Indiabulls

IBSEC

January 22, 2013

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 31st December, 2012 and declaration of the Second Interim Dividend for the FY 2012-13

Dear Sir,

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 31st December, 2012, duly approved by the Board of Directors of the Company at its meeting held today i.e. 22nd January, 2013.

We also submit herewith a Limited Review Report dated 22nd January, 2013 issued by the Statutory Auditors of the Company, on the standalone financial results of the Company for the said quarter.

Further, pursuant to the applicable provisions of Clauses 20 and 16 of the Listing Agreement, we wish to inform you that the Board of Directors of the Company at its aforesaid meeting has declared the second Interim Dividend of Re. 1/- per equity share (on the face value of Rs. 2 per share) for the financial year 2012-2013, and that the record date for the purpose of determining the names of members eligible for receipt of the interim dividend will be Friday, 1st February 2013. The dividend will be paid on or before Wednesday, 20th February 2013.

Thanking you,

Yours truly,
For **Indiabulls Securities Limited**

Divyesh Shah
Director

Enclosed : As above

Indiabulls

Indiabulls Securities Limited

Unaudited Consolidated Financial Results
for the quarter and nine months ended December 31, 2012

Amount Rs. in Lakhs

PART I

Statement of Consolidated Unaudited Results for the quarter and nine months ended December 31, 2012

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.12 (Unaudited)	30.09.12 (Unaudited)	31.12.11 (Unaudited)	31.12.12 (Unaudited)	31.12.11 (Unaudited)	31.03.12 (Audited)
1 **Income from Operations**						
a) Income from Operations	5,527.23	3,463.86	3,910.26	12,640.62	10,827.90	14,017.21
b) Other Operating Income	528.07	539.93	1,031.79	1,541.13	3,084.64	4,404.43
Total Income from Operations	**6,055.30**	**4,003.79**	**4,942.05**	**14,181.75**	**13,912.54**	**18,421.64**
2 **Expenses**						
a) Employee Benefits expense	1,753.39	1,282.21	1,612.19	4,602.08	5,574.32	7,231.14
b) Depreciation and Amortisation expense	192.38	214.80	282.13	637.33	956.14	1,203.92
c) Operating expenses	338.47	337.92	385.96	1,039.65	1,206.23	1,600.19
d) Administrative and Other expenses	1,012.25	1,000.23	1,479.33	2,902.10	6,971.42	7,843.67
Total Expenses	**3,296.49**	**2,835.16**	**3,759.61**	**9,181.16**	**14,708.11**	**17,878.92**
3 Profit / (Loss) from Operations before Other Income, Finance costs and Exceptional Items (1-2)	2,758.81	1,168.63	1,182.44	5,000.59	(795.57)	542.72
4 Other Income	215.30	733.84	370.69	1,319.74	1,431.31	1,527.95
5 Profit from ordinary activity before Finance Costs and Exceptional Items (3+4)	2,974.11	1,902.47	1,553.13	6,320.33	635.74	2,070.67
6 Finance costs	285.36	155.39	191.38	541.43	2,680.96	2,767.76
7 Profit / (Loss) from ordinary activity after Finance Costs but before Exceptional Items (5-6)	2,688.75	1,747.08	1,361.75	5,778.90	(2,045.22)	(697.09)
8 Exceptional Items	-	-	-	-	-	-
9 Profit / (Loss) from Ordinary Activities before tax (7-8)	**2,688.75**	**1,747.08**	**1,361.75**	**5,778.90**	**(2,045.22)**	**(697.09)**
10 Tax expense / (credit) (including Deferred Tax)	867.99	521.74	123.93	1,749.85	(79.55)	331.21
11 Net Profit / (Loss) from Ordinary Activities after tax (9-10)	**1,820.76**	**1,225.34**	**1,237.82**	**4,029.05**	**(1,965.67)**	**(1,028.30)**
12 Extraordinary Items (net of tax expense Rs. Nil)	-	-	-	-	-	-
13 Net Profit / (Loss) for the period (11-12)	**1,820.76**	**1,225.34**	**1,237.82**	**4,029.05**	**(1,965.67)**	**(1,028.30)**
14 Share of Profit / (Loss) of Associates (Net)	(15.92)	(23.41)	-	(43.38)	-	2.81
15 Minority Interest	-	-	-	-	-	-
16 Net Profit / (Loss) from Ordinary Activities after tax, Share of Profit of Associates (net) and Minority Interest (13+14-15)	**1,804.84**	**1,201.93**	**1,237.82**	**3,985.67**	**(1,965.67)**	**(1,025.49)**
17 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
18 Reserves excluding Revaluation Reserves as per Balance Sheet						18,807.55
19 Minority Interest	-	-	-	-	-	-
20 Earnings per Share (EPS) before extraordinary items (Face Value of Rs. 2 per Equity Share)						
*(EPS for the quarter / nine months not annualised)						
- Basic (Amount in Rs.)	0.78 *	0.52 *	0.54 *	1.72 *	(0.85)*	(0.44)
- Diluted (Amount in Rs.)	0.78 *	0.52 *	0.54 *	1.72 *	(0.85)*	(0.44)
Earnings per Share (EPS) after extraordinary items (Face Value of Rs. 2 per Equity Share)						
*(EPS for the quarter / nine months not annualised)						
- Basic (Amount in Rs.)	0.78 *	0.52 *	0.54 *	1.72 *	(0.85)*	(0.44)
- Diluted (Amount in Rs.)	0.78 *	0.52 *	0.54 *	1.72 *	(0.85)*	(0.44)
PART II						
PARTICULARS OF SHAREHOLDING						
1 **Public Shareholding**						
- Number of Equity Shares	140,992,086	146,800,354	161,383,248	140,992,086	161,383,248	152,437,321
- Percentage of shareholding	61.01%	63.52%	69.83%	61.01%	69.83%	65.96%
2 **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	90,120,425	84,312,157	69,729,263	90,120,425	69,729,263	78,675,190
- 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)	38.99%	36.48%	30.17%	38.99%	30.17%	34.04%

