



INFORMATION MEMORANDUM

Dated: July 19, 2012

INDIABULLS INFRASTRUCTURE AND POWER LIMITED

(Incorporated as Public Limited Company on November 09, 2010, under the Companies Act, 1956, with the Registrar of Companies, NCT of Delhi & Haryana. The registration no. assigned to our Company is U40101DL2010PLC210263. For details of changes in the address of the Registered Office of the Company, please refer to page no. 57 of this Information Memorandum.)

Registered Office: M- 62 & 63, 1st Floor, Connaught Place, New Delhi - 110 001
Tel: +91-11-30252900; Fax: +91-11-30252901

Corporate Office 448-451, Udyog Vihar, Phase-V, Gurgaon, Haryana-122016
Tel: +91-124- 6682975; Fax: +91-124- 6681240

Contact Person: Mr. Gaurav Srivastava, Company Secretary and Compliance Officer
Website: www.indiabulls.com/ibipl/
Email: gauravsrivastava3@indiabulls.com

Registered with Registrar of Companies: NCT of Delhi & Haryana, IFCI Tower, 4th Floor, 61, Nehru Place, New Delhi 110 019.

FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF THE COMPANY ONLY

INFORMATION MEMORANDUM FOR LISTING OF 127,29,56,680 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 2/- EACH

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision. For taking an investment decision, investors must rely on their own examination of the issuer, including the risks involved. The securities have not been recommended or approved by Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document."

Specific attention of investors is invited to the statement of "Risk factors" beginning at page number 7 under the section "General Risks.

ABSOLUTE RESPONSIBILITY OF INDIABULLS INFRASTRUCTURE AND POWER LIMITED

Indiabulls Infrastructure and Power Limited, having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to Indiabulls Infrastructure and Power Limited, which is material, that the information contained in the Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING ARRANGEMENTS

The Equity Shares of our Company are proposed to be listed on The BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE). The Company has submitted this Information Memorandum to BSE and NSE and the same is available on the Company's website www.indiabulls.com/ibipl/. The Information Memorandum would also be made available on the website of BSE, www.bseindia.com and NSE, www.nseindia.com.

REGISTRAR AND TRANSFER AGENT



Karvy Computershare Private Limited
SEBI Regn. No- INR000000221
Address: Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081
Email : einward.ris@karvy.com
Tel No: 040 – 44655000
Fax No: 040 – 23420814
Contact Person: Mr. K. Sreedhara Murthy

TABLE OF CONTENTS

SECTION I- GENERAL	1
DEFINITIONS / ABBREVIATIONS.....	1
CONVENTIONAL / GENERAL TERMS.....	1
COMPANY RELATED TERMS.....	1
ABBREVIATIONS.....	2
TECHNICAL/INDUSTRY RELATED TERMS.....	3
SECTION II- RISK FACTORS	5
FORWARD LOOKING STATEMENTS.....	5
PRESENTATION OF FINANCIAL AND MARKET DATA.....	6
RISK FACTORS.....	7
SECTION III- INTRODUCTION	12
SUMMARY OF INDUSTRY OVERVIEW.....	12
SUMMARY OF BUSINESS OVERVIEW.....	14
SCHEME OF ARRANGEMENT.....	15
SUMMARY FINANCIAL AND OPERATING INFORMATION.....	54
GENERAL INFORMATION.....	57
CAPITAL STRUCTURE OF THE COMPANY.....	61
STATEMENT OF TAX BENEFITS.....	72
SECTION IV-ABOUT THE COMPANY	81
INDUSTRY OVERVIEW.....	81
BUSINESS OVERVIEW.....	83
KEY INDUSTRY REGULATIONS.....	84
HISTORY AND CERTAIN CORPORATE MATTERS.....	85
OUR MANAGEMENT.....	88
PROMOTERS.....	97
CURRENCY OF PRESENTATION.....	100
DIVIDEND POLICY.....	101
SECTION V- FINANCIAL INFORMATION	102
FINANCIAL INFORMATION OF OUR COMPANY.....	102
FINANCIAL INFORMATION OF GROUP COMPANIES.....	142
CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS.....	150
MANAGEMENT’S DISCUSSION AND ANALYSIS.....	151
SECTION VI- LEGAL AND OTHER INFORMATION	152
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS.....	152
GOVERNMENT APPROVALS OR LICENSING ARRANGEMENTS.....	153
SECTION VII - OTHER REGULATORY AND STATUTORY DISCLOSURES	154
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES.....	158
SECTION IX- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION	159
SECTION X- OTHER INFORMATION	182
MATERIAL DOCUMENTS FOR INSPECTION.....	182
DECLARATION.....	183

SECTION I- GENERAL

DEFINITIONS / ABBREVIATIONS

ABBREVIATIONS & TECHNICAL TERMS

In this Information Memorandum, the terms "we", "us", "our", "the Company", "our Company" or "I IPL", unless the context otherwise implies, refer to Indiabulls Infrastructure and Power Limited. All references to "Rs." or "Re." or "INR" refer to Rupees, the lawful currency of India, "USD" or "US\$" refer to the United States Dollar, the lawful currency of the United States of America, references to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable, and the words "Lakh" or "Lac" means "100 thousand" and the word "million" or "mn" means "10 lacs" and the word "crore" means "10 million" or "100 lacs" and the word "billion" means "1,000 million" or "100 crores". Any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

CONVENTIONAL / GENERAL TERMS

Term	Description
'Indiabulls Infrastructure and Power' or 'I IPL' or 'The Company' or 'Our Company' or 'Issuer Company' or 'we' or 'us' or 'our' or 'Resulting Company'	Unless the context otherwise requires, refers to, Indiabulls Infrastructure and Power Limited, a Public Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at M- 62 & 63, 1st Floor, Connaught Place, New Delhi - 110 001
Promoter(s)	Shall mean Mr. Sameer Gehlaut, Mr. Rajiv Rattan and Mr. Saurabh K Mittal

COMPANY RELATED TERMS

Term	Description
Act /The Companies Act	The Companies Act, 1956 and amendments thereto.
AGM	Annual General Meeting
AS	Accounting Standards, as issued by the Institute of Chartered Accountants of India
Auditors	M/s Sharma Goel & Co., Chartered Accountants, having its office at Y -59, Hauz Khas, New Delhi - 110016.
Board /Board of Directors	Board of Directors of the Company
Capital or Share Capital	Share Capital of the Company
BSE	BSE Limited
NSE	National Stock Exchange of India Limited
Demerged Company	Indiabulls Real Estate Limited
Depositories Act	The Depositories Act, 1996 and amendments thereto
DP	Depository Participant
EGM	Extraordinary General Meeting
Equity Share(s) or Share(s)	Means the Equity Share of the Company having a face value of Rs. 2/- unless otherwise stated
Equity Shareholder	Means a holder of Equity Shares of Indiabulls Infrastructure and Power Limited.
Financial Year/Fiscal/FY	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GOI	Government of India

Scheme or Scheme of Arrangement	Scheme of Arrangement among Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited and their respective Shareholders and Creditors and Indiabulls Builders Limited, Indiabulls Power Limited., Poena Power Supply Limited and their respective Shareholders and Creditors, as sanctioned by the High Court of Judicature at Delhi
SEBI	Securities and Exchange Board of India
Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended to date
Regulations/ ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009

ABBREVIATIONS

TERM	DESCRIPTION
AGM	Annual General Meeting.
A.Y	Assessment Year
A/c	Account
AS	Accounting Standards as issued by ICAI
BSE	BSE Limited
Bn/bn	Billion
BPLR	Benchmark Prime Lending Rate
CAGR	Compounded Annual Growth Rate
CCPS	Convertible Cumulative Preference Shares
CDSL	Central Depository Services (India) Limited
CLB	Company Law Board
CST	Central Sales Tax
MCA	Ministry of Corporate Affairs
DP	Depository Participant
EGM	Extraordinary General Meeting
ECB	External Commercial Borrowing.
EPS	Earnings per share (EPS=Profit after tax/No. of equity shares)
ESI	Employee State Insurance
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time and the Rules and Regulations thereunder
FERA	Foreign Exchange Regulations Act, 1973
FII	Foreign Institutional Investor
FIPB	Foreign Investment Promotion Board
FY	Financial Year
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FI	Financial Institutions
GOI	Government of India
GDP	Gross Domestic Product
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India

IFSC	Indian Financial System Code
IPR	Intellectual Property Rights
Lac/Lakh	One hundred thousand
MOU	Memorandum of Understanding
Mn/mn	Million
NA	Not Applicable
NAV/BV	Net Asset Value/Book Value
NRE Account	Non Resident External Account
NRI	Non Resident Indian
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
Not applicable.	Not Applicable
p.a.	Per Annum
PAN	Permanent Account Number
PE Ratio	Price Earning Ratio
PF	Provident Fund
PLR	Prime Lending Rate
RBI	Reserve Bank Of India
ROC	Registrar of Companies, NCT of Delhi and Haryana
ROCE	Return on Capital Employed ROCE = (Profit before interest and tax/capital employed)*100
ROE	Return on Equity ROE=(Profit after tax/Equity Capital)*100
RONW	Return on Networth RONW=(Profit after tax/Networth)*100
SCRR	Securities Contracts (Regulation), Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended)
The Act	The Companies Act, 1956 (as amended from time to time)
UIN	Unique Identification Number
VAT	Value Added Tax

TECHNICAL/INDUSTRY RELATED TERMS

TERM	DESCRIPTION
AT&C	Aggregate Technical and Commercial
BOO	Build, Own and Operate
BOOT	Build, Own, Operate and Transfer
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CPCB	Central Pollution Control Board
EIA	Environmental Impact Assessment
Electricity Act	The Electricity Act 2003

TERM	DESCRIPTION
EPC	Engineering, Procurement and Construction
ERC	Electricity Regulatory Commission
GW	Gigawatt
IEX	Indian Energy Exchange
IPP	Independent Power Producers
Km/Kms	Kilometre/ Kilometres
KW	Kilo Watt
kWh	Kilo Watt Hour
MIDC	Maharashtra Industrial Development Corporation
Mld	Million litres per day
MMT	Million Metric Tonnes
MPP	Merchant Power Plants
MSEDCL	Maharashtra State Electricity Distribution Company Limited
MSETCL	Maharashtra State Electricity Transmission Company Limited
MW	Mega Watts
NTC	National Textile Corporation Limited
PGCIL	Power Grid Corporation of India Limited
PPA	Power Purchase Agreement
SEB	State Electricity Board
SEPCO	SEPCO Electric Power Construction Company
SERC	State Electricity Regulatory Commission
T&D	Transmission and Distribution
TPTCL	Tata Power Trading Company Limited
UMPP	Ultra Mega Power Project
Units	kWh

SECTION II- RISK FACTORS

FORWARD LOOKING STATEMENTS

We have included statements in this Information Memorandum which contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "may", "shall", "project", "should", "will pursue" and similar expressions or variations of such expressions, that are "forward- looking statements".

Actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties associated with the Company's expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which the Company has its businesses or proposes to have its business, and the Company's ability to respond to them, its ability to successfully implement its strategy, its growth and expansion, its exposure to market risks, competitive landscape, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated fluctuations in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in the Company's industries.

Important factors that could cause actual results to differ materially from the Company's expectations include, among others:

- # General economic and business conditions;
- # Company's ability to successfully implement its strategy, its growth and expansion plans, and technology initiatives;
- # Ability to retain management team and skilled personnel;
- # Changes in the value of the Indian Rupee and other currencies;
- # Amount that the Company is able to realize from the clients;
- # Potential mergers, acquisitions or restructurings;
- # Changes in fiscal, economic or political conditions in India;
- # Social or civil unrest or hostilities with neighboring countries or acts of international terrorism;
- # Changes in the foreign exchange control regulations, interest rates and tax laws in India.

For further discussion of factors that could cause the Company's actual results to differ, please refer to the section titled "Risk Factors", "Business Overview" and "Management's Discussion and Analysis" beginning on page nos. 7, 83 and 151 respectively, of this Information Memorandum. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, its Directors and Officers nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

PRESENTATION OF FINANCIAL AND MARKET DATA

Financial Data

Unless otherwise stated, the financial data in this Information Memorandum is derived from the audited annual accounts of Indiabulls Infrastructure and Power Limited.

The financial statements of Indiabulls Infrastructure and Power Limited are as of and for the period from November 09, 2010 to March 31, 2011 and for the year ended March 31, 2012.

The fiscal year of Indiabulls Infrastructure and Power Limited commences on April 1 and ends on March 31 of the next year, so all references to a particular fiscal year of Indiabulls Infrastructure and Power Limited are to the 12 month period ended on March 31 of that year.

For additional definitions used in this Information Memorandum, see the section "Definitions and Abbreviations" beginning from on page no. 1 of this Information Memorandum. In the section entitled "Main Provisions of the Articles of Association of the Company" on page no. 159 of this Information Memorandum, defined terms have the meaning given to such terms in the Articles of Association of the Company. Market and Industry data used throughout this Information Memorandum has been obtained from industry publications and other authenticated published data.

Market Data

Unless stated otherwise, industry data used throughout this Information Memorandum has been obtained from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. The data used from these sources may have been reclassified for the purpose of presentation. Although the Company believes the industry data used in this Information Memorandum to be reliable, it has not been independently verified. Similarly, internal Company reports, while believed by the Company to be reliable, have not been verified by any independent sources.

RISK FACTORS

RISK FACTORS ENVISAGED BY MANAGEMENT

An investment in securities involves a high degree of risk. You should carefully consider all of the information in this Information Memorandum, including the risks and uncertainties described below. If any of the following risks actually occur, the business, financial condition and results of operations could suffer, the trading price of the securities could decline, and all or part of the investment may be lost.

Materiality

The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

1. Some events may not be material individually but may be found material collectively.
2. Some events may have material impact qualitatively instead of quantitatively.
3. Some events may not be material at present but may be having material impacts in future.

Internal Risk Factors and Risk Relating to Our Business

- 1. The success of the Company's business will depend on its ability to attract and retain key personnel. If the Company is unable to do so, it would adversely affect its business and results of operations.**

The success of the Company substantially depends on the continued service and performance of the members of its senior management team and other key personnel for project implementation, management and running of the daily operations, and the planning and execution of the business strategy of the Company. In the event the Company loses the services of any of these or other key individuals and is unable to find suitable replacements in a timely manner, the Company's ability to realize its strategic objectives could be impaired. The loss of key members of the senior management or other key team members, particularly to competitors, could have an adverse effect on business and results of operations of the Company.

- 2. Details of a loss making company among our Group companies**

Below is the information of a company, among our group companies, which is incurring losses for last few years. The details of the same are as follows:

(Rs. In Lacs)

S.No.	Name of Company	2011-12	2010-11	2009-10
1	Store One Retail India Limited	1183.93	(3517.12)	(5,119.71)
2	Indiabulls Wholesale Services Limited	479.53	2392.23	(179.81)
3	Indiabulls Securities Limited	(1160.21)	3737.28	6121.75

- 3. The Company has experienced negative cash flow in the previous financial year.**

The details of the negative cash flows are as under:

(Rs in lacs)

PARTICULARS	For the period from November 09, 2010 to March 31, 2011	Year ended March 31 2012
Net increase/(decrease) in Cash and Cash equivalents	22.08	(21.11)

4. The Company has in the past entered into related party transactions and may continue to do so in the future

The Company has entered into transactions with its principal shareholders and with certain group companies and their respective affiliates. Whilst, it believes that all such transactions have been conducted on an arms-length basis and contain commercial terms, there can be no assurance that the Company could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that the Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on the Company's financial condition and results of operations. For further details on related party transactions, see section titled "Related Party Transactions" on page 114 and 134 of this Information Memorandum.

