Indiabulls

IBSEC/EQ

February 9, 2012

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

Sub : Submission of unaudited financial results of Indiabulls Securities Limited for the quarter ended December 31, 2011, and Limited Review Report thereon

Dear Sirs,

Pursuant to Clause 41 of the Listing Agreement, we enclose hereto, for your information and record, the unaudited standalone and consolidated financial results of Indiabulls Securities Limited (the Company) for the quarter ended December 31, 2011, duly approved by the Board of Directors of the Company at its meeting held today i.e. February 9, 2012.

Further, as required by the amended Clause 41, we also submit herewith a Limited Review Report dated February 9, 2012 issued by the Statutory Auditors of the Company, on the standalone financial results of the Company for the said quarter.

Thanking you,

Yours truly
for **Indiabulls Securities Limited**

Divyesh Shah
Director

Encl : As above

Indiabulls

Indiabulls Securities Limited

Unaudited Consolidated Financial Results for the Quarter and Nine Months ended December 31, 2011

(Rupees in Lakhs)

	Particulars	Quarter ended			Nine Months ended		Year ended
		31.12.11 (Unaudited)	30.09.11 (Unaudited)	31.12.10 (Unaudited)	31.12.11 (Unaudited)	31.12.10 (Unaudited)	31.03.11 (Audited)
1	a) Income from Operations	3,910.26	3,518.03	8,786.86	10,827.90	25,942.65	30,551.23
	b) Other Operating Income	1,031.79	1,174.56	1,208.73	3,084.64	4,806.58	5,551.31
	Total	**4,942.05**	**4,692.59**	**9,995.59**	**13,912.54**	**30,749.23**	**36,102.54**
2	Expenditure						
	a) Employees Cost	1,612.19	1,796.71	3,970.02	5,574.32	11,897.29	14,588.58
	b) Depreciation / Amortisation	282.13	342.06	449.91	956.14	1,405.88	1,815.82
	c) Operating Expenses	385.96	395.46	833.23	1,203.36	2,516.57	3,110.27
	d) Administrative and Other Expenses	1,478.49	2,549.55	1,755.33	6,971.42	5,689.35	7,673.90
	Total	**3,758.77**	**5,083.78**	**7,008.49**	**14,705.24**	**21,509.09**	**27,188.57**
3	Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)	1,183.28	(391.19)	2,987.10	(792.70)	9,240.14	8,913.97
4	Other Income	370.69	432.59	261.89	1,431.31	601.11	741.02
5	Profit/(Loss) before Interest and Exceptional Items (3+4)	1,553.97	41.40	3,248.99	638.61	9,841.25	9,654.99
6	Interest and Finance Charges	191.38	1,461.07	1,241.24	2,680.96	3,397.76	3,983.37
7	Profit/(Loss) after Interest but before Exceptional Items (5-6)	1,362.59	(1,419.67)	2,007.75	(2,042.35)	6,443.49	5,671.62
8	Exceptional Items	-	-	-	-	-	-
9	**Profit/(Loss) from Ordinary Activities before Tax (7-8)**	**1,362.59**	**(1,419.67)**	**2,007.75**	**(2,042.35)**	**6,443.49**	**5,671.62**
10	Tax expense / (credit) [including Deferred Tax and Wealth Tax]	124.77	(103.94)	708.85	(76.68)	2,190.06	1,883.32
11	**Net Profit/(Loss) from Ordinary Activities after Tax (9-10)**	**1,237.82**	**(1,315.73)**	**1,298.90**	**(1,965.67)**	**4,253.43**	**3,788.30**
12	Extraordinary Items (net of tax expense Rs. NIL)	-	-	-	-	-	-
13	**Net Profit/(Loss) for the period (11-12)**	**1,237.82**	**(1,315.73)**	**1,298.90**	**(1,965.67)**	**4,253.43**	**3,788.30**
14	Minority Interest	-	-	-	-	-	-
15	**Net Profit /(Loss) from Ordinary Activities after Tax and Minority Interest (13-14)**	**1,237.82**	**(1,315.73)**	**1,298.90**	**(1,965.67)**	**4,253.43**	**3,788.30**
16	Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share)	4,622.25	4,622.25	4,622.25	4,622.25	4,622.25	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.)	0.54	(0.57)	0.56	(0.85)	1.85	1.64
	- Diluted (Amount in Rs.)	0.54	(0.57)	0.55	(0.85)	1.80	1.62
	Earnings per Share after extraordinary items (Face Value of Rs. 2 per Equity Share)						
	- Basic (Amount in Rs.)	0.54	(0.57)	0.56	(0.85)	1.85	1.64
	- Diluted (Amount in Rs.)	0.54	(0.57)	0.55	(0.85)	1.80	1.62
19	**Public Shareholding**						
	- Number of Equity Shares	161,383,248	162,399,086	162,399,086	161,383,248	162,399,086	162,399,086
	- Percentage of shareholding	69.83%	70.27%	70.27%	69.83%	70.27%	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	69,729,263	68,713,425	68,713,425	69,729,263	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%	100.00%
	- Percentage of shares (as a% of the total share capital of the company)	30.17%	29.73%	29.73%	30.17%	29.73%	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 **Segment Results**

