Indiabulls

IBSEC/EQ

October 20, 2011

National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East),
MUMBAI-400 051

Re: Approval of unaudited financial results for the quarter ended September 30, 2011

Dear Sir,

Pursuant to Clause 41 of the Listing Agreement, we enclose hereto, the Standalone and Consolidated unaudited Financial Results of Indiabulls Securities Limited ("the Company") for the quarter ended September 30, 2011, duly approved by the Board of Directors of the Company at its meeting held today, i.e. October 20, 2011.

Thanking you,

Yours faithfully,
For **Indiabulls Securities Limited**

Divyesh Shah
Director

Enclosed : As above

Indiabulls

Indiabulls Securities Limited

Unaudited Consolidated Financial Results
for the quarter and half year ended September 30, 2011

(Rupees in Lakhs)

Particulars	Quarter ended		Half year ended		Year ended
	30.09.11 (Unaudited)	30.09.10 (Unaudited)	30.09.11 (Unaudited)	30.09.10 (Unaudited)	31.03.11 (Audited)
1 a) Income from Operations	3,518.03	9,096.53	6,917.64	17,155.78	30,551.23
b) Other Operating Income	1,174.56	2,454.97	2,052.85	3,597.85	5,551.31
Total	**4,692.59**	**11,551.50**	**8,970.49**	**20,753.63**	**36,102.54**
2 Expenditure					
a) Employees Cost	1,796.71	4,008.49	3,962.12	7,927.28	14,588.58
b) Depreciation / Amortisation	342.06	468.37	674.01	955.97	1,815.82
c) Operating Expenses	395.46	902.57	817.40	1,683.34	3,110.27
d) Administrative & Other Expenses	2,549.55	2,133.84	5,492.94	3,934.02	7,673.90
Total	**5,083.78**	**7,513.27**	**10,946.47**	**14,500.61**	**27,188.57**
3 Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)	(391.19)	4,038.23	(1,975.98)	6,253.02	8,913.97
4 Other Income	432.59	230.96	1,060.62	339.22	741.02
5 Profit/(Loss) before Interest & Exceptional Items (3+4)	41.40	4,269.19	(915.36)	6,592.24	9,654.99
6 Interest and Finance Charges	1,461.07	1,265.21	2,489.58	2,156.52	3,983.37
7 Profit/(Loss) after Interest but before Exceptional Items (5-6)	(1,419.67)	3,003.98	(3,404.94)	4,435.72	5,671.62
8 Exceptional Items	-	-	-	-	-
9 Profit/(Loss) from Ordinary Activities before Tax (7-8)	**(1,419.67)**	**3,003.98**	**(3,404.94)**	**4,435.72**	**5,671.62**
10 Tax expense / (credit) [including Deferred Tax and Wealth Tax]	(103.94)	807.10	(201.45)	1,481.20	1,883.32
11 Net Profit/(Loss) from Ordinary Activities after Tax (9-10)	**(1,315.73)**	**2,196.88**	**(3,203.49)**	**2,954.52**	**3,788.30**
12 Extraordinary Items (net of tax expense Rs. NIL)	-	-	-	-	-
13 Net Profit/(Loss) for the period (11-12)	**(1,315.73)**	**2,196.88**	**(3,203.49)**	**2,954.52**	**3,788.30**
14 Minority Interest	-	-	-	-	-
15 Net Profit /(Loss) from Ordinary Activities after Tax and Minority Interest (13-14)	**(1,315.73)**	**2,196.88**	**(3,203.49)**	**2,954.52**	**3,788.30**
16 Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	4,622.25	4,621.68	4,622.25	4,621.68	4,622.25
17 Reserves excluding Revaluation Reserves as per Balance Sheet as on March 31, 2011					19,833.05
18 Earnings per Share before extraordinary items (Face Value of Rs. 2 per Equity Share)					
- Basic (Amount in Rs.)	(0.57)	0.96	(1.39)	1.28	1.64
- Diluted (Amount in Rs.)	(0.57)	0.93	(1.39)	1.25	1.62
Earnings per Share after extraordinary items (Face Value of Rs. 2 per Equity Share)					
- Basic (Amount in Rs.)	(0.57)	0.96	(1.39)	1.28	1.64
- Diluted (Amount in Rs.)	(0.57)	0.93	(1.39)	1.25	1.62
19 **Public Shareholding**					
- Number of Equity Shares	162,399,086	157,681,829	162,399,086	157,681,829	162,399,086
- Percentage of shareholding	70.27%	68.24%	70.27%	68.24%	70.27%
20 **Promoters and promoter group Shareholding**					
a) Pledged/Encumbered					
- Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a% of the total share capital of the company)	-	-	-	-	-
b) Non-encumbered					
- Number of shares	68,713,425	68,713,425	68,713,425	68,713,425	68,713,425
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a% of the total share capital of the company)	29.73%	29.74%	29.73%	29.74%	29.73%