5. The Company has no operating history, so it is difficult to estimate its future performance.

The Company has no prior experience in the power advisory business. The Company currently has no power projects in operation or other revenue generating operations, and it has no significant operating history from which its business, future prospects and viability can be evaluated. As a result, the Company cannot assure you about its future performance or that its business strategy will be successful.

6. The Company's inability to effectively manage its growth or to successfully implement its business plan and growth strategy could have an adverse effect on the Company's operations, results and financial condition.

The Company expects that its growth strategy will place significant demands on its management, financial and other resources. In particular, continued expansion increases the challenges involved in financial and technical management, recruitment, training and retaining sufficient skilled technical and management personnel, and developing and improving its internal administrative infrastructure. The Company intends to pursue existing and potential market opportunities. The Company's inability to manage its business plan effectively and execute its growth strategy could have an adverse effect on its operations, results, financial condition and cash flows.

In order to manage growth effectively, the Company must implement and improve operational systems, procedures and internal controls on a timely basis. If the Company fails to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in its internal controls that would result in inconsistent internal standard operating procedures, the Company may not be able to meet its customers' needs, hire and retain new employees, pursue new business, complete future strategic agreements or operate its business effectively. There can be no assurance that the Company's existing or future management, operational and financial systems, procedures and controls will be adequate to support future operations or establish or develop business relationships beneficial to future operations.

7. Future sales of Equity Shares by the Promoters may adversely affect the market price of the Company's Equity Shares.

After the completion of the allotment in terms of the Scheme, the Promoters shall own, approximately 32.41% of the Company's outstanding Equity Shares. Sales of a large number of the Company's Equity Shares by and subject to certain restrictions, could adversely affect the market price of its Equity Shares. Similarly, the perception that any such primary or secondary sale may occur could adversely affect the market price of the Company's Equity Shares. There are no existing agreements pursuant to which shares held by the Promoters may be sold in the future.

8. The Company's ability to pay dividends in the future will depend upon its future earnings, financial condition, cash flows, working capital requirements and any restrictive covenants in financing arrangements.

The Company's affiliate companies will develop and operate power projects. The Company's future ability to pay dividends will also depend on the earnings, financial condition and capital requirements of its affiliate companies and the dividends they distribute to the Company. Dividend distributed by the affiliate companies will attract dividend distribution tax at rates applicable from time to time. The Company cannot assure investors that it will receive dividends from its affiliate companies sufficient to cover its operating expenses and pay dividends to its shareholders, or at all.

Risks Related to India

9. Political, economic and social developments in India could adversely affect the Company's business.

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. The Company's business, and the market price and liquidity of the Company's Equity Shares, may be affected by changes in the Government's policies, including taxation. Social, political, economic or other developments in or affecting India, acts of war and acts of terrorism could also adversely affect the Company's business.

Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. However, there can be no assurance that such policies will be continued and any significant change in the Government's policies in the future could affect business and economic conditions in India in general and could also affect the Company's business and industry in particular. In addition, any political instability in India or geo political stability affecting India will adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of the Company's Equity Shares.

The Company's performance and the growth of its business is necessarily dependant on the performance of the overall Indian economy. India's economy could be adversely affected by a general rise in interest rates, currency exchange rates, adverse conditions affecting agriculture, commodity and electricity prices or various other factors. Further, conditions outside India, such as slowdowns in the economic growth of other countries could have an impact on the growth of the Indian economy, and government policy may change in response to such conditions. A slowdown in the Indian economy could adversely affect the Company's business, including its ability to implement its strategy and increase its participation in the power sector.

10. Financial instability in Indian financial markets could adversely affect the Company's results of operations and financial condition.

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America, Europe or China, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The current global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, has led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index in the past. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on the Company's business, operations, financial condition, profitability and price of its Shares.

11. The extent and reliability of Indian infrastructure could adversely affect the Company's results of operations and financial condition.

India's physical infrastructure is less developed than that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt the Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt the Company's business operations, which could have an adverse effect on its results of operations and financial condition.

12. Terrorist attacks, civil disturbances, regional conflicts and other acts of violence in India and abroad may disrupt or otherwise adversely affect the Company's business and its profitability.

Certain events that are beyond the control of the Company, such as terrorist attacks and other acts of violence or war, including those involving India, China, the United Kingdom, the United States or other countries, may adversely affect worldwide financial markets and could potentially lead to a severe economic recession, which could adversely affect the Company's business, results of operations, financial condition and cash flows, and more generally, any of these events could lower confidence in India's economy. Southern Asia has, from time to time, experienced instances of civil unrest and political tensions and hostilities among neighbouring countries, including India, Pakistan and China. India has been witnessing terrorist attacks in the recent years, which led to an escalation of political tensions between India and its neighbouring countries. Political tensions could create a perception that there is a risk of disruption of business provided by India-based companies, which could have an adverse effect on the Company's business, future financial performance and price of the Shares. Furthermore, if India were to become engaged in armed hostilities, particularly hostilities that are protracted or involve the threat or use of nuclear weapons, the Company's operations might be significantly affected.

India has from time to time experienced social and civil unrest and hostilities, including riots, regional conflicts and other acts of violence. Events of this nature in the future could have a material adverse effect on the Company's ability to develop its business. As a result, the Company's business, results of operations and financial condition may be adversely affected.

13. Natural calamities could have a negative effect on the Indian economy and cause the Company's business to suffer.

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their effect on the Indian economy. For example, as a result of drought conditions in the country during Fiscal 2003, the agricultural sector recorded negative growth for that period. The erratic progress of the monsoon in 2004 affected sowing operations for certain crops. Further prolonged spells of below normal rainfall or other natural calamities could have a negative effect on the Indian economy, adversely affecting the Company's business and the price of its Equity Shares.

14. An outbreak of an infectious disease or any other serious public health concerns in Asia or elsewhere could have a material adverse effect on the business and results of operations of the Company.

The outbreak of an infectious disease in Asia or elsewhere or any other serious public health concern such as swine influenza around the world could have a negative impact on economies, financial markets and business activities worldwide, which could have a material adverse effect on the Company's business. Although, the Company has not been adversely affected by such outbreaks, the Company can give no assurance that a future outbreak of an infectious disease among humans or animals or any other serious public health concern will not have a material adverse effect on the business of the Company.

15. Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessment of the Company's financial condition.

As stated in the reports of the Company's independent auditors included in this Information Memorandum, its financial statements are prepared and presented in conformity with Indian GAAP, consistently applied during the periods stated, except as provided in such reports, and no attempt has been made to reconcile any of the information given in this Information Memorandum to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries.

16. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect the Company's business.

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect the Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm the Company's business and financial performance, ability to obtain financing for capital expenditures and the price of the Company's Equity Shares.

SECTION III- INTRODUCTION

SUMMARY OF INDUSTRY OVERVIEW

Advisory Services

Many different terms are tossed around the advisory / consultancy service industry describing the different methodology used to design and construct new facilities and turnarounds. Determining the correct form of nature of services to be provided can have a great effect on the cost and risk associated with the power project(s). The cost of nature of services to be provided varies inversely with the amount of business risk the "owner / financiers" are willing to accept. The less business risk the owner wishes to assume, the higher the cost of and management. This follows the "risk-reward" motto for business.

The two most common types of services / consultancy contacts are EPC "turn-key" and EPCM. Each of these methods have variations that can be adapted to each project as needed; example (EPCC Engineering, Procurement, Construction, and Commissioning), etc

EPC (Engineering, Procurement and Construction): means the company is contracted to provide engineering, procurement and construction services by the owner. These are basically Design & Construct style contracts, where the project is largely Contractor managed and the cost risk and control are weighted towards the Contractor and away from the Owner. The EPC contractor has direct contracts with the construction contractors.

EPCM (Engineering, Procurement and Construction Management): means the company is contracted to provide engineering, procurement and construction management services. Other companies are contracted by the Owner directly to provide construction services and they are usually managed by the EPCM contractor on the Owner's behalf. These are basically Professional Services contracts, where the project is largely Owner managed and the cost risk and control is weighted towards the Owner.

Power Sector

India is the fifth largest producer of electricity in the world and according to the Planning Commission, while the State Governments account for 51.5% of the total generation capacity, the central sector and the private sector account for 33.1% and 15.4% of the generation capacity respectively. In line with the respective power generation share, while the government sector (both central and state) have contributed 85.5% of the total capacity addition of 45,295 MW during 1999-00 and 2008-09, the private sector has contributed the balance 14.5%, almost at par with its share in the total installed capacity in the country. India's current installed power generation capacity as on 31-3-11 is 173626.40 MW.

SL. NO.	REGION	THERMAL				Nuclear	HYDRO (Renewable)	R.E.S.@ (MNRE)	TOTAL
		COAL	GAS	DSL	TOTAL				
1	Northern	24232.50	4134.76	12.99	28380.25	1620.00	13822.75	3165.55	46988.55
2	Western	30995.50	7903.81	17.48	38916.79	1840.00	7447.50	5357.96	53562.25
3	Southern	19882.50	4690.78	939.32	25512.60	1320.00	11299.03	9341.67	47473.30
4	Eastern	18747.88	190.00	17.20	18955.08	0.00	3882.12	359.64	23196.84
5	N. Eastern	60.00	787.00	142.74	989.74	0.00	1116.00	223.60	2329.34
6	Islands	0.00	0.00	70.02	70.02	0.00	0.00	6.10	76.12
7	All India	93918.38	17706.35	1199.75	112824.48	4780.00	37567.40	18454.52	173626.40
Captive Generating capacity connected to the Grid (MW)									19509

Source: www.powermin.nic.in

TRENDS

The Central Government evolves general policy framework in the field of energy and also supplement the efforts of the State sector in enhancing generation and transmission capabilities in the country. However, the distribution sector by and large remains the State function.

The Ministry of Power is responsible for the administration of the Electricity Act, 2003 and Energy Conservation Act, 2001.

The functions of Ministry of Power inter alia include the following:

General Policy in the electric power (except small/mini/micro hydel projects of and below 25 MW capacity) and thermal power and transmission and distribution system network.

Research, development and technical assistance relating to hydroelectric and thermal power & transmission system network.

For further details, please see the section on "Industry Overview" beginning from page no. 81 of this Information Memorandum.

SUMMARY OF BUSINESS OVERVIEW

Indiabulls Infrastructure and Power Limited is engaged in the business of providing consultancy to various other companies, which are or planning to venture into the business of generation, transmission and distribution of power or are in the process of setting up the power generation plants. The services inter-alia includes advising on finalization of bid documents, selection of equipments / suppliers / sourcing of raw materials, designing of the power plant, negotiations and finalization of the terms and conditions of various legal documents including sourcing agreements with suppliers, financial closures agreements, engineering contracts, agreements with the construction contractors etc. by the power generation/distribution companies. The Company through its affiliate companies is also engaged in the business of power generation, distribution and transmission.

For further details, please see the section on "Business Overview" beginning from page no. 83 of this Information Memorandum.

SCHEME OF ARRANGEMENT

The Hon'ble High Court of Delhi at New Delhi, vide its Order dated October 17, 2011, has approved the Scheme of Arrangement among Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited and their respective Shareholders and Creditors and Indiabulls Builders Limited, Indiabulls Power Limited., Poena Power Supply Limited and their respective Shareholders and Creditors, whereby the Power Business undertakings of Indiabulls Real Estate Limited have been transferred to and vested in resulting company i.e Indiabulls Infrastructure and Power Limited with effect from April 01, 2011 (i.e. the Appointed Date under the Scheme) under Sections 391 to 394 of the Companies Act, 1956.

The Scheme is operative from the Appointed Date i.e., April 01, 2011. However it is effective from the date of filing of Form 42 of the Companies (Court) Rules, 1959 of the High Court in relation to the Scheme along with Form 21 with the Registrar of Companies, NCT of Delhi and Haryana, i.e., November 25, 2011.

The full text of the Scheme of Arrangement is as under:

PART I - GENERAL

1. Introduction

- 1.1. Indiabulls Real Estate Limited (the "**Demerged Company**" as more particularly defined hereunder) is a public company incorporated under the Act (as defined hereunder). As on the date hereof, the Demerged Company is engaged in the businesses *inter alia* of construction and development of properties, project management, power project advisory, investment advisory and construction services, real estate development, provision of consultancy services on engineering, industrial and technical matters to various industries including companies engaged in construction-development of real estate, power and infrastructure projects, wholesale cash and carry and wholesale trading of various industrial / consumer products and commodities in select Indian cities, and the generation, transmission and distribution of power through its subsidiaries. The equity shares of the Demerged Company are listed on the Stock Exchanges (as defined hereunder) and GDRs (as defined hereunder) are listed on the Luxembourg Stock Exchange.
- 1.2. In terms of a separate scheme of arrangement between the Demerged Company, Indiabulls Wholesale Services Limited and their respective shareholders and creditors under the provisions of sections 391-394 and other relevant provisions of the Act (the "**Wholesale Demerger Scheme**"), the undertaking of the Demerged Company which is engaged in wholesale cash and carry and wholesale trading of various industrial / consumer products and commodities in select Indian cities (the "**Wholesale Trading Business**") is proposed to be and stand transferred to and vested in Indiabulls Wholesale Services Limited as a going concern by way of a demerger. The Wholesale Demerger Scheme has been approved by the requisite majority of the shareholders and creditors of the Demerged Company and is pending the sanction of the Delhi High Court. Accordingly, upon the effectiveness of the Wholesale Demerger Scheme, the Wholesale Trading Business will stand transferred to and vested in Indiabulls Wholesale Services Limited and the Demerged Company will no longer conduct such business.
- 1.3. Indiabulls Infrastructure and Power Limited (the "**Resulting Company**" as more particularly defined hereunder) is a public company incorporated under the Act as a wholly owned subsidiary of the Demerged Company. The Resulting Company is engaged in the business *inter alia* of power generation, transmission and distribution of power and power advisory.
- 1.4. Indiabulls Builders Limited (the "**First Amalgamating Company**" as more particularly defined hereunder) is a public company incorporated under the provisions of the Act and is a wholly owned subsidiary of the Demerged Company. The First Amalgamating Company is engaged in the business *inter alia* of real estate project management, management of facilities, maintenance services and project advisory/consultancy and other services, with operations spanning all aspects of project development, from planning to execution of real estate projects, as well as providing consultancy services on engineering, industrial and technical matters to various industries including companies engaged in construction-development of real estate and infrastructure projects.