(Rupees in Lakhs)

	Particulars	Quarter ended			Nine Months ended		Year ended
		31.12.11 (Unaudited)	30.09.11 (Unaudited)	31.12.10 (Unaudited)	31.12.11 (Unaudited)	31.12.10 (Unaudited)	31.03.11 (Audited)
1	**Segment Revenue**						
	Broking and related activities	4,942.05	4,692.59	9,972.07	13,912.54	29,345.21	34,678.56
	Others	-	-	23.52	-	1,404.02	1,423.98
	Total	**4,942.05**	**4,692.59**	**9,995.59**	**13,912.54**	**30,749.23**	**36,102.54**
	Less: Inter Segment Revenue	-	-	-	-	-	-
	Income from Operations	**4,942.05**	**4,692.59**	**9,995.59**	**13,912.54**	**30,749.23**	**36,102.54**
2	**Segment Results**						
	(Loss) / Profit before Tax and Interest						
	Broking and related activities	1,581.41	(8.84)	3,098.59	(75.45)	8,848.37	8,492.40
	Others	-	-	(43.38)	-	411.60	350.75
	Total	**1,581.41**	**(8.84)**	**3,055.21**	**(75.45)**	**9,259.97**	**8,843.15**
	(i) Less: Interest	125.60	1,391.43	1,033.07	2,426.94	2,822.60	3,264.65
	(ii) Add / (Less): Other unallocable income / (expenditure) net off unallocable expenditure / income	(93.22)	(19.40)	(14.39)	460.04	6.12	93.12
	Total (Loss) / Profit Before Tax	**1,362.59**	**(1,419.67)**	**2,007.75**	**(2,042.35)**	**6,443.49**	**5,671.62**
3	**Capital Employed (Segment Assets - Segment Liabilities)**						
	Broking and related activities	23,252.65	17,844.63	22,406.53	23,252.65	22,406.53	15,818.62
	Others	-	-	48.90	-	48.90	203.07
	Unallocable Capital Employed	(697.86)	3,407.18	2,464.99	(697.86)	2,464.99	8,433.61
	Total	**22,554.79**	**21,251.81**	**24,920.42**	**22,554.79**	**24,920.42**	**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 Nine Months ended December 31, 2011

(Rupees in Lakhs)

	Particulars	Quarter ended			Nine Months ended		Year ended
		31.12.11 (Unaudited)	30.09.11 (Unaudited)	31.12.10 (Unaudited)	31.12.11 (Unaudited)	31.12.10 (Unaudited)	31.03.11 (Audited)
1	a) Income from Operations	2,857.78	2,696.51	8,315.36	8,455.45	24,488.95	28,704.43
	b) Other Operating Income	959.49	1,135.30	1,073.77	2,937.32	3,128.97	3,840.62
	Total	**3,817.27**	**3,831.81**	**9,389.13**	**11,392.80**	**27,617.92**	**32,545.05**
2	Expenditure						
	a) Employees Cost	1,017.72	1,243.33	3,562.04	4,014.31	10,645.44	13,045.41
	b) Depreciation / Amortisation	278.38	338.30	443.78	943.11	1,388.17	1,792.13
	c) Operating Expenses	321.14	328.37	766.93	1,029.13	2,248.63	2,783.06
	d) Administrative and Other Expenses	1,322.43	2,412.74	1,706.44	6,636.54	4,738.44	6,693.55
	Total	**2,939.67**	**4,322.74**	**6,479.19**	**12,623.09**	**19,020.68**	**24,314.15**
3	(Loss) / Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	877.60	(490.93)	2,909.94	(1,230.29)	8,597.24	8,230.90
4	Other Income	430.69	459.78	267.24	1,502.52	1,081.82	1,213.42
5	(Loss) / Profit before Interest and Exceptional Items (3+4)	1,308.29	(31.15)	3,177.18	272.23	9,679.06	9,444.32
6	Interest and Finance Charges	197.80	1,456.39	1,202.82	2,684.86	3,309.67	3,922.10
7	(Loss) / Profit after Interest but before Exceptional Items (5-6)	1,110.49	(1,487.54)	1,974.36	(2,412.63)	6,369.39	5,522.22
8	Exceptional Items	-	-	-	-	-	-
9	**(Loss) / Profit from Ordinary Activities before Tax (7-8)**	**1,110.49**	**(1,487.54)**	**1,974.36**	**(2,412.63)**	**6,369.39**	**5,522.22**
10	Tax expense / (credit) [including Deferred Tax and Wealth Tax]	47.81	(119.22)	691.40	(195.48)	2,131.37	1,784.94
11	**Net (Loss) / Profit from Ordinary Activities after Tax (9-10)**	**1,062.68**	**(1,368.32)**	**1,282.96**	**(2,217.15)**	**4,238.02**	**3,737.28**
12	Extraordinary Items (net of tax expense Rs. NIL)	-	-	-	-	-	-
13	**Net (Loss) / Profit for the period (11-12)**	**1,062.68**	**(1,368.32)**	**1,282.96**	**(2,217.15)**	**4,238.02**	**3,737.28**
14	Paid-up Equity Share Capital (Face Value of Rs. 2 per Equity Share)	4,622.25	4,622.25	4,622.25	4,622.25	4,622.25	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.)	0.46	(0.59)	0.56	(0.96)	1.84	1.62
	- Diluted (Amount in Rs.)	0.46	(0.59)	0.54	(0.96)	1.80	1.60
	Earnings per Share after extraordinary items (Face Value of Rs. 2 per Equity Share)						
	- Basic (Amount in Rs.)	0.46	(0.59)	0.56	(0.96)	1.84	1.62
	- Diluted (Amount in Rs.)	0.46	(0.59)	0.54	(0.96)	1.80	1.60
17	**Public Shareholding**						
	- Number of Equity Shares	161,383,248	162,399,086	162,399,086	161,383,248	162,399,086	162,399,086
	- Percentage of shareholding	69.83%	70.27%	70.27%	69.83%	70.27%	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	69,729,263	68,713,425	68,713,425	69,729,263	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%	100.00%
	- Percentage of shares (as a% of the total share capital of the company)	30.17%	29.73%	29.73%	30.17%	29.73%	29.73%
	Items exceeding 10% of Total Expenditure						
	Lease Rent	279.07	440.95	611.76	1,248.60	1,569.37	2,135.15
	Loss on sale of Investments	412.05	-	-	412.05	-	-
	Rates and Taxes	32.00	1,245.91	2.35	2,626.91	20.30	31.85