Notes to the Financial Results:

1 Indiabulls Securities Limited ("IBSL") conducts its operations along with its subsidiaries. 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 Standard (AS 21) as notified under Companies (Accounting Standards) Rules, 2006. 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 unrealised gains / losses. The Consolidated Financial Statements are prepared by applying uniform accounting policies.

2 Figures for the prior period/year have been regrouped and / or reclassified wherever considered necessary to conform to the current period presentation.



3 **Statement of Assets and Liabilities**

Particulars	Rupees in Lakhs As At 30.09.11 (Unaudited)	As At 30.09.10 (Unaudited)
Shareholders' Funds		
(a) Share Capital	4,622.25	4,621.68
(b) Reserves and Surplus	16,629.56	18,994.91
Loan Funds	18,324.72	56,939.00
Deferred Tax Liabilities (Net)	-	132.04
Total	**39,576.53**	**80,687.63**
Fixed Assets (including Capital work in progress / Capital Advances)	4,334.60	6,487.17
Investments	4,832.50	4,767.30
Deferred Tax Assets (Net)	670.75	-
Current Assets, Loans And Advances		
(a) Stock-in-Trade	-	4.21
(b) Sundry Debtors	5,225.02	10,212.59
(c) Cash and Bank Balances	40,014.07	76,031.36
(d) Other Current Assets	698.82	1,147.73
(e) Loans and Advances	7,462.64	47,315.55
	53,400.55	134,711.44
Less: Current Liabilities and Provisions		
(a) Current Liabilities	21,283.19	61,084.66
(b) Provisions	2,378.68	4,193.62
	23,661.87	65,278.28
Net Current Assets	29,738.68	69,433.16
Total	**39,576.53**	**80,687.63**

4 **Segment Results**

(Rupees in Lakhs)

	Particulars	Quarter ended 30.09.11 (Unaudited)	Quarter ended 30.09.10 (Unaudited)	Half year ended 30.09.11 (Unaudited)	Half year ended 30.09.10 (Unaudited)	Year ended 31.03.11 (Audited)
1	**Segment Revenue**					
	Broking & related activities	4,692.59	10,236.06	8,970.49	19,373.13	34,678.56
	Others	-	1,315.44	-	1,380.50	1,423.98
	Total	**4,692.59**	**11,551.50**	**8,970.49**	**20,753.63**	**36,102.54**
	Less: Inter Segment Revenue	-	-	-	-	-
	Income from Operations	**4,692.59**	**11,551.50**	**8,970.49**	**20,753.63**	**36,102.54**
2	**Segment Results**					
	(Loss) / Profit before Tax and Interest					
	Broking & related activities	(8.84)	3,231.74	(1,656.87)	5,749.78	8,492.40
	Others	-	819.39	-	454.98	350.75
	Total	**(8.84)**	**4,051.13**	**(1,656.87)**	**6,204.76**	**8,843.15**
	(i) Less: Interest	1,391.43	1,091.00	2,301.34	1,789.53	3,264.65
	(ii) Add / (Less): Other unallocable income / (expenditure) net off unallocable expenditure / income	(19.40)	43.85	553.27	20.49	93.12
	Total (Loss) / Profit Before Tax	**(1,419.67)**	**3,003.98**	**(3,404.94)**	**4,435.72**	**5,671.62**
3	**Capital Employed (Segment Assets - Segment Liabilities)**					
	Broking & related activities	17,844.63	40,091.51	17,844.63	40,091.51	15,818.62
	Others	-	10,912.71	-	10,912.71	203.07
	Unallocable Capital Employed	3,407.18	(27,387.62)	3,407.18	(27,387.62)	8,433.61
	Total	**21,251.81**	**23,616.60**	**21,251.81**	**23,616.60**	**24,455.30**

Note: "Others" business segment constitutes investment and dealing in tradable securities and arbitrage transaction in securities.



