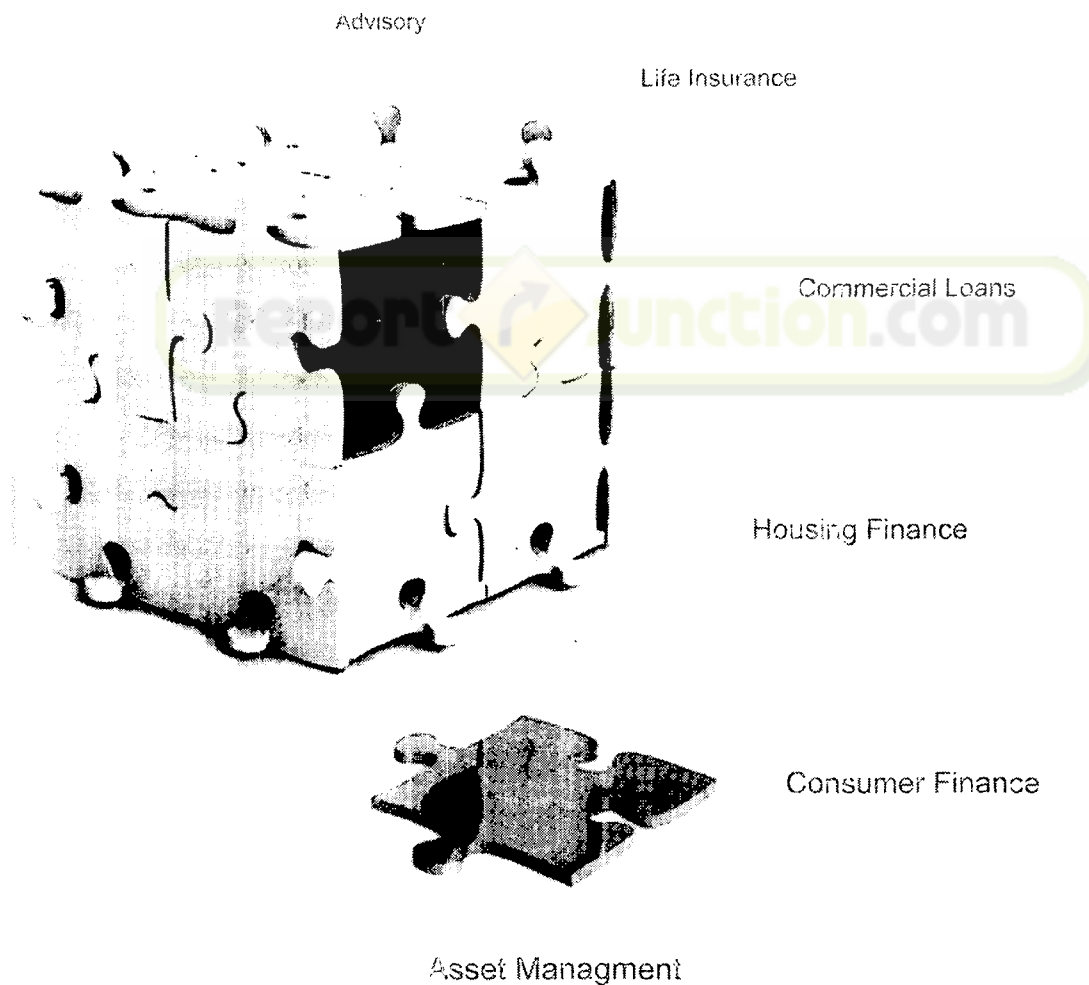


# Indiabulls

Indiabulls Financial Services Limited

## An Integrated Financial Services Powerhouse



2007-08 ANNUAL REPORT

# Content

## 2008 annual report

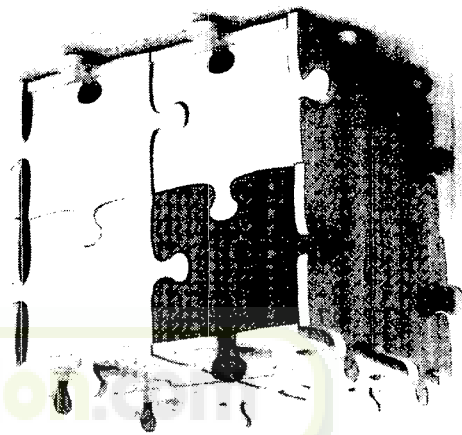
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2008

## An Integrated Financial Services Powerhouse

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As we continue to chart growth at a scorching pace, we have redefined success. Having gained the recognition of a premier business house and financial services provider of the country, we are already planning our journey up a notch. Today, the Indian economic climate presents a favourable atmosphere for the financial services industry. We are appropriately sprucing our bouquet of services to meet the increasing needs of a country on a go. We are now making the inroads into verticals such as, Life Insurance, Asset Management and Multi-Commodities Exchange within our spectrum of offerings.