Indiabulls Securities Limited * New Delhi *

Notes to the Financial Results:

1 Indiabulls Securities Limited ('IBSL', 'the Company') conducts its operations along with its subsidiaries and associates. 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 and AS 23) 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 Investment in associates are accounted by application of the "Equity Method". The Consolidated Financial Statements are prepared by applying uniform accounting policies.

Amount Rs. in Lakhs

2 **Segment Results**

	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.12 (Unaudited)	30.09.12 (Unaudited)	31.12.11 (Unaudited)	31.12.12 (Unaudited)	31.12.11 (Unaudited)	31.03.12 (Audited)
1	**Segment Revenue**						
	Broking & related activities	6,003.89	4,003.59	4,549.86	14,130.14	13,191.65	17,700.63
	Advisory Services	51.41	0.20	392.19	51.61	720.89	721.01
	Total	**6,055.30**	**4,003.79**	**4,942.05**	**14,181.75**	**13,912.54**	**18,421.64**
	Less: Inter Segment Revenue	-	-	-	-	-	-
	Income from Operations	**6,055.30**	**4,003.79**	**4,942.05**	**14,181.75**	**13,912.54**	**18,421.64**
2	**Segment Results**						
	Profit / (Loss) before Tax and Finance Cost						
	Broking & related activities	2,734.23	1,681.74	1,239.31	5,735.02	(695.91)	957.65
	Advisory Services	51.41	0.20	342.10	51.61	620.46	620.22
	Total	**2,785.64**	**1,681.94**	**1,581.41**	**5,786.63**	**(75.45)**	**1,577.87**
	(i) Less: Finance Cost	250.61	108.27	125.60	417.88	2,426.94	2,459.28
	(ii) Add / (Less): Other unallocable income / (expenditure) net off unallocable expenditure / income	153.72	173.41	(94.06)	410.15	457.17	184.32
	Total Profit / (Loss) Before Tax	**2,688.75**	**1,747.08**	**1,361.75**	**5,778.90**	**(2,045.22)**	**(697.09)**
3	**Capital Employed (Segment Assets - Segment Liabilities)**						
	Broking & related activities	21,511.91	15,779.86	23,246.11	21,511.91	23,246.11	12,574.69
	Advisory Services	-	-	6.54	-	6.54	6.18
	Unallocable Capital Employed	531.46	7,144.73	(763.01)	531.46	(763.01)	10,848.93
	Total	**22,043.37**	**22,924.59**	**22,489.64**	**22,043.37**	**22,489.64**	**23,429.80**