Indiabulls Securities Limited (as standalone entity)

Unaudited Financial Results

for the quarter and half year ended September 30, 2011

(Rupees in Lakhs)

	Particulars	Quarter ended		Half year ended		Year ended
		30.09.11 (Unaudited)	30.09.10 (Unaudited)	30.09.11 (Unaudited)	30.09.10 (Unaudited)	31.03.11 (Audited)
1	a) Income from Operations	2,696.51	8,577.05	5,597.71	16,173.59	28,704.43
	b) Other Operating Income	1,135.30	1,075.04	1,977.81	2,055.20	3,840.62
	Total	**3,831.81**	**9,652.09**	**7,575.52**	**18,228.79**	**32,545.05**
2	Expenditure					
	a) Employees Cost	1,243.33	3,550.46	2,996.58	7,083.40	13,045.41
	b) Depreciation / Amortisation	338.30	462.36	664.73	944.39	1,792.13
	c) Operating Expenses	328.37	805.02	707.98	1,481.70	2,783.06
	d) Administrative & Other Expenses	2,412.74	1,665.04	5,314.11	3,032.00	6,693.55
	Total	**4,322.74**	**6,482.88**	**9,683.40**	**12,541.49**	**24,314.15**
3	(Loss) / Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	(490.93)	3,169.21	(2,107.88)	5,687.30	8,230.90
4	Other Income	459.78	480.77	1,071.83	814.58	1,213.42
5	(Loss) / Profit before Interest & Exceptional Items (3+4)	(31.15)	3,649.98	(1,036.05)	6,501.88	9,444.32
6	Interest and Finance Charges	1,456.39	1,224.12	2,487.07	2,106.85	3,922.10
7	(Loss) / Profit after Interest but before Exceptional Items (5-6)	(1,487.54)	2,425.86	(3,523.12)	4,395.03	5,522.22
8	Exceptional Items	-	-	-	-	-
9	**(Loss) / Profit from Ordinary Activities before Tax (7-8)**	**(1,487.54)**	**2,425.86**	**(3,523.12)**	**4,395.03**	**5,522.22**
10	Tax expense / (credit) [including Deferred Tax and Wealth Tax]	(119.22)	785.47	(243.30)	1,439.96	1,784.94
11	**Net (Loss) / Profit from Ordinary Activities after Tax (9-10)**	**(1,368.32)**	**1,640.39**	**(3,279.82)**	**2,955.07**	**3,737.28**
12	Extraordinary Items (net of tax expense Rs. NIL)	-	-	-	-	-
13	**Net (Loss) / Profit for the period (11-12)**	**(1,368.32)**	**1,640.39**	**(3,279.82)**	**2,955.07**	**3,737.28**
14	Paid-up Equity Share Capital (Face Value of Rs. 2 per Equity Share)	4,622.25	4,621.68	4,622.25	4,621.68	4,622.25
15	Reserves excluding Revaluation Reserves as per Balance Sheet as on March 31, 2011					18,617.40
16	Earnings per Share before extraordinary items (Face Value of Rs. 2 per Equity Share)					
	- Basic (Amount in Rs.)	(0.59)	0.71	(1.42)	1.28	1.62
	- Diluted (Amount in Rs.)	(0.59)	0.69	(1.42)	1.25	1.60
	Earnings per Share after extraordinary items (Face Value of Rs. 2 per Equity Share)					
	- Basic (Amount in Rs.)	(0.59)	0.71	(1.42)	1.28	1.62
	- Diluted (Amount in Rs.)	(0.59)	0.69	(1.42)	1.25	1.60
17	**Public Shareholding**					
	- Number of Equity Shares	162,399,086	157,681,829	162,399,086	157,681,829	162,399,086
	- Percentage of shareholding	70.27%	68.24%	70.27%	68.24%	70.27%
18	**Promoters and promoter group Shareholding**					
	a) Pledged/Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of shares (as a% of the total share capital of the company)	-	-	-	-	-
	b) Non-encumbered					
	- Number of shares	68,713,425	68,713,425	68,713,425	68,713,425	68,713,425
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a% of the total share capital of the company)	29.73%	29.74%	29.73%	29.74%	29.73%
	Items exceeding 10% of Total Expenditure					
	Lease Rent	440.95	622.11	969.53	957.61	2,135.15
	Rates and Taxes	1,245.91	13.11	2,594.91	17.95	31.65

Notes to the Financial Results:

1 The consolidated and standalone financial results of Indiabulls Securities Limited ('IBSL', 'the Company') for the quarter ended September 30, 2011 have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on October 20, 2011. The financial results pertaining to IBSL as a standalone entity have been subjected to a limited review by the Statutory Auditors of the Company.