- 1.5. Poena Power Supply Limited (the "**Second Amalgamating Company**" as more particularly defined hereunder) is a public company incorporated under the provisions of the Act and is a wholly owned subsidiary of Indiabulls Power Limited.. The Second Amalgamating Company is engaged in the business of *inter alia* power project management, design and management of facilities and services on-site and off-site, maintenance and operation of support services, project advisory/consultancy and other services, with operations spanning all aspects of project development, from planning to commissioning of power projects.
- 1.6. Indiabulls Power Limited. (the "**Second Amalgamated Company**" as more particularly defined hereunder) is a public company incorporated under the provisions of the Act and is a subsidiary of the Demerged Company. The equity shares of the Second Amalgamated Company are listed on the Stock Exchanges. The Second Amalgamated Company is *inter alia* engaged in the business of power generation, transmission and distribution of power and power advisory directly and/or through its subsidiaries.
- 1.7. (i) As set out in paragraph 1.1 above, the Demerged Company is *inter alia* engaged in the business of power generation, transmission and distribution of power and power advisory, directly and/or through its subsidiaries (collectively, the "**Power Business**"). The Power Business of the Demerged Company has different risk/ rewards and requires a distinct gestation period, funding requirements and is subject to distinct technical and regulatory requirements from the other businesses conducted by the Demerged Company.
- (ii) Accordingly it is proposed to segregate the Power Business of the Demerged Company from its other businesses and consolidate such business in the Resulting Company, thereby allowing investors to diversify their portfolio into separate entities, focused on the distinct businesses of real estate and power / infrastructure, respectively, which would unlock shareholder value.
- (iii) The First Amalgamating Company is a subsidiary of the First Amalgamated Company (as more particularly defined hereunder). The Second Amalgamating Company is a subsidiary of the Second Amalgamated Company. The businesses conducted by each of the First Amalgamating Company and the Second Amalgamating Company (as more particularly set out in Clause 1.4 and Clause 1.5 above) are not conducted by the other subsidiaries of the First Amalgamated Company and the Second Amalgamated Company respectively.
- (iv) The amalgamation of the First Amalgamating Company with the First Amalgamated Company will enable the First Amalgamated Company to directly provide, as part of its services offering, the businesses currently conducted by the First Amalgamating Company. Similarly, the amalgamation of the Second Amalgamating Company with the Second Amalgamated Company will enable the Second Amalgamated Company to directly provide, as part of its services offering, the businesses currently conducted by the Second Amalgamating Company.
- (v) Each of the First Amalgamating Company and the Second Amalgamating Company have assembled experienced teams that have strong capabilities in various aspects of project execution and strong relationships with corporate, regulators and financial institutions as well as in-depth knowledge of the business. The amalgamation of the First Amalgamating Company with the First Amalgamated Company and the amalgamation of the Second Amalgamating Company with the Second Amalgamated Company will result in consolidation of the respective businesses of the First Amalgamated Company and Second Amalgamated Company. The synergies that exist between the First Amalgamating Company and the First Amalgamated Company in terms of similar processes and resources can be put to the best advantage of the First Amalgamated Company and its stakeholders by amalgamation of the First Amalgamating Company with the First Amalgamated Company. Similarly, the synergies that exist between the Second Amalgamating Company and the Second Amalgamated Company in terms of similar processes and resources can be put to the best advantage of the Second Amalgamated Company and its stakeholders by amalgamation of the Second Amalgamating Company with the Second Amalgamated Company.
- (vi) The amalgamations contemplated in this Scheme will help avoid duplication of resources, systems, skills and process, reduce overall cost, improve synergies, enable the achievement of economies of scale, reduce administrative costs entailed by the conduct of businesses through separate entities, provide enhanced flexibility in funding of expansion plans, promote management efficiency and optimize the resources of the First Amalgamated Company and Second Amalgamated Company in relation to the business of the First Amalgamating Company and the Second Amalgamating Company.

1.8. In furtherance of the aforesaid, this Scheme (as defined hereunder) provides for:

- (i) the transfer by way of a demerger of the Demerged Undertaking (as defined hereunder) of the Demerged Company to the Resulting Company, and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company and issue of GDRs by the Resulting Company through the Resulting Company Depository (as defined hereunder) to the GDR holders of the Demerged Company, respectively;
- (ii) the amalgamation of the First Amalgamating Company with the First Amalgamated Company;
- (iii) the amalgamation of the Second Amalgamating Company with the Second Amalgamated Company;
- (iv) the reorganisation of the share capital of the First Amalgamated Company and the Second Amalgamated Company; and
- (v) various other matters consequential or otherwise integrally connected therewith;

pursuant to section 391 to section 394 and other relevant provisions of the Act (as defined hereunder) in the manner provided for in this Scheme and in compliance with the provisions of the Income Tax Act, 1961, including section 2(19AA) and section 2(1B) thereof.

1.9. The Demerger (as defined hereunder) of the Demerged Undertaking from the Demerged Company to the Resulting Company shall comply with the provisions of section 2(19AA) of the Income Tax Act, 1961, such that:

- (a) all the properties of the Demerged Undertaking (as defined hereunder), being transferred by the Demerged Company, immediately before the Demerger (as defined hereunder) shall become the properties of the Resulting Company by virtue of such Demerger;
- (b) all the liabilities relatable to the Demerged Undertaking, being transferred by the Demerged Company, immediately before the Demerger shall become the liabilities of the Resulting Company by virtue of such Demerger;
- (c) the properties and the liabilities relatable to the Demerged Undertaking being transferred by the Demerged Company shall be transferred to the Resulting Company at the values appearing in the books of account of the Demerged Company immediately before the Demerger;
- (d) the Resulting Company shall issue, in consideration of the Demerger, shares to the shareholders of the Demerged Company on a proportionate basis;
- (e) all shareholders of the Demerged Company shall become the shareholders of the Resulting Company by virtue of the Demerger; and
- (f) the transfer of the Demerged Undertaking shall be on a going concern basis.

1.10. This Scheme is divided into the following parts:

- (i) **Part I**, which deals with the introduction and definitions;
- (ii) **Part II**, which deals with the Demerger;
- (iii) **Part III**, which deals with the amalgamation of the First Amalgamating Company with the First Amalgamated Company;
- (iv) **Part IV**, which deals with the amalgamation of the Second Amalgamating Company with the Second Amalgamated Company; and
- (v) **Part V**, which deals with general terms and conditions applicable to the Scheme.

1.11. The Scheme also provides for various other matters consequential or otherwise internally connected herewith.

2. **Definitions and Interpretation**

2.1. In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- (A) "**Act**" shall mean the Companies Act, 1956 and includes any statutory re-enactment or modification thereof from time to time;
- (B) "**Amravati Project**" shall mean the thermal power project in Nandgaonpet, District Amravati in the State of Maharashtra being undertaken by Indiabulls Power Limited.;
- (C) "**Appointed Date**" shall mean April 1, 2011;
- (D) "**BSE**" shall mean The Bombay Stock Exchange Limited;
- (E) "**Court**" or "**High Court**" shall mean the Hon'ble High Court of Delhi and shall include the National Company Law Tribunal as may be applicable or such other forum or authority as may be vested with the powers of a High Court under section 391 to section 394 of the Act;
- (F) "**Companies**" shall mean the Demerged Company, the Resulting Company, the First Amalgamating Company, the Second Amalgamating Company, the Second Amalgamated Company or any two or more of them as the context may admit;
- (G) "**Demerged Company**" or "**IBREL**" shall mean Indiabulls Real Estate Limited having its registered office at F-60, Malhotra Building, 2nd Floor, Connaught Place, New Delhi - 110001;
- (H) "**Demerged Company Employees**" shall mean all the permanent employees of the Demerged Company employed in the Demerged Undertaking as on the Effective Date;
- (I) "**Demerged Company ESOS Schemes**" shall mean the Indiabulls Real Estate Limited Employees Stock Option Scheme 2006, Indiabulls Real Estate Limited Employees Stock Option Scheme - 2008 (II) and the Employee Stock Option Scheme - 2010;
- (J) "**Demerged Company Funds**" shall have the meaning set forth in Clause 9.2;
- (K) "**Demerged Company Warrants**" shall have the meaning set forth in Clause 3.1;
- (L) "**Demerged Liabilities**" shall have the meaning set forth in Clause 6.1;
- (M) "**Demerged Company Outstanding Amount**" shall mean the Total Outstanding Amount less the Resulting Company Outstanding Amount;
- (N) "**Demerged Undertaking**" shall mean the undertakings, business, activities and operations pertaining to the Power Business of the Demerged Company, on a going concern basis, and shall mean and include, without limitation:

- (a) all assets and properties of and required for the Power Business wherever situated, whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, including all funds, buildings, plants, machinery, equipment, buildings and structures, offices, all lands (whether leasehold or freehold), benefits of any rental agreements for use of premises, marketing offices, capital works in progress, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), computers, vehicles, D.G. sets, furniture, fixtures, office equipment, appliances, accessories, power lines, share of any joint assets, any finished goods and any facilities, cash and bank accounts (including bank balances), benefit of any deposits, financial assets, investments in IPL (as defined hereunder) and any other investment in any entity engaged in the Power Business, benefit of any bank guarantees, performance guarantees and letters of credit in relation to the Power Business, and all cash or cash equivalents appertaining or relating to the Power Business;
 - (b) all permits, quotas, rights, entitlements, industrial and other licenses, bids, tenders, letters of intent, expressions of interest, municipal permissions, approvals, consents, subsidies, tenancies in relation to the office and/or residential properties for the employees, benefit of any deposits, privileges, all other rights including sales tax deferrals and exemptions and other benefits, lease rights, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Power Business including distribution contracts and premises relating to the Power Business;
 - (c) all earnest moneys and/or security deposits paid by the Demerged Company in connection with or relating to the Power Business;
 - (d) all permanent employees engaged by the Demerged Company at various locations who perform functions related to the Power Business;
 - (e) all records, files, papers, engineering and process information, any computer programs, licenses for software, and any other software licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Power Business;
 - (f) advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Demerged Company in relation to the Power Business, including such trade names, service names and brands containing the "Indiabulls" mark, whether registered or unregistered, but excluding any other trade marks, service names or brands and excluding any patents, copyrights, designs, and other intellectual property rights; and
 - (g) all debts, borrowings, obligations and liabilities, both present and future, (including deferred tax liabilities, contingent liabilities and the Demerged Liabilities, as hereinafter defined, and obligations under any licenses or permits or schemes), whether secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheet of the Demerged Company, appertaining or relating to the Power Business.
- (O) "**Demerged Company Partly Paid-up Shares**" shall have the meaning set forth in Clause 21;
- (P) "**Demerger**" shall mean the transfer by way of demerger of the Demerged Undertaking of the Demerged Company to the Resulting Company pursuant to this Scheme and the consequent issue of equity shares and GDRs by the Resulting Company to the shareholders and GDR holders, respectively, of the Demerged Company and the cancellation of the existing shareholding of the Demerged Company in the Resulting Company, as set out in this Scheme;
- (Q) "**Demerger Record Date**" means the date to be fixed by the board of directors of the Demerged Company for the purpose of determining the equity shareholders of the Demerged Company to whom shares of the Resulting Company shall be allotted pursuant to the Demerger under this Scheme;

- (R) **"Deposit Agreement"** shall have the meaning ascribed to it in Clause 28 hereof;
- (S) **"Depositary"** shall mean Deutsche Bank Trust Company Americas, being the depositary for the IBREL GDRs;
- (T) **"Effective Date"** shall mean the last of the dates on which the conditions and matters referred to in Clause 85 hereof occur or have been fulfilled or waived;

References in this Scheme to the date of **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** shall mean the Effective Date;

- (U) **"Encumbrance"** shall mean any options, pledge, mortgage, hypothecation, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever;
- (V) **"First Amalgamated Company"** shall mean the Demerged Company, as it would exist following and consequent to the effectiveness of the Demerger in terms of Part II of this Scheme;
- (W) **"First Amalgamated Company Trust"** shall have the meaning set forth in Clause 47;
- (X) **"First Amalgamated Company Trust Deed"** shall have the meaning set forth in Clause 47;
- (Y) **"First Amalgamated Company Trustee"** shall have the meaning set forth in Clause 47;
- (Z) **"First Amalgamating Company"** shall mean Indiabulls Builders Limited having its registered office at F-60, Malhotra Building, Second Floor, Connaught Place, New Delhi – 110 001;
- (AA) **"First Amalgamation Share Exchange Ratio"** shall have the meaning ascribed to it in Clause 48;
- (BB) **"First Amalgamating Undertaking"** shall mean all the undertakings and entire business of the First Amalgamating Company as a going concern, including:
 - (a) all assets and properties of the First Amalgamating Company wherever situated, whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, including all funds, buildings, offices, all lands (whether leasehold or freehold), plants, machinery, equipment, buildings and structures, offices, benefits of any rental agreements for use of premises, marketing offices, capital works in progress, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), computers, vehicles, D.G. sets, furniture, fixtures, office equipment, appliances, accessories, power lines, share of any joint assets, any finished goods and any facilities, cash and bank accounts (including bank balances), benefit of any deposits, financial assets, investments, including investments in any form and in any entity, benefit of any bank guarantees, performance guarantees and letters of credit, and all cash or cash equivalents;
 - (b) all permits, quotas, rights, entitlements, industrial and other licenses, bids, tenders, letters of intent, expressions of interest, municipal permissions, approvals, consents, subsidies, tenancies in relation to the office and/or residential properties for employees, benefit of any deposits, privileges, all other rights including sales tax deferrals and exemptions and other benefits, lease rights, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all agreements, contracts and arrangements and all other interests;
 - (c) all earnest moneys and/or security deposits paid by the First Amalgamating Company;
 - (d) all permanent employees engaged by the First Amalgamating Company;

- (e) all records, files, papers, engineering and process information, any computer programs, licenses for software, and any other software licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form;
 - (f) advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the First Amalgamating Company; and
 - (g) all the present and future debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of the First Amalgamating Company of every kind, nature and description whatsoever and howsoever accruing or arising out of, and all loans and borrowings raised or incurred and utilized for its businesses, activities and operations, obligations under any licenses or permits and shall include the IBL Liabilities.
- (CC) "**Fractional Share Trustee**" shall have the meaning set forth in Clause 20;
- (DD) "**GDRs**" means global depositary receipts issued pursuant to the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depositary Receipt Mechanism) Scheme, 1993 and other applicable laws and where relevant shall include the underlying equity shares related thereto;
- (EE) "**IBL Employees**" shall mean all the permanent employees of the First Amalgamating Company employed as on the Effective Date;
- (FF) "**IBREL GDRs**" shall mean the GDRs issued by the Demerged Company pursuant to the deposit agreements executed by it with the Depositary (as amended from time to time) and as are outstanding as of the Demerger Record Date;
- (GG) "**NSE**" shall mean the National Stock Exchange of India Limited;
- (HH) "**Partly Paid-up Shares**" shall mean the Demerged Company Partly Paid-up Shares and/or the Resulting Company Partly Paid-up Shares, as the context may admit;
- (II) "**Power Business**" shall have the meaning set forth in Clause 1.7;
- (JJ) "**PPSL Employees**" shall mean all the permanent employees of the Second Amalgamating Company employed as on the Effective Date;
- (KK) "**Projects**" shall mean the: (a) Amravati Project; and (b) thermal power project in Sinnar village, Nasik District in the State of Maharashtra being undertaken by Indiabulls Power Limited. and its subsidiary, Indiabulls Realtech Limited;
- (LL) "**Remaining Business**" shall mean all the undertakings, businesses, activities, operations, assets and liabilities (including investments in listed and unlisted shares and securities and identified assets and bank balances) of the Demerged Company, other than those comprised in the Demerged Undertaking,
- (MM) "**Resulting Company**" shall mean Indiabulls Infrastructure and Power Limited having its registered office at E-29, First Floor, Connaught Place, New Delhi – 110 001;
- (NN) "**Resulting Company Depositary**" shall have the meaning set forth in Clause 28;
- (OO) "**Resulting Company Deposit Agreement**" shall have the meaning set forth in Clause 28;
- (PP) "**Resulting Company GDRs**" shall have the meaning set forth in Clause 28;