Indiabulls Securities Limited (as standalone entity)
Unaudited Financial Results
for the quarter and nine months ended December 31, 2012

PART I — Amount Rs. in Lakhs

Statement of Standalone Unaudited Results for the quarter and nine months ended December 31, 2012

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.12 (Unaudited)	30.09.12 (Unaudited)	31.12.11 (Unaudited)	31.12.12 (Unaudited)	31.12.11 (Unaudited)	31.03.12 (Audited)
1 a) Income from Operations	2,175.62	2,234.81	2,857.78	6,759.93	8,455.48	11,333.96
b) Other Operating Income	938.54	500.77	959.49	1,873.87	2,937.32	3,541.75
Total Income from Operations	**3,114.16**	**2,735.58**	**3,817.27**	**8,633.80**	**11,392.80**	**14,875.71**
2 **Expenses**						
a) Employee Benefits expense	585.34	858.22	1,017.72	2,206.02	4,014.31	4,775.38
b) Depreciation and Amortisation expense	188.79	211.08	278.38	626.30	943.11	1,187.19
c) Operating expenses	285.41	273.48	321.14	854.76	1,029.13	1,366.88
d) Administrative and Other expenses	514.19	645.71	1,323.27	1,767.11	6,839.41	7,357.05
Total Expenses	**1,583.73**	**1,788.47**	**2,940.51**	**5,454.18**	**12,825.96**	**14,686.50**
3 Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	1,560.43	947.11	876.76	3,179.62	(1,433.16)	189.21
4 Other Income	621.50	850.13	430.69	1,920.78	1,502.52	1,669.68
5 Profit from ordinary activity before Finance Costs and Exceptional Items (3+4)	2,181.93	1,797.24	1,307.45	5,100.40	269.36	1,858.89
6 Finance costs	250.55	147.24	197.80	496.71	2,684.86	2,765.47
7 Profit / (Loss) from ordinary activity after Finance Costs but before Exceptional Items (5-6)	1,931.38	1,650.00	1,109.65	4,603.69	(2,415.50)	(906.58)
8 Exceptional Items	-	-	-	-	-	-
9 **Profit / (Loss) from Ordinary Activities before tax (7-8)**	**1,931.38**	**1,650.00**	**1,109.65**	**4,603.69**	**(2,415.50)**	**(906.58)**
10 Tax expense / (credit) (including Deferred Tax)	628.08	487.81	46.97	1,367.85	(198.35)	253.63
11 **Net Profit / (Loss) from Ordinary Activities after tax (9-10)**	**1,303.30**	**1,162.19**	**1,062.68**	**3,235.84**	**(2,217.15)**	**(1,160.21)**
12 Extraordinary Items (net of tax expense Rs. NIL)	-	-	-	-	-	-
13 **Net Profit / (Loss) for the period (11-12)**	**1,303.30**	**1,162.19**	**1,062.68**	**3,235.84**	**(2,217.15)**	**(1,160.21)**
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						17,457.19
16 **Earnings per Share (EPS) before extraordinary items (Face Value of Rs. 2 per Equity Share)**						
*(EPS for the quarter / nine months not annualised)						
- Basic (Amount in Rs.)	0.56 *	0.50 *	0.46 *	1.40 *	(0.96)*	(0.50)
- Diluted (Amount in Rs.)	0.56 *	0.50 *	0.46 *	1.40 *	(0.96)*	(0.50)
Earnings per Share (EPS) after extraordinary items (Face Value of Rs. 2 per Equity Share)						
*(EPS for the quarter / nine months not annualised)						
- Basic (Amount in Rs.)	0.56 *	0.50 *	0.46 *	1.40 *	(0.96)*	(0.50)
- Diluted (Amount in Rs.)	0.56 *	0.50 *	0.46 *	1.40 *	(0.96)*	(0.50)
PART II						
A PARTICULARS OF SHAREHOLDING						
1 **Public Shareholding**						
- Number of Equity Shares	140,992,086	146,800,354	161,383,248	140,992,086	161,383,248	152,437,321
- Percentage of shareholding	61.01%	63.52%	69.83%	61.01%	69.83%	65.96%
2 **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	90,120,425	84,312,157	69,729,263	90,120,425	69,729,263	78,675,190
- 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)	38.99%	36.48%	30.17%	38.99%	30.17%	34.04%