Leveraging our experience and a healthy capital base, we are primed to offer value-added services that will enable us to become a truly integrated and holistic financial services player.






## Revenue Growth

# 110.8%

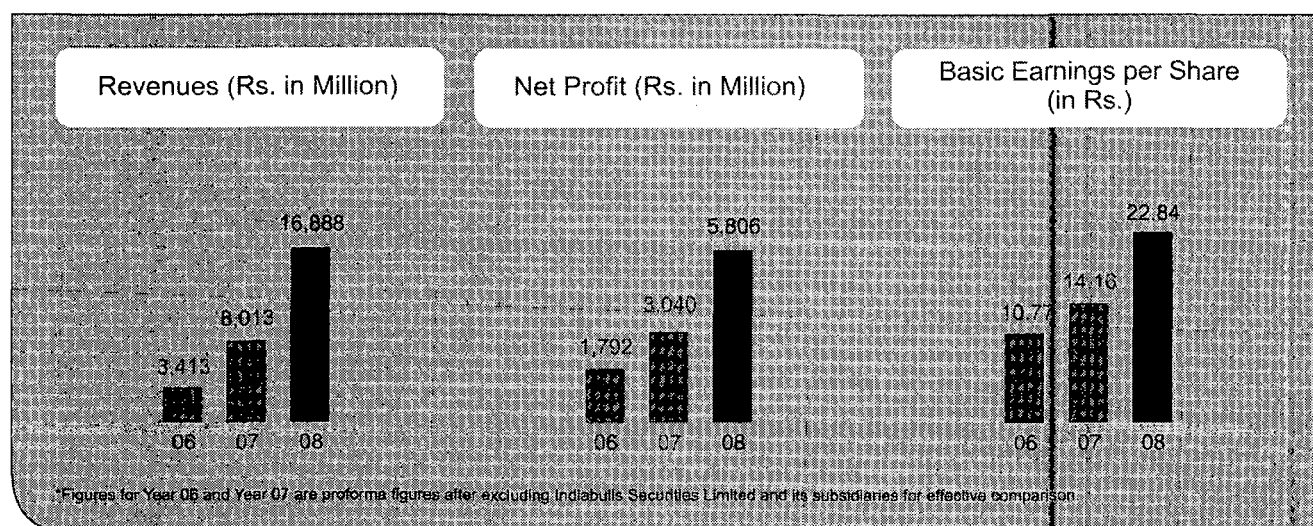


## Corporate and Financial Highlights

### Corporate Highlights

- 
**Merger & Demerger:** Successful merger of Indiabulls Credit Services Limited with IBFSL and Demerger of Indiabulls Securities Limited from IBFSL as a separate company in December, 2007
- 
**Life Insurance Venture:** Indiabulls Financial Services Limited (IBFSL) signed a joint venture agreement (formalizing the earlier MOU) with Sogecap, the insurance arm of Société Générale (SocGen) for its upcoming life insurance venture.
- 
**Commodities Exchange:** IBFSL has entered into a Memorandum of Understanding with MMTC Limited, the largest commodity trading business in India to establish a Commodities Exchange with 26% ownership with MMTC, a Government of India undertaking.
- 
**Asset Management Business:** IBFSL has received in-principle approval from SEBI for its Asset Management business and is currently preparing to launch the business.
- 
**CRISIL assigned the highest rating of "P1+" to the Rs. 1,000 crore Short Term Debt Program of the Company, subsequently enhanced to Rs. 2,000 crore during the year.**

### Financial Highlights\*





# Net Profit Growth

# 91.0%

## Financial Highlights (Consolidated)

(Rs. In Million)