- (QQ) **"Resulting Company Partly Paid-up Shares"** shall have the meaning set forth in Clause 20;
- (RR) **"Resulting Company Outstanding Amount"** shall mean such amount as bears the same ratio to the Total Outstanding Amount as the net worth of the Demerged Undertaking bears to the total net worth of the Demerged Company immediately before the Appointed Date hereunder;
- (SS) **"Scheme"** shall mean this scheme of arrangement including any modification or amendment hereto, made in accordance with the terms hereof;
- (TT) **"Second Amalgamated Company ESOS Schemes"** shall mean the SPCL-IPSL Employees Stock Option Plan 2008 and the Indiabulls Power Limited Employees Stock Option Scheme - 2009;
- (UU) **"Second Amalgamated Company"** or **"IPL"** shall mean Indiabulls Power Limited. having its registered office at E-29, First Floor, Connaught Place, New Delhi – 110 001;
- (VV) **"Second Amalgamated Company Partly Paid-up Shares"** shall have the meaning set forth in Clause 75;
- (WW) **"Second Amalgamated Company Trust"** shall have the meaning set forth in Clause 68;
- (XX) **"Second Amalgamated Company Trust Deed"** shall have the meaning set forth in Clause 68;
- (YY) **"Second Amalgamated Company Trustee"** shall have the meaning set forth in Clause 68;
- (ZZ) **"Second Amalgamated Company Warrants"** shall have the meaning set forth in Clause 3.5;
- (AAA) **"Second Amalgamating Undertaking"** shall mean all the undertakings and entire business of the Second Amalgamating Company as a going concern, including:
- (a) all assets and properties of the Second Amalgamating Company wherever situated, whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, including all funds, buildings, offices, all lands (whether leasehold or freehold), plants, machinery, equipment, buildings and structures, offices, benefits of any rental agreements for use of premises, marketing offices, capital works in progress, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), computers, vehicles, D.G. sets, furniture, fixtures, office equipment, appliances, accessories, power lines, share of any joint assets, any finished goods and any facilities, cash and bank accounts (including bank balances), benefit of any deposits, financial assets, investments, including investments in any form and in any entity, benefit of any bank guarantees, performance guarantees and letters of credit, and all cash or cash equivalents;
 - (b) all permits, quotas, rights, entitlements, industrial and other licenses, bids, tenders, letters of intent, expressions of interest, municipal permissions, approvals, consents, subsidies, tenancies in relation to the office and/or residential properties for employees, benefit of any deposits, privileges, all other rights including sales tax deferrals and exemptions and other benefits, lease rights, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all agreements, contracts and arrangements and all other interests;
 - (c) all earnest moneys and/or security deposits paid by the Second Amalgamating Company;
 - (d) all permanent employees engaged by the Second Amalgamating Company;

- (e) all records, files, papers, engineering and process information, any computer programs, licenses for software, and any other software licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form;
- (f) advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Second Amalgamating Company, including such trade names, service names and brands containing the "Indiabulls" mark, whether registered or unregistered, but excluding any other trade marks, service names or brands and excluding any patents, copyrights, designs, and other intellectual property rights; and
- (g) all the present and future debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of the Second Amalgamating Company of every kind, nature and description whatsoever and howsoever accruing or arising out of, and all loans and borrowings raised or incurred and utilized for its businesses, activities and operations, obligations under any licenses or permits and shall include the PPSL Liabilities.

(BBB) "**Second Amalgamating Company**" or "**PPSL**" shall mean Poena Power Supply Limited having its registered office at E-29, First Floor, Connaught Place, New Delhi – 110 001;

(CCC) "**Second Amalgamation Share Exchange Ratio**" shall have the meaning ascribed to it in Clause 69;

(DDD) "**Second Amalgamated Company Outstanding Amount**" shall have the meaning ascribed to it in Clause 75;

(EEE) "**Share Entitlement Ratio**" shall have the meaning ascribed to it in Clause 20 hereof;

(FFF) "**Stock Exchanges**" means the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited;

(GGG) "**Total Consideration**" shall have the meaning ascribed to it in Clause 21 hereof;

(HHH) "**Total Outstanding Amount**" shall mean the amount payable for conversion of the Demerged Company Warrants which are outstanding and have not been exercised by the holders thereof into equity shares of the Demerged Company on the date immediately preceding issuance of the Demerged Company Partly Paid-up Shares;

(III) "**Wholesale Demerger Scheme**" shall have the meaning ascribed to it in Clause 1.2; and

(JJJ) "**Wholesale Trading Business**" shall have the meaning ascribed to it in Clause 1.2.

- 2.2. All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable law, rules, regulations, bye-laws, as the case may be, and any statutory modification or re-enactment thereof for the time being in force.
- 2.3. References to "Schedules", "Clauses", "Sections" and "Parts", unless otherwise stated, are references to schedules, clauses, sections and parts of this Scheme.
- 2.4. The headings herein shall not affect the construction of this Scheme.
- 2.5. The singular shall include the plural and vice versa; and references to one gender include all genders.
- 2.6. Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed without limitation.

2.7. References to a person shall include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).

3. Share Capital

3.1. Demerged Company

(i) The share capital structure of the Demerged Company as on January 14, 2011 was as follows:

Authorized Share Capital	Rupees
500,000,000 equity shares of Rs. 2/- each	1,000,000,000/-
30,000,000 preference shares of Rs. 138/- each	4,140,000,000/-
Total	5,140,000,000/-
Issued, Subscribed and Paid-up Share Capital	Rupees
402,242,239 equity shares of face value Rs. 2/- (Rupees Two Only) each*	804,484,478/-
Total	804,484,478/-

* includes 11,447,586 equity shares represented by IBREL GDRs.

- (ii) The Demerged Company has issued 28,700,000 warrants ("**Demerged Company Warrants**") which, upon exercise, would entitle the holders thereof to 28,700,000 equity shares of the Demerged Company. The exercise of such warrants would result in an increase in the issued, subscribed and paid-up equity share capital of the Demerged Company.
- (iii) The exercise of stock options, under the Demerged Company ESOS Schemes, would result in an increase in the issued, subscribed and paid-up equity share capital of the Demerged Company.
- (iv) The equity shares of the Demerged Company are listed on the Stock Exchanges. The IBREL GDRs representing the underlying equity shares of the Demerged Company are listed on Luxembourg Stock Exchange.

3.2. Resulting Company

(i) The share capital structure of the Resulting Company as on January 14, 2011 was as follows:

Authorized Share Capital	Rupees
500,000 equity shares of face value Rs. 10/- each	5,000,000/-
Total	5,000,000/-
Issued, Subscribed and Paid-up Share Capital	Rupees
50,000 equity shares of face value Rs. 10/- each	500,000/-
Total	500,000/-

(ii) The equity shares of the Resulting Company are, at present, not listed on any stock exchanges.

3.3. First Amalgamating Company

- (i) The share capital structure of the First Amalgamating Company as on January 14, 2011 was as follows:

Authorized Share Capital	Rupees
42,500,000 equity shares of face value Rs. 2/- each	85,000,000/-
Total	85,000,000/-
Issued, Subscribed and Paid-up Share Capital	Rupees
42,500,000 equity shares of face value Rs. 2/- each	85,000,000/-
Total	85,000,000/-

- (ii) The equity shares of the First Amalgamating Company are, at present, not listed on any stock exchanges.

3.4. Second Amalgamating Company

- (i) The share capital structure of the Second Amalgamating Company as on January 14, 2011 was as follows:

Authorized Share Capital	Rupees
202,500,000 equity shares of face value Re. 1/- each	202,500,000 /-
Total	202,500,000 /-
Issued, Subscribed and Paid-up Share Capital	Rupees
202,500,000 equity shares of face value Re. 1/- each	202,500,000 /-
Total	202,500,000 /-

- (ii) The equity shares of the Second Amalgamating Company are, at present, not listed on any stock exchanges.

3.5. Second Amalgamated Company

- (i) The share capital structure of the Second Amalgamated Company as on January 14, 2011 was as follows:

Authorized Share Capital	Rupees
5,000,000,000 equity shares of face value Rs. 10/- each	50,000,000,000/-
Total	50,000,000,000/-
Issued, Subscribed and Paid-up Share Capital	Rupees
2,022,710,746 equity shares of face value Rs. 10/- each	20,227,107,460/-
Total	20,227,107,460/-

- (ii) The Second Amalgamated Company has issued 420,000,000 warrants which, upon exercise, would entitle the holders thereof to 420,000,000 equity shares of the Second Amalgamated Company ("**Second Amalgamated Company Warrants**"). The exercise of such warrants may result in an increase in the issued, subscribed and paid-up equity share capital of the Second Amalgamated Company.
- (iii) The Second Amalgamated Company has outstanding stock options under the Second Amalgamated Company ESOS Schemes. The exercise of such options may result in an increase in the issued, subscribed and paid-up equity share capital of the Second Amalgamated Company.
- (iv) The equity shares of the Second Amalgamated Company are listed on the Stock Exchanges.

PART II – DEMERGER

SECTION 1 - TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING

4. Transfer of Assets

- 4.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Undertaking (including all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances of the Demerged Undertaking) shall, subject to the provisions of this Clause 4 in relation to the mode of transfer and vesting and pursuant to section 394 (2) of the Act and without any further act or deed, be demerged from the Demerged Company and be transferred to and vested in and be deemed to have been demerged from the Demerged Company and transferred to and vested in the Resulting Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the Resulting Company, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.
- 4.2. In respect of such of the assets of the Demerged Undertaking as are movable in nature or are otherwise capable of transfer by delivery of possession or by endorsement and delivery, the same shall be so transferred by the Demerged Company upon the coming into effect of the Scheme, and shall become the property of the Resulting Company as an integral part of the Demerged Undertaking with effect from the Appointed Date pursuant to the provisions of section 394 of the Act without requiring any deed or instrument of conveyance for transfer of the same, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.
- 4.3. In respect of such of the assets belonging to the Demerged Undertaking other than those referred to in Clause 4.2 above, the same shall, as more particularly provided in Clause 4.1 above, without any further act, instrument or deed, be demerged from the Demerged Company and transferred to and vested in and/or be deemed to be demerged from the Demerged Company and transferred to and vested in the Resulting Company upon the coming into effect of the Scheme and with effect from the Appointed Date pursuant to the provisions of section 391 to section 394 of the Act.
- 4.4. All assets, rights, title, interest and investments of the Demerged Company in relation to the Demerged Undertaking shall also, without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of section 391 to section 394 of the Act.

5. Transfer of contracts, deeds, etc.

- 5.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme including Clause 7, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertaking, to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favour, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.
- 5.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Resulting Company shall, under the provisions of Part II of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.

- 5.3. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Demerged Undertaking shall stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company. The Resulting Company shall make applications to any governmental authority as may be necessary in this behalf.
- 5.4. Without prejudice to the aforesaid, it is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking which the Demerged Company owns or to which the Demerged Company is a party cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as the transfer is effected.
6. **Transfer of Liabilities**
- 6.1. It is clarified that, upon the coming into effect of this Scheme, subject to Clause 7, all debts, liabilities, loans raised and used, obligations incurred, duties of any kind, nature or description (including contingent liabilities which arise out of the activities or operations of the Demerged Undertaking) of the Demerged Company as on the Appointed Date and relating to the Demerged Undertaking ("**Demerged Liabilities**") shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Effective Date and shall become the debts, liabilities, loans, obligations and duties of the Resulting Company which shall meet, discharge and satisfy the same.
- 6.2. Where any of the loans raised and used, debts, liabilities, duties and obligations of the Demerged Company as on the Appointed Date deemed to be transferred to the Resulting Company have been discharged by the Demerged Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company.
- 6.3. Upon the coming into effect of the Scheme, subject to Clause 7, all loans raised and used and all debts, liabilities, duties and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking with effect from the Appointed Date and prior to the Effective Date, subject to the terms of this Scheme, shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Resulting Company and shall become the loans, debts, liabilities, duties and obligations of the Resulting Company.
- 6.4. In so far as the existing Encumbrances in respect of the Demerged Liabilities are concerned, such Encumbrances shall, subject to Clause 7, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Demerged Undertaking which have been Encumbered in respect of the Demerged Liabilities as transferred to the Resulting Company pursuant to this Scheme. Provided that if any of the assets comprised in the Demerged Undertaking which are being transferred to the Resulting Company pursuant to this Scheme have not been Encumbered in respect of the Demerged Liabilities, such assets shall remain unencumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- 6.5. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business are concerned, subject to Clause 7, the Encumbrances over such assets relating to the Demerged Liabilities shall, as and from the Effective Date without any further act, instrument or deed be released and discharged from the obligations and Encumbrances relating to the same. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrances over such assets relating to any loans, borrowings or debentures or other debts or debt securities which are not transferred pursuant to this Scheme (and which shall continue with the Demerged Company), shall without any further act or deed be released from such Encumbrances and shall no longer be available as security in relation to such liabilities.

- 6.6. Without prejudice to the provisions of the foregoing Clauses and upon the effectiveness of the Scheme, the Demerged Company and the Resulting Company shall execute any instrument/s and/or document/s and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the respective Registrar of Companies to give formal effect to the above provisions, if required.
- 6.7. Upon the coming into effect of this Scheme, subject to Clause 7, the Resulting Company alone shall be liable to perform all obligations in respect of the Demerged Liabilities, which have been transferred to it in terms of this Scheme, and the Demerged Company shall not have any obligations in respect of such Demerged Liabilities.
- 6.8. It is expressly provided that, save as mentioned in this Clause 6, no other term or condition of the liabilities transferred to the Resulting Company as part of the Scheme is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- 6.9. Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause 6 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.
- 6.10. For the purposes of this Clause 6, the liabilities of the Demerged Company relating to the Demerged Undertaking shall include:
- (i) the liabilities which arise out of the activities or operations of the Demerged Undertaking;
 - (ii) the specific loans or borrowings (including debentures raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking); and
 - (iii) in cases other than those referred to in Clause 6.10 (i) or Clause 6.10 (ii) above, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the assets transferred pursuant to the Demerger bears to the total value of the assets of the Demerged Company immediately prior to the Effective Date.
7. In relation to existing obligations of the Demerged Company under the loan agreements for the Projects to contribute project equity, finance cost overruns in relation to the implementation phase of the Projects and meet debt service obligations, if any, the Demerged Company shall, unless otherwise agreed with the lenders in relation to such Projects, be responsible for fulfilling such obligations in the event that the Resulting Company (which shall be the primary obligor to the lenders in relation to such obligations) fails to fulfill the same. For the avoidance of doubt it is clarified that save as expressly contemplated herein, no obligations in relation to the Demerged Undertaking shall be retained with or assumed by the Demerged Company following the Demerger and further that the obligations of the Demerged Company under this Clause 7 shall be only to the extent that the aforesaid obligations are existing obligations of the Demerged Company as on the Effective Date which are transferred to the Resulting Company pursuant to this Scheme.
8. **Legal, taxation and other proceedings**
- 8.1. Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal), by or against the Demerged Company and relating to the Demerged Undertaking, under any statute, whether pending on the Appointed Date or which may be instituted any time thereafter, shall be continued and enforced by or against the Resulting Company after the Effective Date. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings against the Resulting Company. The Resulting Company shall be added as party to such proceedings and shall prosecute or defend such proceedings in co-operation with the Demerged Company.
- 8.2. If proceedings are taken against the Demerged Company in respect of the matters referred to in Clause 8.1 above, it shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company, and the latter shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

8.3. The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company referred to in Clause 8.1 above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company. Both companies shall make relevant applications in that behalf.

