alia*, has declared second Interim Dividend of Re. 0.50 per share (25% on the face value of Rs. 2 per share) during the financial year 2005-06.
- In the meeting of Board of Directors of the Company held on November 18, 2005, a proposal to buy back the equity shares of the Company for an aggregate amount not exceeding Rs. 3,800 lacs, at price not exceeding Rs. 210 per share was approved, subject to regulatory approvals, which have since been obtained.
- Company's primary business segment is reflected based on principal business activities carried on by the Company. The Company operates in one reportable business segment i.e. financing related activities and investing in various subsidiaries and in one geographical segment i.e. within India.
- Number of Investor Complaints received and disposed off during three months ended December 31, 2005:
Opening: Nil, Received: 21, Disposed Off: 21, Pending: Nil.
- Figures for the prior periods have been regrouped and/or reclassified wherever considered necessary.

For and on behalf of Board of Directors

Place : New Delhi
Date : January 18, 2006

Sameer Gehlaut
Chairman & CEO