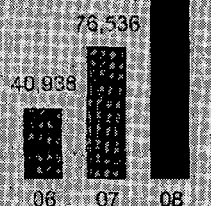
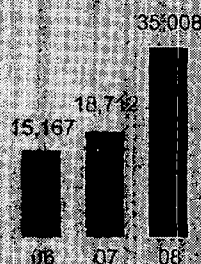
	07-08	06-07 Proforma Figures*	06-07
Total Income	16,888	8,013	12,444
Operating Expenses	426	225	847
Employee Cost	2,389	1,298	2,369
Administrative and Other expenses	1,768	1,230	1,740
Earning before Interest, Tax & Depreciation	12,305	5,259	7,487
Interest	3,923	622	680
Depreciation	72	32	177
Profit Before Tax	8,310	4,605	6,631
Tax	2,504	1,565	2,197
Profit After Tax	5,806	3,040	4,434
Equity Share Capital	507	367	367
Reserves & Surplus	32,932	13,946	18,089
Net Worth	35,008	18,712	21,934
Market Capitalisation	105,628	76,536	76,536
Key Indicators			
Earnings Per Share - Rs.	22.8355	14.1598	22.8443
Net Profit margin %	34.38%	37.94%	35.63%
Return on Net Worth %	16.59%	16.25%	20.22%

\*After excluding Indiabulls Securities Limited and its subsidiaries for effective comparison.

“The Company believes that its strong balance sheet and liquidity provide a strong competitive advantage in the current market environment and allow it to maintain its leadership position in the financial services business. At the end of the year, the Company had Rs 7,217 crore of cash & cash equivalents.”

Net Worth (Rs. in Million)

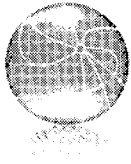
Market Capitalisation (Rs. in Million)