9. **Employees**

9.1. Upon the coming into effect of this Scheme, the Demerged Company Employees shall become the permanent employees of the Resulting Company with effect from the Appointed Date, and, subject to the provisions hereof, on terms and conditions not less favourable than those on which they are engaged by the Demerged Company in the Demerged Undertaking and without any interruption of, or break in, service as a result of the transfer of the Demerged Undertaking. The Resulting Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of the Demerged Company Employees with the Demerged Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

9.2. In so far as the existing benefits including provident fund, gratuity fund and superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Company *inter alia* for its employees (including employees of the Demerged Undertaking) are concerned (collectively referred to as the "**Demerged Company Funds**"), such proportion of the investments made in the Demerged Company Funds and liabilities which are referable to the Demerged Company Employees shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. The Demerged Company Funds shall, subject to the necessary approvals and permissions and at the discretion of the Resulting Company, either be continued as separate funds of the Resulting Company for the benefit of the employees of the Demerged Undertaking or be transferred to and merged with other similar funds of the Resulting Company. In the event that the Resulting Company does not have its own fund in respect of any of the aforesaid matters, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute in respect of the Demerged Company Employees to the Demerged Company Funds or discharge such liabilities of the Demerged Company, until such time that the Resulting Company creates its own fund, at which time the Demerged Company Funds, investments, contributions and liabilities pertaining to the Demerged Company Employees shall be transferred to the funds created by the Resulting Company.

9.3. In relation to any other fund created or existing for the benefit of the employees being transferred to the Resulting Company, the Resulting Company shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such Demerged Company Employees.

9.4. In so far as the existing benefits or funds created by the Demerged Company for the employees of the Remaining Business are concerned, the same shall continue and the Demerged Company shall continue to contribute to such benefits or funds in accordance with the provisions thereof, and such benefits or funds, if any, shall be held *inter alia* for the benefit of the employees of the Remaining Business.

9.5. In respect of the stock options granted under the Demerged Company ESOS Schemes, if any, in the hands of the employees of the Demerged Undertaking as on the Effective Date, it is hereby clarified that the options, if any, which have been granted but have not vested in such employees of the Demerged Undertaking as of the Effective Date would lapse. In such a case, the Resulting Company shall put in place suitable stock option schemes on terms and conditions not less favourable to such employees than those of the Demerged Company ESOS Schemes which shall be offered to such employees, if any, of the Demerged Undertaking whose options under the Demerged Company ESOS Schemes have lapsed pursuant to this Clause 9.5. The options under the Demerged Company ESOS Schemes which, as of the Effective Date, have been vested in employees of the Demerged Undertaking but have not been exercised, shall lapse within 90 (ninety) days after the Effective Date.

9.6. For the avoidance of doubt it is hereby clarified that upon the coming into effect of this Scheme, the options granted, under and pursuant to the Demerged Company ESOS Schemes to the employees of the Remaining Business as of the Effective Date would continue and the exercise price of such options would be suitably re-priced in order to compensate the employees for reduction in the intrinsic value of the Demerged Company pursuant to the demerger of the Demerged Undertaking.

- 9.7. The consent of the shareholders of the Demerged Company to this Scheme shall be deemed to be their consent in relation to all matters pertaining to the Demerged Company ESOS Schemes as described in this Scheme, including without limitation, for the purposes of effecting necessary modifications to the Demerged Company ESOS Schemes, creating and/or modifying the employee stock option scheme and all related matters. No further approval of the shareholders of the Demerged Company or any other person would be required in this connection.

SECTION 2 – CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

10. The Demerged Company, with effect from the Appointed Date and up to and including the Effective Date:
- (i) shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Demerged Undertaking and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Demerged Undertaking for and on account of, and in trust for, the Resulting Company;
 - (ii) all profits and income accruing to the Demerged Company from the Demerged Undertaking, and losses and expenditure or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), relating to the Demerged Undertaking for the period from the Appointed Date based on the accounts of the Demerged Company shall, for all purposes, be treated as the profits, income, losses or expenditure, as the case may be, of the Resulting Company; and
 - (iii) any of the rights, powers, authorities, privileges, attached, related or pertaining to the Demerged Undertaking exercised by the Demerged Company shall be deemed to have been exercised by the Demerged Company for and on behalf of, and in trust for and as an agent of the Resulting Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Demerged Undertaking that have been undertaken or discharged by the Demerged Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Resulting Company.
11. The Demerged Company undertakes that it shall preserve and carry on the business of the Demerged Undertaking with reasonable diligence and business prudence and shall not, upto and including the Effective Date, undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber the Demerged Undertaking or any part thereof unless:
- (i) the prior written consent of the board of directors of the Resulting Company has been obtained in relation to any of the above;
 - (ii) the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court; or
 - (iii) the same is expressly permitted by this Scheme.
12. From the date of filing of this Scheme with the High Court and upto and including the Effective Date, the Demerged Company and Resulting Company shall not, except in respect of outstanding options that may be exercised in terms of the Demerged Company ESOS Schemes, exercise of the Demerged Company Warrants or as provided herein, make any change in their respective capital structure in any manner either by any increase (including by way of issue of equity and/or preference shares on a rights basis or by way of a public issue, bonus shares and/or convertible debentures or otherwise), decrease, reduction, reclassification, sub-division, consolidation, re-organization, or in any other manner which may, in any way, affect the Share Entitlement Ratio (as defined hereunder), except with the prior approval of the board of directors of the Resulting Company or the Demerged Company respectively.
13. The transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking and the continuance of the proceedings by or against the Resulting Company under this Scheme shall not affect any transaction or proceedings already completed by the Demerged Company on or before the Appointed Date to the end and intent that, subject to the provisions of this Section 2, the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.

SECTION 3 – REMAINING BUSINESS

14. The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company subject to the provisions of this Scheme in relation to Encumbrances in favour of banks, lenders and/or financial institutions.
15. All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company after the Effective Date, which shall keep the Resulting Company fully indemnified in that behalf. Subject to the foregoing, the Demerged Company shall in no event be responsible or liable in relation to any other legal or other proceeding against the Resulting Company.
16. If proceedings are taken against the Resulting Company in respect of the matters referred to in Clause 15 above, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.
17. With effect from the Appointed Date and up to and including the Effective Date:
 - (i) the Demerged Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;
 - (ii) all profits accruing to the Demerged Company or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits or losses, as the case may be, of the Demerged Company;
 - (iii) all assets and properties acquired by the Demerged Company in relation to the Remaining Business on and after the Appointed Date shall belong to and continue to remain vested in the Demerged Company; and
 - (iv) all assets acquired and all liabilities incurred by the Demerged Company after the Appointed Date but prior to the Effective Date for operation of and in relation to the Demerged Undertaking shall also without any further act, instrument or deed stand transferred to and vested in or to be deemed to have been transferred to or vested in the Resulting Company upon the coming into effect of the Scheme, subject to the provisions of this Scheme in relation to Encumbrances in favour of lenders, banks and/or financial institutions.

SECTION 4 – REORGANISATION OF CAPITAL

18. The provisions of this Section 4 shall operate notwithstanding anything to the contrary in this Scheme.
19. In consideration of the transfer and vesting of the Demerged Undertaking in the Resulting Company in accordance with the provisions of this Scheme and as an integral part of this Scheme, the share capital of the Demerged Company and the Resulting Company shall be restructured and reorganised in the manner set out in Clause 20 to Clause 33 below.

20. (i) In consideration of the Demerger, including the transfer and vesting of the Demerged Undertaking in the Resulting Company pursuant to Section 1 of Part II of this Scheme, the Resulting Company shall, without any further act or deed, issue and allot to each member of the Demerged Company whose name is recorded in the register of members as a member of the Demerged Company on the Demerger Record Date, equity shares in the Resulting Company in the ratio of 2.95 (Two point Nine Five) equity shares in the Resulting Company of face value Rs. 2/- (Rupees Two Only) each credited as fully paid-up for every 1 (One) equity share of face value Rs. 2/- (Rupees Two Only) each fully paid up held by such member in the Demerged Company (the "**Share Entitlement Ratio**") as on the Demerger Record Date. It is clarified that the holders of the partly paid-up shares of the Demerged Company, if any, recorded in the register of members as a member of the Demerged Company on the Demerger Record Date shall also be issued partly paid-up shares in the Resulting Company in the Share Entitlement Ratio pursuant to this clause in accordance with this Scheme (such partly paid-up shares, the "**Resulting Company Partly Paid-up Shares**").
- (ii) If any shareholder of the Demerged Company becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of equity shares by the Resulting Company in accordance with Clause 20 (i) of this Scheme, the board of directors of the Resulting Company shall consolidate all such fractional entitlements and shall, without any further application, act, instrument or deed, issue and allot such consolidated equity shares directly to an individual trust or a board of trustees or a corporate trustee nominated by the Resulting Company (the "**Fractional Share Trustee**"), who shall hold such equity shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices and on such time or times, as the Fractional Share Trustee may in its sole discretion decide and on such sale pay to the Resulting Company, the net sale proceeds thereof and any additions and accretions, whereupon the Resulting Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Demerged Company in proportion to their respective fractional entitlements.
- (iii) As an integral part of the Scheme, upon the allotment of shares by the Resulting Company pursuant to the Scheme, the existing shareholding of the Demerged Company in the Resulting Company shall be cancelled. The reduction of share capital shall be undertaken in accordance with provisions of sections 100 to 103 of the Act and the Order of the High Court sanctioning the Scheme shall be deemed to be also the Order under section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital, and the provisions of section 101 of the Act shall not be applicable. Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add "And Reduced" as a suffix to its name.
21. (i) Upon the Effective Date, as an integral part of this Scheme, the Demerged Company Warrants which are outstanding and have not been exercised by the holders thereof shall, without any further act or deed, stand converted into partly paid-up equity shares in the Demerged Company, treated as paid up to the extent of the payment which has been made by the holders thereof on the Demerged Company Warrants. The partly paid-up equity shares issued by the Demerged Company shall entitle the holders thereof to exercise all rights available under the Act and applicable laws to a holder of partly paid-up shares, including rights as to dividend and voting rights proportional to the amount paid-up on such shares from time to time. Upon being made fully-paid up, such shares shall rank *pari passu* with the equity shares of the Demerged Company in all respects.
- (ii) Within 2 (two) days of the Effective Date, the Demerged Company shall issue and allot, to each holder of the Demerged Company Warrant which is outstanding and which has not been exercised by the holders thereof as on that date, partly paid-up equity shares in the Demerged Company in the ratio of 1 (one) partly paid-up equity share in the Demerged Company for every 1 (one) Demerged Company Warrant which is outstanding and which has not been exercised by the holders thereof as on the that date (the partly paid-up equity shares issued pursuant to this sub-clause, the "**Demerged Company Partly Paid-up Shares**"). Upon issuance of the Demerged Company Partly Paid-up Shares, the Demerged Company Warrants shall stand converted and shall not be exercisable.

- (iii) Simultaneously with the issuance of shares by the Resulting Company under Clause 42 (i) above, the Total Outstanding Amount payable for the Demerged Company Partly Paid-up Shares by the holders thereof shall stand reduced by an amount which bears the same proportion to the Total Outstanding Amount as the net worth of the Demerged Undertaking bears to the net worth of the Demerged Company immediately preceding the Appointed Date. The total amount payable for the Resulting Company Partly Paid-up Shares shall correspondingly be equivalent to the amount reduced from the Total Outstanding Amount pursuant to this Clause.
 - (iv) The Demerged Company and the Resulting Company shall make capital calls on the holders of the Partly Paid-up Shares in accordance with applicable law and as specified in Schedules I and II. The Partly Paid-up Shares shall become presently payable on the dates of such calls being made pursuant to Schedules I and II. The first call on the Partly Paid-up Shares shall be made on the same date as their allotment as set out in Schedules I and II.
 - (v) The Partly Paid-up Shares may be made fully paid up pursuant to, and as an integral part of, this Scheme by the payment of calls thereon by the holders thereof on or prior to the dates specified for such calls in Schedules I and II. For the avoidance of doubt it is clarified that the amount payable on the Demerged Company Partly Paid-up Shares shall be the Demerged Company Outstanding Amount and the amount payable on the Resulting Company Partly Paid-up Shares shall be the Resulting Company Outstanding Amount.
22. The shares issued to the members of the Demerged Company pursuant to Clause 20 above shall be issued in dematerialized form by the Resulting Company, unless otherwise notified in writing by the shareholders of the Demerged Company to the Resulting Company on or before such date as may be determined by the board of directors of the Resulting Company or a committee thereof. In the event that such notice has not been received by the Resulting Company in respect of any of the members of the Demerged Company, the shares shall be issued to such members in dematerialized form provided that the members of the Demerged Company shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required. It is only thereupon that the Resulting Company shall issue and directly credit the dematerialized securities to the account of such member with the shares of the Resulting Company. In the event that the Resulting Company has received notice from any member that shares are to be issued in certificate form or if any member has not provided the requisite details relating to the account with a depository participant or other confirmations as may be required, then the Resulting Company shall issue shares in certificate form to such member.
23. Equity shares to be issued by the Resulting Company pursuant to Clause 20 in respect of such of the equity shares of the Demerged Company which are held in abeyance under the provisions of section 206A of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by the Resulting Company.
24. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the board of directors or any committee thereof of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Demerger Record Date, to effectuate such a transfer in the Demerged Company as if such changes in registered holder were operative as on the Demerger Record Date, in order to remove any difficulties arising to the transferor of the share in the Resulting Company and in relation to the shares issued by the Resulting Company after the effectiveness of this Scheme. The board of directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Resulting Company on account of difficulties faced in the transaction period.
25. The equity shares to be issued and allotted by the Resulting Company in terms of Clause 20 above shall inter-se rank *pari passu* in all respects.
26. (i) Equity shares of the Resulting Company issued in terms of Clause 20 above shall, subject to receipt of necessary approvals, be listed and/or admitted to trading on the Stock Exchanges. The shares allotted pursuant to Part II of this Scheme shall remain frozen in the depositories system until listing/trading permission is given by the designated stock exchange.