Notes to the Financial Results:

1 The consolidated and standalone financial results of Indiabulls Securities Limited ('IBSL', 'the Company') for the quarter ended December 31, 2011 have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on February 9, 2012. 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 During the quarter ended December 31, 2011 the Company has divested its stake in Copal Partners Limited, Jersey through a combination of Buyback of 223,222 Shares and Sale of 586,193 Shares. As a result thereof, the stake of the Company in Copal Partners Limited stands reduced to 1.63% from 4.74% earlier.

3 During the quarter ended December 31, 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 **Segment Results**

(Rupees in Lakhs)

	Particulars	Quarter ended			Nine Months ended		Year ended
		31.12.11 (Unaudited)	30.09.11 (Unaudited)	31.12.10 (Unaudited)	31.12.11 (Unaudited)	31.12.10 (Unaudited)	31.03.11 (Audited)
1	**Segment Revenue**						
	Broking and related activities	3,817.27	3,831.81	9,389.13	11,392.80	27,617.92	32,545.05
	Others	-	-	-	-	-	-
	Total	**3,817.27**	**3,831.81**	**9,389.13**	**11,392.80**	**27,617.92**	**32,545.05**
	Less: Inter Segment Revenue	-	-	-	-	-	-
	Income from Operations	**3,817.27**	**3,831.81**	**9,389.13**	**11,392.80**	**27,617.92**	**32,545.05**
2	**Segment Results**						
	(Loss) / Profit before Tax and Interest						
	Broking and related activities	1,275.75	(124.67)	3,029.64	(525.47)	8,673.33	8,220.71
	Others	-	-	-	-	-	-
	Total	**1,275.75**	**(124.67)**	**3,029.64**	**(525.47)**	**8,673.33**	**8,220.71**
	(i) Less: Interest	133.90	1,388.49	1,047.22	2,436.89	2,807.13	3,278.55
	(ii) Add / (Less): Other unallocable income / (expenditure) net off unallocable expenditure / income	(31.36)	25.62	(8.06)	549.73	503.19	580.06
	Total (Loss) / Profit Before Tax	**1,110.49**	**(1,487.54)**	**1,974.36**	**(2,412.63)**	**6,369.39**	**5,522.22**
3	**Capital Employed (Segment Assets - Segment Liabilities)**						
	Broking and related activities	19,282.64	14,377.67	21,457.00	19,282.64	21,457.00	14,984.41
	Others	-	-	-	-	-	-
	Unallocable Capital Employed	1,805.02	5,582.15	2,283.40	1,805.02	2,283.40	8,255.24
	Total	**21,087.66**	**19,959.82**	**23,740.40**	**21,087.66**	**23,740.40**	**23,239.65**

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

5 Number of Investor Complaints received and disposed off during the quarter ended December 31, 2011.
Opening: Nil, Received: 38, Disposed Off: 36, Pending: Nil.

6 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

Place : Mumbai
Date : February 9, 2012

For and on behalf of Board of Directors

Director & CEO and Director

INDIABULLS SECURITIES LIMITED