Particulars	Quarter ended
B INVESTOR COMPLAINTS	31.12.12
Pending at the beginning of the quarter	-
Received during the quarter	108
Disposed off during the quarter	106
Remaining unresolved at the end of the quarter	2

Items exceeding 10% of Total Expenditure						
Lease Rent	116.52	183.81	279.07	480.04	1,248.60	1,457.97
Loss on sale of Investments	-	-	412.05	-	412.05	331.43
Rates and Taxes	50.21	19.13	32.00	70.84	2,826.91	2,827.74

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Indiabulls Securities Limited

Notes to the Financial Results:

1 The consolidated and standalone financial results of Indiabulls Securities Limited ('IBSL', 'the Company') for the quarter and nine months ended December 31, 2012 have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on January 22, 2013. 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 The interim dividend of Re 1/- per equity share (50% of the face value of Rs. 2/- per equity share) amounting to Rs. 2,311.13 lakhs (excluding corporate dividend tax) was approved at the meeting of the Board of Directors of the Company held on October 19, 2012 and was transferred by the Company on October 23, 2012 into the designated Dividend Account.

3 The Board of Directors of the Company at its meeting held on January 22, 2013 has declared second interim dividend of Re 1/- per share.

Amount Rs. In Lakhs

4 Segment Results

	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.12 (Unaudited)	30.09.12 (Unaudited)	31.12.11 (Unaudited)	31.12.12 (Unaudited)	31.12.11 (Unaudited)	31.03.12 (Audited)
1	**Segment Revenue**						
	Broking & related activities	3,114.04	2,735.36	3,457.08	8,633.48	10,704.56	14,187.35
	Advisory Services	0.12	0.20	360.19	0.32	688.24	688.36
	Total	3,114.16	2,735.56	3,817.27	8,633.80	11,392.80	14,875.71
	Less: Inter Segment Revenue	-	-	-	-	-	-
	Income from Operations	3,114.16	2,735.56	3,817.27	8,633.80	11,392.80	14,875.71
2	**Segment Results**						
	Profit / (Loss) before Tax and Finance Cost						
	Broking & related activities	1,580.11	1,449.73	985.65	3,941.38	(1,113.28)	286.13
	Advisory Services	0.12	0.20	310.10	0.32	587.81	587.57
	Total	1,580.23	1,449.93	1,275.75	3,941.70	(525.47)	873.70
	(i) Less: Finance Cost	216.53	102.79	133.90	360.29	2,436.89	2,464.80
	(ii) Add: Other unallocable income net off unallocable expenditure	569.68	302.86	(32.20)	1,042.28	546.86	684.52
	Total Profit / (Loss) before Tax	1,931.38	1,650.00	1,109.65	4,603.69	(2,415.50)	(906.58)
3	**Capital Employed (Segment Assets - Segment Liabilities)**						
	Broking & related activities	10,717.17	8,258.33	19,276.09	10,717.17	19,276.09	7,888.35
	Advisory Services	-	-	6.54	-	6.54	6.18
	Unallocable Capital Employed	9,226.02	13,067.60	1,739.87	9,226.02	1,739.87	14,184.91
	Total	19,943.19	21,325.93	21,022.50	19,943.19	21,022.50	22,079.44

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

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

For and on behalf of Board of Directors

Divyesh B. Shah
CEO & Whole-time Director

Place : Delhi
Date : January 22, 2013

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Deloitte Haskins & Sells

Chartered Accountants
Tower 3, 27th - 32nd Floor
Indiabulls Finance Centre
Elphinstone Mill Compound
Senapati Bapat Marg
Elphinstone (W), Mumbai - 400 013
India

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AUDITORS' REPORT

To the Board of Directors of INDIABULLS SECURITIES LIMITED

We have reviewed the accompanying Statement of Unaudited Financial Results of **INDIABULLS SECURITIES LIMITED** ("the Company") for the quarter and nine months ended December 31, 2012 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We have not reviewed the consolidated results and notes thereon and accordingly our report is restricted to standalone financial results of the Company.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.

Based on our review conducted, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged / encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholdings in terms of Clause 35 of the Listing Agreements from the details furnished by the Management and particulars relating to undisputed investor complaints from the details furnished by the Registrar.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No. 117366W)

A. Siddharth
Partner
(Membership No. 31467)

MUMBAI, January 22, 2013