- (ii) Until the listing of the equity shares of the Resulting Company with the Stock Exchanges, except as provided in this Scheme, including Part III hereof, there shall be no change in the shareholding pattern or control or pre-arrangement capital structure of the Resulting Company.
27. Unless otherwise determined by the board of directors or any committee thereof of the Demerged Company and the board of directors or any committee thereof of the Resulting Company, issuance of shares in terms of Clause 20 of this Scheme shall be done within 90 (ninety) days from the Effective Date, provided that the Demerged Company Partly Paid-up Shares shall be issued within 2 (two) days from the Effective Date.
28. (i) Upon the coming into effect of this Scheme and the issuance of shares in the Share Entitlement Ratio by the Resulting Company pursuant to the provisions of Clause 20 above, the Resulting Company shall issue an appropriate number of underlying shares, in accordance with the Share Entitlement Ratio, to the Depository. The Resulting Company and/or the Depository shall enter into appropriate arrangements with a depository (the "**Resulting Company Depository**") appointed by the Resulting Company pursuant to a deposit agreement entered into between the Resulting Company and the Resulting Company Depository (the "**Resulting Company Deposit Agreement**"), for the issuance, subject to the cash-out procedure described in Clause 31 being utilized, of GDRs representing such shares (the "**Resulting Company GDRs**") on a pro-rata basis to holders of the IBREL GDRs, in accordance with the deposit agreement entered into between the Demerged Company and the Depository (the "**Deposit Agreement**").
- (ii) The Resulting Company, the Resulting Company Depository, the Demerged Company and/or the Depository shall enter into such further documents and take such further actions as may be deemed necessary or appropriate by the Resulting Company and/or the Demerged Company and the Resulting Company Depository, including, but not limited to, amending the Deposit Agreement, disseminating to existing IBREL GDR holders certain notices, certifications and information containing details of the Scheme, the issuance of the Resulting Company GDRs and/or certain information relating to the Resulting Company and obtaining from the existing IBREL GDR holders, and providing to the Resulting Company and the Resulting Company Depository, certain information relating to the existing IBREL GDR holders.
29. If required by any regulations or laws, the Resulting Company GDRs issued pursuant to Clause 28 above shall be listed, in which event the same may be listed on the Luxembourg Stock Exchange and the Resulting Company shall take such additional steps and do all such acts, deeds and things as may be necessary for purposes of listing the Resulting Company GDRs.
30. The Resulting Company GDRs and the shares underlying the Resulting Company GDRs issued pursuant to this Scheme may not be registered under the Securities Act of 1933, as amended, of the United States of America ("**Securities Act**") as the distribution of the Resulting Company GDRs and the shares underlying the Resulting Company GDRs may not constitute an "offer to sell", "sale" or other disposition for value within the meaning of Section 2(3) of the Securities Act. The Resulting Company may elect, in its sole discretion, to also rely upon any applicable exemption from the registration requirements of the Securities Act or register the Resulting Company GDRs and the equity shares underlying the Resulting Company GDRs under the Securities Act.
31. If it is determined that it would be reasonably impracticable (including due to the fractions of Resulting Company GDRs or underlying shares which would arise, any requirement that the Company, the Depository and/or the Resulting Company Depository withhold any amount on taxes or other governmental charges or any requirement to register the Resulting Company GDRs or the underlying shares under the Securities Act) and/or unlawful for the Depository or the Resulting Company Depository, as applicable, to distribute Resulting Company GDRs or underlying shares to all or any holders of the IBREL GDRs, in accordance with Condition 6 of the terms and conditions of the IBREL GDRs as set out in the Deposit Agreement, the Depository shall sell the underlying shares received from the Resulting Company by public or private sale or otherwise at its discretion and the net sales proceeds (after the deduction of all taxes, fees and expenses incurred) shall be distributed to holders of IBREL GDRs entitled thereto in accordance with Condition 4, Condition 9 and Condition 11 of the terms and conditions of the IBREL GDRs as set out in the Deposit Agreement. The Resulting Company, the Resulting Company Depository, the Demerged Company and/or the Depository shall enter into such further documents and take such further actions as may be necessary or appropriate and to enable the actions contemplated herein. The Depository shall carry out the sale of shares in accordance with its normal practices and procedures and shall have no liability for: (i) any delays in the sale of the shares; or (ii) any fluctuations in the price of the shares between the issuance and sale of the shares.

32. It is clarified that the provisions of Clauses 28 to 31 above shall also be applicable to any further GDRs that the Demerged Company may issue prior to the Demerger Record Date.
33. **Authorised share capital of the Resulting Company**
- 33.1. Pursuant to the Scheme and upon its effectiveness, without any further act or deed, the authorised share capital of the Resulting Company shall stand sub-divided into 1,500,000,000 (One Billion Five Hundred Million) equity shares of face value Rs. 2/- (Rupees Two Only) each. The existing capital clause contained in the Memorandum of Association of the Resulting Company shall, upon the coming into effect of this Scheme without any further act or deed be replaced in the following manner:
- "V. The Authorised Capital of the Company is Rs. 3,000,000,000/- (Rupees Three Hundred Crore only) divided into 1500,000,000 (One Hundred Fifty Crore) Equity Shares of Rs.2/- (Rupees Two) each."*
- 33.2. It is hereby clarified that for the purposes of this Clause 33, the consent of the shareholders of the Resulting Company to the Scheme shall be deemed to be sufficient for amendment of the memorandum of association of the Resulting Company and no further resolutions under section 16, section 31, section 94 or any applicable provisions of the Act would be required to be separately passed.

SECTION 5 - GENERAL TERMS AND CONDITIONS

34. (i) **Accounting treatment in the books of the Demerged Company**
- (i) The Demerged Company shall transfer the Demerged Undertaking along with all its assets and liabilities transferred pursuant to this Scheme to the Resulting Company at their respective values as appearing in the books of the Demerged Company at the close of business of the day immediately preceding the Appointed Date.
- (ii) The investment in the Resulting Company shall stand cancelled.
- (iii) The Share Capital Account shall be credited with the amount to the extent computed as paid up in respect of the Demerged Company Partly Paid-up Shares issued pursuant to Clause 21 and corresponding amount shall be debited to the Share Warrant Account.
- (iv) After giving effect to Clause 34 (i) (c) above, the amount remaining in the Share Warrant Account shall be credited to the Securities Premium Account.
- (v) The net impact, of the assets and liabilities transferred, by the Demerged Company pursuant to sub-clause (a), (b) and (c) above, respectively, along with all cost, charges, levies and expenses (including stamp duty) in relation to or in connection with or incidental to this Scheme or the implementation thereof shall be adjusted to the securities premium account of the Demerged Company.
- (ii) **Reduction in share premium account**
- The reduction, if any, of the securities premium account pursuant to sub-clause 34 (i) (e) above, if any, shall be effected as an integral part of the Scheme itself in accordance with the provisions of section 78, sections 100 to 103 and any other applicable provisions of the Act. The same does not involve either diminution of liability in respect of unpaid capital or payment to any shareholder of any amount paid in respect of shares issued and the provisions of section 101 shall not be applicable. The order of the High Court sanctioning the Scheme shall be deemed to be an order under section 102 of the Act for the purposes of confirming the reduction.

35. **Accounting treatment in the books of the Resulting Company**

- (i) Upon the effectiveness of the Scheme and allotment of shares by the Resulting Company pursuant to the Scheme and pursuant to Clause 20 (i), the paid up share capital of Resulting Company shall be cancelled and reduced under section 100 of the Act to the extent of the shares held by the Demerged Company in the Resulting Company simultaneous with the issue of equity shares to the shareholders of the Demerged Company.
- (ii) On effectiveness of the Scheme and with effect from the Appointed Date:
 - (a) the Resulting Company shall record the assets and liabilities of the Demerged Undertaking of the Demerged Company vested in it pursuant to this Scheme, at their respective book values as appearing in the books of the Demerged Company, at the close of business of the day immediately preceding the Appointed Date.
 - (b) the Resulting Company shall credit the aggregate face value of the new equity shares issued by it to the shareholders of the Demerged Company pursuant to Clause 20 of this Scheme to the share capital account in its books of accounts.
 - (c) the amount to the extent computed as paid-up in respect of the Resulting Company Partly Paid-up Shares issued by the Resulting Company pursuant to Clause 20 shall be credited to the Share Capital Account.
 - (d) the difference, between the amounts credited to the share capital account and the book value of net assets as per sub-clause (a) above shall, after making an adjustment on account of cancellation of share capital pursuant to sub-clause (i) above, be debited by Resulting Company to its goodwill or credited to its capital reserves account, as the case may be.

PART III - AMALGAMATION OF THE FIRST AMALGAMATING COMPANY WITH THE FIRST AMALGAMATED COMPANY

Upon the occurrence of the Demerger pursuant to Part II of this Scheme, the Demerged Company shall be referred to as the "First Amalgamated Company", comprising the Remaining Business, for the purposes of this Part III.

SECTION 1 - TRANSFER AND VESTING OF THE FIRST AMALGAMATING UNDERTAKING

36. **Transfer of Assets**

- 36.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the First Amalgamating Undertaking of whatsoever nature and wheresoever situate shall, under the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any, without any further act or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the First Amalgamated Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the First Amalgamated Company.
- 36.2. In respect of such of the assets and properties of the First Amalgamating Undertaking as are movable in nature or are otherwise capable of transfer by delivery of possession or by endorsement and delivery, the same may be so transferred by the First Amalgamating Company upon the coming into effect of the Scheme, and shall become the assets and property of the First Amalgamated Company with effect from the Appointed Date pursuant to the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any, without requiring any deed or instrument of conveyance for transfer of the same.

- 36.3. In respect of such of the assets and properties belonging to the First Amalgamating Undertaking including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any governmental authority, quasi government, local or other authority or body or with any company or other person, other than those referred to in Clause 36.2 above, the same shall, as more particularly provided in Clause 36.1 above, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, be transferred to and vested in and/or be deemed to be transferred to and vested in the First Amalgamated Company upon the coming into effect of the Scheme and with effect from the Appointed Date pursuant to the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any.
- 36.4. All assets, rights, title, interest, investments and properties of the First Amalgamating Company in relation to the First Amalgamating Undertaking and any assets, right, title, interest, investments and properties acquired by the First Amalgamating Company after the Appointed Date but prior to the Effective Date in relation to the First Amalgamating Undertaking shall also, without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the First Amalgamated Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any.
- 36.5. All the licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including sales tax and service tax), subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the First Amalgamating Company and all rights and benefits that have accrued or which may accrue to either of the First Amalgamating Company, whether on, before or after the Appointed Date, including income tax benefits and exemptions shall, under the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the First Amalgamated Company so as to become licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the First Amalgamated Company and shall remain valid, effective and enforceable on the same terms and conditions.
37. **Transfer of contracts, deeds, etc.**
- 37.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which the First Amalgamating Company is a party or to the benefit of which the First Amalgamating Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favour, as the case may be, of the First Amalgamated Company and may be enforced as fully and effectually as if, instead of the First Amalgamating Company, the First Amalgamated Company had been a party or beneficiary or obligee thereto.
- 37.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the First Amalgamating Undertaking occurs by virtue of this Scheme itself, the First Amalgamated Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the First Amalgamating Company is a party or any writings as may be necessary in order to give formal effect to the above provisions. The First Amalgamated Company shall, under the provisions of Part III of this Scheme, be deemed to be authorised to execute any such writings on behalf of the First Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the First Amalgamating Company to be carried out or performed.
- 37.3. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the First Amalgamating Company in relation to the First Amalgamating Undertaking shall stand transferred to the First Amalgamated Company as if the same were originally given by, issued to or executed in favour of the First Amalgamated Company, and the First Amalgamated Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the First Amalgamated Company. The First Amalgamated Company shall make applications to any governmental authority as may be necessary in this behalf.

38. **Transfer of Liabilities**

- 38.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts, liabilities, loans raised and used, obligations incurred, duties of any kind, nature or description (including contingent liabilities) whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations along with any charge, encumbrance, lien or security thereon of the First Amalgamating Company ("**IBL Liabilities**") shall, pursuant to the sanction of this Scheme by the High Courts and under the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any, without any further act or deed, be and stand transferred to and be deemed to be transferred to the First Amalgamated Company to the extent that they are outstanding as on the Effective Date and shall become the debts, liabilities, loans, obligations and duties of on the same terms and conditions as were applicable to the First Amalgamating Company, and the First Amalgamated Company shall meet, discharge and satisfy the same. Further, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such IBL Liabilities have arisen in order to give effect to the provisions of this Clause.
- 38.2. All debts, liabilities, duties and obligations of the First Amalgamating Company shall, as on the Appointed Date, whether or not provided in the books of the First Amalgamating Company, and all debts and loans raised and used, and duties, liabilities and obligations incurred or which arise or accrue to the First Amalgamating Company on or after the Appointed Date until the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the First Amalgamated Company by virtue of this Scheme.
- 38.3. Where any of the loans raised and used, debts, liabilities, duties and obligations of the First Amalgamating Company as on the Appointed Date deemed to be transferred to the First Amalgamated Company have been discharged by the First Amalgamating Company prior to the Effective Date, such discharge shall be deemed to have been for and on account of the First Amalgamated Company.
- 38.4. All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the First Amalgamating Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the First Amalgamated Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of section 391 to section 394 of the Act, without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the First Amalgamated Company and shall become the loans and liabilities, duties and obligations of the First Amalgamated Company which shall meet, discharge and satisfy the same.
- 38.5. Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the First Amalgamating Company and the First Amalgamated Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf upon any party and the appropriate effect shall be given in the books of accounts and records of the First Amalgamated Company.
- 38.6. Without prejudice to the foregoing provisions of this Clause, upon the coming into effect of this Scheme, all debentures, bonds, notes or other debt securities and other instruments of like nature (whether convertible into equity shares or not), if any, of the First Amalgamating Company shall, under the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any, without any further act, instrument or deed, become the debt securities of the First Amalgamated Company on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and be deemed to have been transferred to and vested in and shall be exercised by or against the First Amalgamated Company to the same extent as if it were the issuer of the debt securities so transferred and vested. If the debt securities are listed on any stock exchange, the same shall, subject to applicable law and regulations, be listed and/or admitted to trading on the relevant stock exchanges in India where the debt securities were listed and/or admitted to trading, on the same terms and conditions, unless otherwise modified in accordance with applicable law.

- 38.7. All Encumbrances, if any, existing prior to the Effective Date over the assets of the First Amalgamating Company which secures or relate to the IBL Liabilities shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the First Amalgamated Company. Provided that if any of the assets of the First Amalgamating Company have not been Encumbered in respect of the IBL Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the First Amalgamated Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- 38.8. The existing Encumbrances over the other assets and properties of the First Amalgamated Company or any part thereof which relate to the liabilities and obligations of the First Amalgamated Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties transferred to and vested in the First Amalgamated Company by virtue of the Scheme.
- 38.9. Without prejudice to the provisions of the foregoing Clauses and upon the effectiveness of the Scheme, the First Amalgamating Company and the First Amalgamated Company shall execute any instrument/s and/or document/s and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the respective Registrar of Companies to give formal effect to the above provisions, if required.
- 38.10. Upon the coming into effect of this Scheme, the First Amalgamated Company alone shall be liable to perform all obligations in respect of the IBL Liabilities, which have been transferred to it in terms of this Scheme.
- 38.11. It is expressly provided that, save as mentioned in this Clause 38, no other term or condition of the liabilities transferred to the First Amalgamated Company as part of the Scheme is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- 38.12. Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause 38 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.
39. **Legal, taxation and other proceedings**
- Upon the coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal), whether pending and/ or arising on or before the Effective Date shall be continued and/ or enforced by or against the First Amalgamating Company, as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the First Amalgamated Company.
40. **Employees**
- 40.1. Upon the coming into effect of this Scheme, all IBL Employees as on the Effective Date shall become the permanent employees of the First Amalgamated Company, and, subject to the provisions hereof, on terms and conditions not less favourable than those on which they are engaged by the First Amalgamating Company and without any interruption of, or break in service as a result of the transfer of the First Amalgamating Undertaking. The First Amalgamated Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such IBL Employees and such benefits to which the IBL Employees are entitled in the First Amalgamating Company shall also be taken into account, and the First Amalgamating Company agrees and undertakes to pay the same as and when payable.