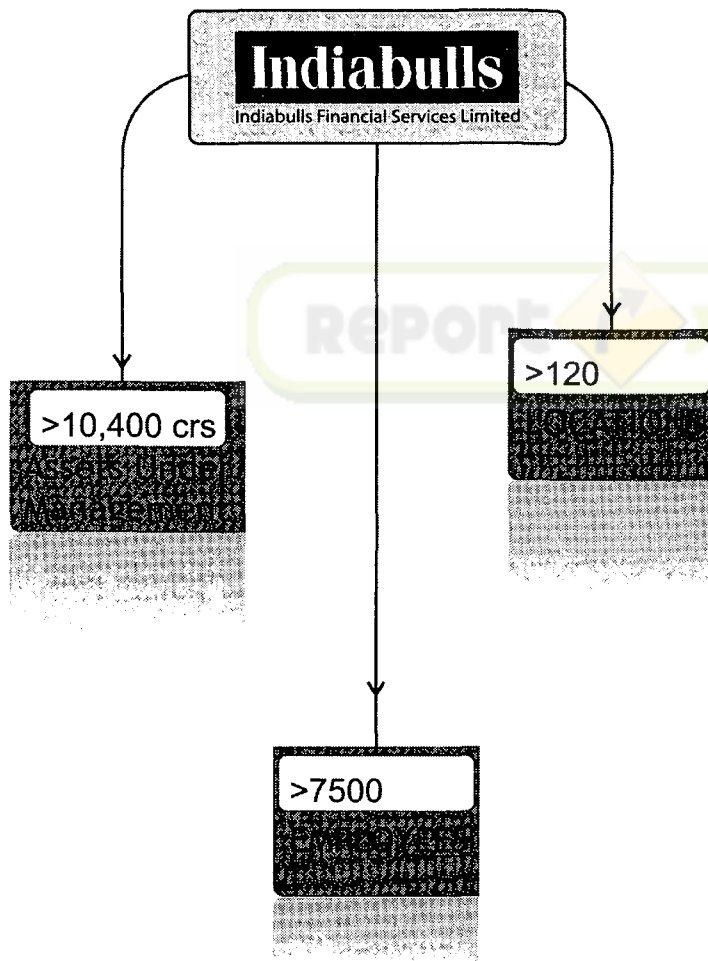
CORPORATE

FINANCIAL

HIGHLIGHTS



## About us

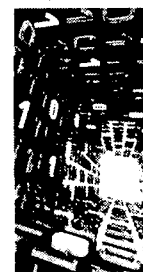
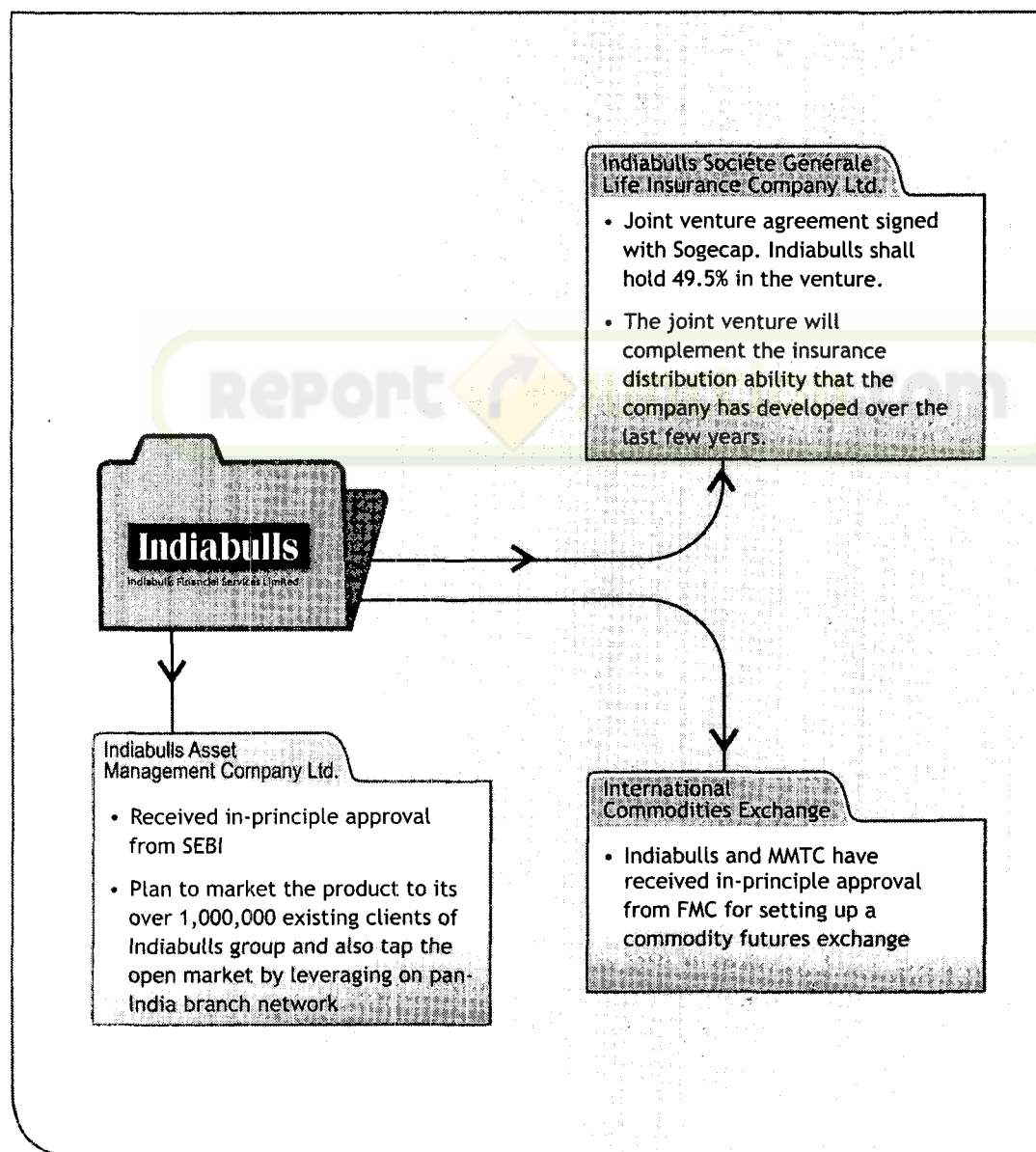


IBFSL is a part of Indiabulls Group which is one of the top business houses in the country with business intrests in Financial Services, Equities and Commodity Broking, Real Estate, Infrastructure, Retail, Multiplexes and Power Sector.

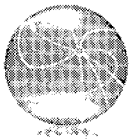
We pledge quality in all our product offerings as well as services. This commitment to excellence is now a way of life at IBFSL. Adequate emphasis on quality, a practice we strictly adhere to at all times, has led us to set industry benchmarks. By delievering nothing but the best, we have come a long way in establishing stable, long-lasting relationships with our customers and lenders.

"We have spread our wings across different products such as insurance, AMC, and commodity exchange."