2 Administrative & Other Expenses include Rs. 1,211.15 Lakhs and Rs. 2,555.44 Lakhs for the quarter and half year ended September 30, 2011 respectively relating to Rates / Taxes / Stamp Duty paid / provided in respect of certain transactions entered into by clients in earlier years. Interest and Finance Charges include Rs. 1,031.72 Lakhs and Rs. 1,681.72 Lakhs for the quarter and half year ended September 30, 2011 respectively relating to penal interest paid thereon.

3 Subsequent to the quarter ended September 30, 2011 the Company has invested a sum of Rs. 5.00 Lakhs in Auxesia Soft Solutions Limited, a wholly owned subsidiary incorporated on September 30, 2011 pursuant to the board resolution dated September 05, 2011.



4 **Statement of Assets and Liabilities**

Particulars	Rupees in Lakhs As At 30.09.11 (Unaudited)	As At 30.09.10 (Unaudited)
Shareholders' Funds		
(a) Share Capital	4,622.25	4,621.68
(b) Reserves and Surplus	15,337.57	17,830.83
Loan Funds	18,324.72	56,939.00
Deferred Tax Liabilities (Net)	-	162.28
Total	**38,284.54**	**79,553.79**
Fixed Assets (including Capital work in progress / Capital Advances)	4,225.91	6,375.44
Investments	5,382.05	5,382.05
Deferred Tax Assets (Net)	629.53	-
Current Assets, Loans And Advances		
(a) Stock-in-Trade	-	-
(b) Sundry Debtors	5,131.24	10,131.76
(c) Cash and Bank Balances	37,305.67	71,599.64
(d) Other Current Assets	681.89	1,114.97
(e) Loans and Advances	5,530.38	34,915.79
	48,649.18	117,762.16
Less: Current Liabilities And Provisions		
(a) Current Liabilities	18,344.34	45,893.67
(b) Provisions	2,257.79	4,072.19
	20,602.13	49,965.86
Net Current Assets	28,047.05	67,796.30
Total	**38,284.54**	**79,553.79**

5 **Segment Results**

(Rupees in Lakhs)

	Particulars	Quarter ended 30.09.11 (Unaudited)	Quarter ended 30.09.10 (Unaudited)	Half year ended 30.09.11 (Unaudited)	Half year ended 30.09.10 (Unaudited)	Year ended 31.03.11 (Audited)
1	**Segment Revenue**					
	Broking & related activities	3,831.81	9,652.09	7,575.52	18,228.79	32,545.05
	Others	-	-	-	-	-
	Total	**3,831.81**	**9,652.09**	**7,575.52**	**18,228.79**	**32,545.05**
	Less: Inter Segment Revenue	-	-	-	-	-
	Income from Operations	**3,831.81**	**9,652.09**	**7,575.52**	**18,228.79**	**32,545.05**
2	**Segment Results**					
	(Loss) / Profit before Tax and Interest					
	Broking & related activities	(124.67)	3,181.90	(1,801.22)	5,643.69	8,220.71
	Others	-	-	-	-	-
	Total	**(124.67)**	**3,181.90**	**(1,801.22)**	**5,643.69**	**8,220.71**
	(i) Less: Interest	1,388.49	1,063.61	2,302.99	1,759.91	3,278.55
	(ii) Add: Other unallocable income net off unallocable expenditure	25.62	307.57	581.09	511.25	580.06
	Total (Loss) / Profit Before Tax	**(1,487.54)**	**2,425.86**	**(3,523.12)**	**4,395.03**	**5,522.22**
3	**Capital Employed (Segment Assets - Segment Liabilities)**					
	Broking & related activities	14,377.67	45,663.22	14,377.67	45,663.22	14,984.41
	Others	-	-	-	-	-
	Unallocable Capital Employed	5,582.15	(23,210.70)	5,582.15	(23,210.70)	8,255.24
	Total	**19,959.82**	**22,452.52**	**19,959.82**	**22,452.52**	**23,239.65**

Note: "Others" business segment constitutes investment and dealing in tradable securities and arbitrage transaction in securities.

6 Number of Investor Complaints received and disposed off during the quarter ended September 30, 2011:
Opening: 1, Received: 31, Disposed Off: 32, Pending: Nil.

7 Figures for the prior year / periods have been regrouped and / or reclassified wherever considered necessary to conform to the current period's presentation.

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 20, 2011

Divyesh B. Shah
CEO & Director

INDIABULLS SECURITIES LIMITED