- 40.2. It is clarified that save as expressly provided for in this Scheme, the IBL Employees who become the employees of the First Amalgamated Company by virtue of this Scheme, shall be entitled to the employment policies and shall be entitled to avail of any schemes and benefits existing as on the Effective Date that may be applicable and available to any of the other employees of the First Amalgamated Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the First Amalgamated Company), unless otherwise determined by the First Amalgamated Company. The First Amalgamated Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the First Amalgamating Company with any employee of the First Amalgamating Company.
- 40.3. Insofar as the provident fund, gratuity fund, trusts, retirement fund or benefits and any other funds or benefits created by the First Amalgamating Company for the IBL Employees or to which the First Amalgamating Company is contributing for the benefit of the IBL Employees and other such funds, trusts, the benefits of which the IBL Employees enjoy (the "**IBL Funds**"), all the contributions made to such IBL Funds for the benefit of the IBL Employees and the investments made by the IBL Funds in relation to the IBL Employees shall be transferred to the First Amalgamated Company and shall be held for the benefit of the concerned IBL Employees. In the event the First Amalgamated Company has its own funds in respect of any of the IBL Funds, such contributions and investments shall, subject to the necessary approvals and permissions and at the discretion of the First Amalgamated Company, be transferred to the relevant funds of the First Amalgamated Company. In the event that the First Amalgamated Company does not have its own funds in respect of any of the above or if deemed appropriate by the First Amalgamated Company, the First Amalgamating Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the First Amalgamated Company creates its own funds, at which time the IBL Funds and the investments and contributions pertaining to the IBL Employees shall be transferred to the funds created by the First Amalgamated Company.
- 40.4. In relation to those IBL Employees for whom the First Amalgamating Company is making contributions to the government provident fund, the First Amalgamated Company shall stand substituted for the First Amalgamating Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such IBL Employees.

SECTION 2 – CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

41. The First Amalgamating Company, with effect from the Appointed Date and up to and including the Effective Date:
- (i) shall be deemed to have been carrying on and to be carrying on all business and activities relating to the First Amalgamating Undertaking and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the First Amalgamating Undertaking for and on account of, and in trust for, the First Amalgamated Company;
 - (ii) all profits and income accruing to the First Amalgamating Company from the First Amalgamating Undertaking, and losses and expenditure or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), relating to the First Amalgamating Undertaking shall, for all purposes, be treated as the profits, income, losses or expenditure, as the case may be, of the First Amalgamated Company; and
 - (iii) any of the rights, powers, authorities, privileges, attached, related or pertaining to the First Amalgamating Undertaking exercised by the First Amalgamating Company shall be deemed to have been exercised by the First Amalgamating Company for and on behalf of, and in trust for and as an agent of the First Amalgamated Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the First Amalgamating Undertaking that have been undertaken or discharged by the First Amalgamating Company shall be deemed to have been undertaken for and on behalf of and as an agent for the First Amalgamated Company.
42. The First Amalgamating Company undertakes that it shall preserve and carry on the business of the First Amalgamating Undertaking with reasonable diligence and business prudence and shall not, upto and including the Effective Date, undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber the First Amalgamating Undertaking or any part thereof unless:

- (i) the prior written consent of the board of directors of the First Amalgamated Company has been obtained in relation to any of the above;
 - (ii) the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court; or
 - (iii) the same is expressly permitted by this Scheme.
43. From the date of filing of this Scheme with the High Court and upto and including the Effective Date, the First Amalgamating Company and First Amalgamated Company shall not, except in respect of outstanding options that may be exercised in terms of the Demerged Company ESOS Schemes, exercise of the Demerged Company Warrants or as provided herein, make any change in their respective capital structure in any manner either by any increase (including by way of issue of equity and/or preference shares on a rights basis or by way of a public issue, bonus shares and/or convertible debentures or otherwise), decrease, reduction, reclassification, sub-division, consolidation, re-organization, or in any other manner which may, in any way, affect the First Amalgamation Share Exchange Ratio (as defined hereunder), except with the prior approval of the board of directors of the First Amalgamated Company or the First Amalgamating Company respectively.
44. The transfer and vesting of the assets, liabilities and obligations of the First Amalgamating Undertaking and the continuance of the proceedings by or against the First Amalgamated Company under this Scheme shall not affect any transaction or proceedings already completed by the First Amalgamating Company on or before the Appointed Date to the end and intent that, subject to the provisions of Section 2 of Part III of this Scheme, the First Amalgamated Company accepts all acts, deeds and things done and executed by and/or on behalf of the First Amalgamating Company as acts, deeds and things done and executed by and on behalf of the First Amalgamated Company.

SECTION 3 – REORGANISATION OF CAPITAL

45. The provisions of this Section 3 shall operate notwithstanding anything to the contrary in this Scheme.
46. In consideration of the transfer and vesting of the First Amalgamating Undertaking in the First Amalgamated Company in accordance with the provisions of this Scheme and as an integral part of this Scheme, the share capital of the First Amalgamating Company shall be restructured and reorganised in the manner set out in Clause 47 to Clause 55 below.
47. Notwithstanding anything to the contrary contained in this Scheme, 42,500,000 (Forty Two Million Five Hundred Thousand) equity shares held by the First Amalgamated Company in the First Amalgamating Company shall stand vested by virtue of this Scheme with effect from the date of the order of the High Court sanctioning the Scheme, and without any further act, instrument or deed, to an individual trustee or a board of trustees (including the survivors or survivor of any of the trustees comprising such board of trustees) or a corporate trustee, as the case may be (the "**First Amalgamated Company Trustee**") to have and to hold such shares in trust together with all additions or accretions thereto and all shares of the First Amalgamated Company in trust exclusively for the benefit of the First Amalgamated Company and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the instrument (the "**First Amalgamated Company Trust Deed**") establishing the aforesaid trust (the "**First Amalgamated Company Trust**"). It is proposed that the First Amalgamated Company Trustee may, subject however to the prevailing market conditions, sell, transfer or dispose of the shares held by it at such time or times and in such manner as may be proper in accordance with provisions of the First Amalgamated Company Trust Deed and shall remit the proceeds thereof to the First Amalgamated Company. The obligations of the First Amalgamated Company Trustees shall stand discharged and the First Amalgamated Company Trust shall stand terminated in accordance with the provisions of the First Amalgamated Company Trust Deed.

48. Upon giving effect to Clause 47 and in consideration of the transfer and vesting of the First Amalgamating Undertaking in the First Amalgamated Company pursuant to Part III of this Scheme, the First Amalgamated Company shall without any further application, act or deed, issue and allot to the equity shareholders of the First Amalgamating Company whose names are recorded in the register of members of the First Amalgamating Company on the Effective Date, in the ratio (the "**First Amalgamation Share Exchange Ratio**") of 1 (One) equity share in the First Amalgamated Company of face value Rs. 2/- (Rupees Two Only) credited as fully paid up for every 1 (One) equity shares of face value Rs. 2/- (Rupees Two Only) each fully paid up held by such member in the First Amalgamating Company on the Effective Date.
49. The shares issued to the members of the First Amalgamating Company pursuant to Clause 48 above shall be issued in dematerialized form by the First Amalgamated Company, unless otherwise notified in writing by the shareholders of the First Amalgamating Company to the First Amalgamated Company on or before such date as may be determined by the board of directors of the First Amalgamated Company or a committee thereof. In the event that such notice has not been received by the First Amalgamated Company in respect of any of the members of the First Amalgamating Company, the shares shall be issued to such members in dematerialized form provided that the members of the First Amalgamating Company shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required. It is only thereupon that the First Amalgamated Company shall issue and directly credit the dematerialized securities to the account of such member with the shares of the First Amalgamated Company. In the event that the First Amalgamated Company has received notice from any member that shares are to be issued in certificate form or if any member has not provided the requisite details relating to the account with a depository participant or other confirmations as may be required, then the First Amalgamated Company shall issue shares in certificate form to such member.
50. If any shareholder of the First Amalgamating Company becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of equity shares by the First Amalgamated Company in accordance with Clause 48 of this Scheme, the board of directors of the First Amalgamated Company shall consolidate all such fractional entitlements and shall, without any further application, act, instrument or deed, issue and allot such consolidated equity shares directly to the First Amalgamated Company Trustee, who shall hold such equity shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices and on such time or times, as the First Amalgamated Company Trustee may in its sole discretion decide and on such sale pay to the First Amalgamated Company, the net sale proceeds thereof and any additions and accretions, whereupon the First Amalgamated Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the First Amalgamating Company in proportion to their respective fractional entitlements.
51. Equity shares to be issued by the First Amalgamated Company pursuant to Clause 48 in respect of such of the equity shares of the First Amalgamating Company which are held in abeyance under the provisions of section 206A of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by the First Amalgamated Company.
52. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the First Amalgamating Company, the board of directors of the First Amalgamated Company or any committee thereof shall be empowered in appropriate cases, prior to or even subsequent to the Effective Date, to effectuate such a transfer in the First Amalgamated Company as if such changes in registered holder were operative as on the Effective Date, in order to remove any difficulties arising to the transferor of the share in the First Amalgamating Company and in relation to the shares issued by the First Amalgamating Company after the effectiveness of this Scheme. The board of directors of the First Amalgamated Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the First Amalgamated Company on account of difficulties faced in the transaction period.
53. The equity shares to be issued and allotted by the First Amalgamated Company in terms of Clause 48 above shall inter-se rank *pari passu* in all respects.
54. (i) Equity shares of the First Amalgamated Company issued in terms of Clause 48 above shall, subject to the receipt of necessary approvals, be listed and/or admitted to trading on the Stock Exchanges. The shares allotted pursuant to Part III of this Scheme shall remain frozen in the depositories system until listing/trading permission is given by the designated stock exchange.

- (ii) Until the listing of the equity shares of the First Amalgamated Company with the Stock Exchanges, except as provided in this Scheme, including this Part III, there shall be no change in the shareholding pattern or control or pre-arrangement capital structure of the First Amalgamated Company.

55. Unless otherwise determined by the board of directors or any committee thereof of the First Amalgamated Company and the board of directors or any committee thereof of the First Amalgamating Company, issuance of shares in terms of Clause 48 of this Scheme shall be done within 90 (ninety) days from the Effective Date.

SECTION 4 - GENERAL TERMS AND CONDITIONS

56. Accounting treatment in the books of the First Amalgamated Company

Upon the Effective Date, the First Amalgamated Company shall account for the amalgamation in its books of accounts as under:

- (i) All the assets and liabilities of the First Amalgamating Company transferred to the First Amalgamated Company shall become the assets and liabilities of the First Amalgamated Company and shall be recorded at their book values as appearing in the books of the First Amalgamating Company.
- (ii) All the reserves of the First Amalgamating Company shall be recorded in the books of the First Amalgamated Company in the same form in which they appeared in the books of the First Amalgamating Company.
- (iii) The First Amalgamated Company shall credit to its share capital account, the aggregate face value of the equity shares issued by it pursuant to this Scheme.
- (iv) The difference between the amount recorded as share capital issued by the First Amalgamated Company (plus any additional consideration in the form of cash or other assets) and the amount of share capital of the First Amalgamating Company shall be adjusted in reserves in the books of the First Amalgamated Company.
- (v) In case of any differences in accounting policies between the First Amalgamated Company and the First Amalgamating Company, the impact of the same until the Appointed Date shall be computed in accordance with Accounting Standard AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies, and adjusted in the reserves of the First Amalgamated Company

PART IV - AMALGAMATION OF THE SECOND AMALGAMATING COMPANY WITH THE SECOND AMALGAMATED COMPANY

SECTION 1 - TRANSFER AND VESTING OF THE SECOND AMALGAMATING UNDERTAKING

57. Transfer of Assets

57.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Second Amalgamating Undertaking of whatsoever nature and wheresoever situate shall, under the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any, without any further act or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Second Amalgamated Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the Second Amalgamated Company.

57.2. In respect of such of the assets and properties of the Second Amalgamating Undertaking as are movable in nature or are otherwise capable of transfer by delivery of possession or by endorsement and delivery, the same may be so transferred by the Second Amalgamating Company upon the coming into effect of the Scheme, and shall become the assets and property of the Second Amalgamated Company with effect from the Appointed Date pursuant to the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any, without requiring any deed or instrument of conveyance for transfer of the same.

- 57.3. In respect of such of the assets and properties belonging to the Second Amalgamating Undertaking including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any governmental authority, quasi government, local or other authority or body or with any company or other person, other than those referred to in Clause 57.2 above, the same shall, as more particularly provided in Clause 57.1 above, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, be transferred to and vested in and/or be deemed to be transferred to and vested in the Second Amalgamated Company upon the coming into effect of the Scheme and with effect from the Appointed Date pursuant to the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any.
- 57.4. All assets, rights, title, interest, investments and properties of the Second Amalgamating Company in relation to the Second Amalgamating Undertaking and any assets, right, title, interest, investments and properties acquired by the Second Amalgamating Company after the Appointed Date but prior to the Effective Date in relation to the Second Amalgamating Undertaking shall also, without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Second Amalgamated Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any.
- 57.5. All the licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including sales tax and service tax), subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Second Amalgamating Company and all rights and benefits that have accrued or which may accrue to either of the Second Amalgamating Company, whether on, before or after the Appointed Date, including income tax benefits and exemptions shall, under the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Second Amalgamated Company so as to become licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Second Amalgamated Company and shall remain valid, effective and enforceable on the same terms and conditions.
58. **Transfer of contracts, deeds, etc.**
- 58.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which the Second Amalgamating Company is a party or to the benefit of which the Second Amalgamating Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favour, as the case may be, of the Second Amalgamated Company and may be enforced as fully and effectually as if, instead of the Second Amalgamating Company, the Second Amalgamated Company had been a party or beneficiary or obligee thereto.
- 58.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Second Amalgamating Undertaking occurs by virtue of this Scheme itself, the Second Amalgamated Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Second Amalgamating Company is a party or any writings as may be necessary in order to give formal effect to the above provisions. The Second Amalgamated Company shall, under the provisions of Part IV of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Second Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Second Amalgamating Company to be carried out or performed.
- 58.3. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Second Amalgamating Company in relation to the Second Amalgamating Undertaking shall stand transferred to the Second Amalgamated Company as if the same were originally given by, issued to or executed in favour of the Second Amalgamated Company, and the Second Amalgamated Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Second Amalgamated Company. The Second Amalgamated Company shall make applications to any governmental authority as may be necessary in this behalf.