## New Growth Drivers







## Corporate Information

### Indiabulls Financial Services Limited 2008 annual report



#### Board of Directors

Mr. Suresh Gellani  
Mr. Ravi Varma  
Mr. Sanjay Kumar  
Mr. Gagan Bhatnagar  
Mr. Anil Kumar Katoch  
Mr. Shashank Singh  
Mr. Anil Singh  
Mr. Prem Prakash Mishra



#### Bankers

Axis Bank, Bank of India, Bank of Maharashtra, Bank of Rajasthan, Central Bank, Citibank, DBS Bank, Dena Bank, HDFC Bank, HSBC, ICICI Bank, ICB Bank, Indian Bank, Indian Bank, IndusInd Bank, ING Vysya Bank, Jai Bank, Karnataka Bank, Kotak Mahindra Bank, Kaveri Vysya Bank, Punjab National Bank, Standard Chartered Bank, Syndicate Bank, UCB Bank, Union Bank of India, Vysya Bank, Yes Bank





## Registered Office

1-50, Andhara Building  
2nd Floor, Connaught  
Place, New Delhi - 110 001  
Vishakhapatnam  
Vardaan Building, 2nd Floor

## Corporate Offices:

1, P. G. Road, 3rd Floor  
4/14, Wipro Park Road  
Near Park Road, Kolaba  
MUMBAI - 400 005  
Indira Nagar House, 1st  
Floor, V. J. Road  
MURGAON - 421 001

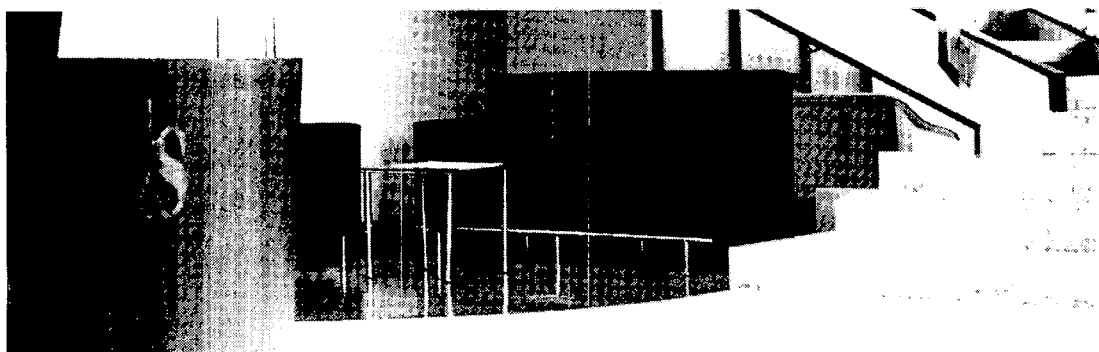
## Company Secretary

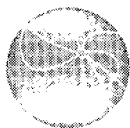
Mr. Anil Jain  
Registrar & Transfer  
Agent:

Sansa Computers & Services  
Private Limited  
Plot No. 17 to 24  
Vittal Rao Nagar  
Madhapur  
Hyderabad - 500 081

## Statutory Auditors

Deloitte Hasnips & Sons  
Chartered Accountants





## Chairman's Letter

**Sameer Gehlaut,**  
Founder and Chairman



"We've now set our sights on the newer frontiers beyond the realm of just consumer finance."

Dear Shareholders,

The vibrant economic landscape of India has propelled the country on a high growth trajectory. The domestic GDP growth rate, during 2007-08, was 9% and is projected to grow at the rate of 8% in the forthcoming fiscal. As a backbone to the economy, the financial services industry is on the threshold of a steadily increasing growth curve. At this juncture, I'd describe India as an opportunity-rich canvas for ambitious enterprises such as ours.

And the numbers prove it. During 2007-08, our topline displayed a noteworthy increase of 110.8%, from Rs. 801.3 crore in 2006-07 to Rs. 1688.8 crore, during the year under review. Our consolidated profits after tax are up 91%, from Rs. 304 crore in the year 2006-07 to Rs. 580.6 crore during 2007-08. Outstanding loans for the year 2007-08 reached Rs. 10,441 crore.

### Towards Sustainable Growth

While sub prime crisis and worsening liquidity situation has recently brought home some bitter truths before the financial world, your company had been ahead of the curve in anticipating its fall out on the macro landscape, and had taken enough prudent measures to protect the company from potential adverse consequences.