59. **Transfer of Liabilities**

- 59.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts, liabilities, loans raised and used, obligations incurred, duties of any kind, nature or description (including contingent liabilities) whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations along with any charge, encumbrance, lien or security thereon of the Second Amalgamating Company ("**PPSL Liabilities**") shall, pursuant to the sanction of this Scheme by the High Courts and under the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Second Amalgamated Company to the extent that they are outstanding as on the Effective Date and shall become the debts, liabilities, loans, obligations and duties of on the same terms and conditions as were applicable to the Second Amalgamating Company, and the Second Amalgamated Company shall meet, discharge and satisfy the same. Further, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such PPSL Liabilities have arisen in order to give effect to the provisions of this Clause.
- 59.2. All debts, liabilities, duties and obligations of the Second Amalgamating Company shall, as on the Appointed Date, whether or not provided in the books of the Second Amalgamating Company, and all debts and loans raised and used, and duties, liabilities and obligations incurred or which arise or accrue to the Second Amalgamating Company on or after the Appointed Date until the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the Second Amalgamated Company by virtue of this Scheme.
- 59.3. Where any of the loans raised and used, debts, liabilities, duties and obligations of the Second Amalgamating Company as on the Appointed Date deemed to be transferred to the Second Amalgamated Company have been discharged by the Second Amalgamating Company prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Second Amalgamated Company.
- 59.4. All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Second Amalgamating Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Second Amalgamated Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of section 391 to section 394 of the Act, without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Second Amalgamated Company and shall become the loans and liabilities, duties and obligations of the Second Amalgamated Company which shall meet, discharge and satisfy the same.
- 59.5. Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Second Amalgamating Company and the Second Amalgamated Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf upon any party and the appropriate effect shall be given in the books of accounts and records of the Second Amalgamated Company.
- 59.6. Without prejudice to the foregoing provisions of this Clause, upon the coming into effect of this Scheme, all debentures, bonds, notes or other debt securities and other instruments of like nature (whether convertible into equity shares or not), if any, of the Second Amalgamating Company shall, under the provisions of section 391 to section 394 of the Act and all other provisions of applicable law, if any, without any further act, instrument or deed, become the debt securities of the Second Amalgamated Company on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and be deemed to have been transferred to and vested in and shall be exercised by or against the Second Amalgamated Company to the same extent as if it were the issuer of the debt securities so transferred and vested. If the debt securities are listed on any stock exchange, the same shall, subject to applicable law and regulations, be listed and/or admitted to trading on the relevant stock exchanges in India where the debt securities were listed and/or admitted to trading, on the same terms and conditions, unless otherwise modified in accordance with applicable law.

- 59.7. All Encumbrances, if any, existing prior to the Effective Date over the assets of the Second Amalgamating Company which secures or relate to the PPSL Liabilities shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Second Amalgamated Company. Provided that if any of the assets of the Second Amalgamating Company have not been Encumbered in respect of the PPSL Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Second Amalgamated Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- 59.8. The existing Encumbrances over the other assets and properties of the Second Amalgamated Company or any part thereof which relate to the liabilities and obligations of the Second Amalgamated Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties transferred to and vested in the Second Amalgamated Company by virtue of the Scheme.
- 59.9. Without prejudice to the provisions of the foregoing Clauses and upon the effectiveness of the Scheme, the Second Amalgamating Company and the Second Amalgamated Company shall execute any instrument/s and/or document/s and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the respective Registrar of Companies to give formal effect to the above provisions, if required.
- 59.10. Upon the coming into effect of this Scheme, the Second Amalgamated Company alone shall be liable to perform all obligations in respect of the PPSL Liabilities, which have been transferred to it in terms of this Scheme.
- 59.11. It is expressly provided that, save as mentioned in this Clause 59, no other term or condition of the liabilities transferred to the Second Amalgamated Company as part of the Scheme is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- 59.12. Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause 59 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

60. **Legal, taxation and other proceedings**

Upon the coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal), whether pending and/ or arising on or before the Effective Date shall be continued and/ or enforced by or against the Second Amalgamating Company, as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Second Amalgamated Company.

61. **Employees**

- 61.1. Upon the coming into effect of this Scheme, all PPSL Employees as on the Effective Date shall become the permanent employees of the Second Amalgamated Company, and, subject to the provisions hereof, on terms and conditions not less favourable than those on which they are engaged by the Second Amalgamating Company and without any interruption of, or break in service as a result of the transfer of the Second Amalgamating Undertaking. The Second Amalgamated Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such PPSL Employees and such benefits to which the PPSL Employees are entitled in the Second Amalgamating Company shall also be taken into account, and the Second Amalgamating Company agrees and undertakes to pay the same as and when payable.

- 61.2. It is clarified that save as expressly provided for in this Scheme, the PPSL Employees who become the employees of the Second Amalgamated Company by virtue of this Scheme, shall be entitled to the employment policies and shall be entitled to avail of any schemes and benefits existing as on the Effective Date that may be applicable and available to any of the other employees of the Second Amalgamated Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Second Amalgamated Company), unless otherwise determined by the Second Amalgamated Company. The Second Amalgamated Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Second Amalgamating Company with any employee of the Second Amalgamating Company.
- 61.3. Insofar as the provident fund, gratuity fund, trusts, retirement fund or benefits and any other funds or benefits created by the Second Amalgamating Company for the PPSL Employees or to which the Second Amalgamating Company is contributing for the benefit of the PPSL Employees and other such funds, trusts, the benefits of which the PPSL Employees enjoy (the "PPSL Funds"), all the contributions made to such PPSL Funds for the benefit of the PPSL Employees and the investments made by the PPSL Funds in relation to the PPSL Employees shall be transferred to the Second Amalgamated Company and shall be held for the benefit of the concerned PPSL Employees. In the event the Second Amalgamated Company has its own funds in respect of any of the PPSL Funds, such contributions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Second Amalgamated Company, be transferred to the relevant funds of the Second Amalgamated Company. In the event that the Second Amalgamated Company does not have its own funds in respect of any of the above or if deemed appropriate by the Second Amalgamated Company, the Second Amalgamating Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Second Amalgamated Company creates its own funds, at which time the PPSL Funds and the investments and contributions pertaining to the PPSL Employees shall be transferred to the funds created by the Second Amalgamated Company.
- 61.4. In relation to those PPSL Employees for whom the Second Amalgamating Company is making contributions to the government provident fund, the Second Amalgamated Company shall stand substituted for the Second Amalgamating Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such PPSL Employees.

SECTION 2 – CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

62. (i) The Second Amalgamating Company, with effect from the Appointed Date and up to and including the Effective Date:
- (ii) shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Second Amalgamating Undertaking and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Second Amalgamating Undertaking for and on account of, and in trust for, the Second Amalgamated Company;
- (iii) all profits and income accruing to the Second Amalgamating Company from the Second Amalgamating Undertaking, and losses and expenditure or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), relating to the Second Amalgamating Undertaking shall, for all purposes, be treated as the profits, income, losses or expenditure, as the case may be, of the Second Amalgamated Company; and
- (iv) any of the rights, powers, authorities, privileges, attached, related or pertaining to the Second Amalgamating Undertaking exercised by the Second Amalgamating Company shall be deemed to have been exercised by the Second Amalgamating Company for and on behalf of, and in trust for and as an agent of the Second Amalgamated Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Second Amalgamating Undertaking that have been undertaken or discharged by the Second Amalgamating Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Second Amalgamated Company.
63. The Second Amalgamating Company undertakes that it shall preserve and carry on the business of the Second Amalgamating Undertaking with reasonable diligence and business prudence and shall not, upto and including the Effective Date, undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber the Second Amalgamating Undertaking or any part thereof unless:

- (i) the prior written consent of the board of directors of the Second Amalgamated Company has been obtained in relation to any of the above;
 - (ii) the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court; or
 - (iii) the same is expressly permitted by this Scheme.
64. From the date of filing of this Scheme with the High Court and upto and including the Effective Date, the Second Amalgamating Company and Second Amalgamated Company shall not, except in respect of outstanding options that may be exercised in terms of the Second Amalgamated Company ESOS Schemes, exercise of the Second Amalgamated Company Warrants or as provided herein, make any change in their respective capital structure in any manner either by any increase (including by way of issue of equity and/or preference shares on a rights basis or by way of a public issue, bonus shares and/or convertible debentures or otherwise), decrease, reduction, reclassification, sub-division, consolidation, re-organization, or in any other manner which may, in any way, affect the Second Amalgamation Share Exchange Ratio (as defined hereunder), except with the prior approval of the board of directors of the Second Amalgamated Company or the Second Amalgamating Company respectively.
65. The transfer and vesting of the assets, liabilities and obligations of the Second Amalgamating Undertaking and the continuance of the proceedings by or against the Second Amalgamated Company under this Scheme shall not affect any transaction or proceedings already completed by the Second Amalgamating Company on or before the Appointed Date to the end and intent that, subject to the provisions of this Section 2, the Second Amalgamated Company accepts all acts, deeds and things done and executed by and/or on behalf of the Second Amalgamating Company as acts, deeds and things done and executed by and on behalf of the Second Amalgamated Company.

SECTION 3 – REORGANISATION OF CAPITAL

66. The provisions of this Section 3 shall operate notwithstanding anything to the contrary in this Scheme.
67. In consideration of the transfer and vesting of the Second Amalgamating Undertaking in the Second Amalgamated Company in accordance with the provisions of this Scheme and as an integral part of this Scheme, the share capital of the Second Amalgamating Company shall be restructured and reorganised in the manner set out in Clause 68 to Clause 76 below.
68. Notwithstanding anything to the contrary contained in this Scheme, 202,500,000 (Two Hundred and Two Million Five Hundred Thousand) equity shares held by the Second Amalgamated Company in the Second Amalgamating Company shall stand vested by virtue of this Scheme with effect from the date of the order of the High Court sanctioning the Scheme, and without any further act, instrument or deed, to an individual trustee or a board of trustees (including the survivors or survivor of any of the trustees comprising such board of trustees) or a corporate trustee, as the case may be (the "**Second Amalgamated Company Trustee**") to have and to hold such shares in trust together with all additions or accretions thereto and all shares of the Second Amalgamated Company in trust exclusively for the benefit of the Second Amalgamated Company and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the instrument (the "**Second Amalgamated Company Trust Deed**") establishing the aforesaid trust (the "**Second Amalgamated Company Trust**"). It is proposed that the Second Amalgamated Company Trustee may, subject however to the prevailing market conditions, sell, transfer or dispose of the shares held by it at such time or times and in such manner as may be proper in accordance with provisions of the Second Amalgamated Company Trust Deed and shall remit the proceeds thereof to the Second Amalgamated Company. The obligations of the Second Amalgamated Company Trustees shall stand discharged and the Second Amalgamated Company Trust shall stand terminated in accordance with the provisions of the Second Amalgamated Company Trust Deed.

69. Upon giving effect to Clause 68 and in consideration of the transfer and vesting of the Second Amalgamating Undertaking in the Second Amalgamated Company pursuant to Part IV of this Scheme, the Second Amalgamated Company shall without any further application, act or deed, issue and allot to the equity shareholders of the Second Amalgamating Company whose names are recorded in the register of members of the Second Amalgamating Company, on the Effective Date, in the ratio (the "**Second Amalgamation Share Exchange Ratio**") of 1 (One) equity share in the Second Amalgamated Company of face value Rs. 10/- (Rupees Ten Only) credited as fully paid up for every 1 (One) equity share of face value Re. 1/- (Rupee One Only) each fully paid up held by such member in the Second Amalgamating Company on the Effective Date.
70. The shares issued to the members of the Second Amalgamating Company pursuant to Clause 69 above shall be issued in dematerialized form by the Second Amalgamated Company, unless otherwise notified in writing by the shareholders of the Second Amalgamating Company to the Second Amalgamated Company on or before such date as may be determined by the board of directors of the Second Amalgamated Company or a committee thereof. In the event that such notice has not been received by the Second Amalgamated Company in respect of any of the members of the Second Amalgamating Company, the shares shall be issued to such members in dematerialized form provided that the members of the Second Amalgamating Company shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required. It is only thereupon that the Second Amalgamated Company shall issue and directly credit the dematerialized securities to the account of such member with the shares of the Second Amalgamated Company. In the event that the Second Amalgamated Company has received notice from any member that shares are to be issued in certificate form or if any member has not provided the requisite details relating to the account with a depository participant or other confirmations as may be required, then the Second Amalgamated Company shall issue shares in certificate form to such member.
71. If any shareholder of the Second Amalgamating Company becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of equity shares by the Second Amalgamated Company in accordance with Clause 69 of this Scheme, the board of directors of the Second Amalgamated Company shall consolidate all such fractional entitlements and shall, without any further application, act, instrument or deed, issue and allot such consolidated equity shares directly to the Second Amalgamated Company Trustee, who shall hold such equity shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices and on such time or times, as the Second Amalgamated Company Trustee may in its sole discretion decide and on such sale pay to the Second Amalgamated Company, the net sale proceeds thereof and any additions and accretions, whereupon the Second Amalgamated Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Second Amalgamating Company in proportion to their respective fractional entitlements.
72. Equity shares to be issued by the Second Amalgamated Company pursuant to Clause 69 in respect of such of the equity shares of the Second Amalgamating Company which are held in abeyance under the provisions of section 206A of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by the Second Amalgamated Company.
73. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Second Amalgamating Company, the board of directors of the Second Amalgamated Company or any committee thereof shall be empowered in appropriate cases, prior to or even subsequent to the Effective Date, to effectuate such a transfer in the Second Amalgamated Company as if such changes in registered holder were operative as on the Effective Date, in order to remove any difficulties arising to the transferor of the share in the Second Amalgamating Company and in relation to the shares issued by the Second Amalgamating Company after the effectiveness of this Scheme. The board of directors of the Second Amalgamated Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Second Amalgamated Company on account of difficulties faced in the transaction period.
74. The equity shares to be issued and allotted by the Second Amalgamated Company in terms of Clause 69 above shall inter-se rank *pari passu* in all respects.

75. (i) Upon the Effective Date, as an integral part of this Scheme, the Second Amalgamated Company Warrants which are outstanding and have not been exercised by the holders thereof shall, without any further act or deed, stand converted into partly paid-up equity shares in the Second Amalgamated Company, treated as paid up to the extent of the payment which has been made by the holders thereof on the Second Amalgamated Company Warrants. The partly paid-up equity shares issued by the Second Amalgamated Company shall entitle the holders thereof to exercise all rights available under the Act and applicable laws to a holder of partly paid-up shares, including rights as to dividend and voting rights proportional to the amount paid-up on such shares from time to time. Upon being made fully-paid up, such shares shall rank *pari passu* with the equity shares of the Second Amalgamated Company in all respects.
- (ii) Within 2 (two) days of the Effective Date, the Second Amalgamated Company shall issue and allot, to each holder of the Second Amalgamated Company Warrant which is outstanding and which has not been exercised by the holders thereof as on the Effective Date, partly paid-up equity shares in the Second Amalgamated Company in the ratio of 1 (one) partly paid-up equity share in the Second Amalgamated Company for every 1 (one) Second Amalgamated Company Warrant which is outstanding and which has not been exercised by the holders thereof as on that date (the partly paid-up equity shares issued pursuant to this sub-clause, the "**Second Amalgamated Company Partly Paid-up Shares**"). Upon issuance of the Second Amalgamated Company Partly Paid-up Shares, the Second Amalgamated Company Warrants shall stand converted and shall not be exercisable.
- (iii) The Second Amalgamated Company shall make capital calls on the holders of the Second Amalgamated Company Partly Paid-up Shares in accordance with applicable law and as specified in Schedule III. The Second Amalgamated Company Partly Paid-up Shares shall become presently payable on the dates of such calls being made pursuant to Schedule III.
- (iv) The Second Amalgamated Company Partly Paid-up Shares may be made fully paid up pursuant to, and as an integral part of, this Scheme by the payment of calls thereon by the holders of the Second Amalgamated Company Partly Paid-up Shares on or prior to the dates specified for such calls specified in Schedule III. For the avoidance of doubt, it is clarified that the amount payable on the Second Amalgamated Company Partly Paid-up Shares shall be such amount as is required to be paid (excluding amounts already paid) for conversion of the Second Amalgamated Company Warrants into equity shares of the Second Amalgamated Company as on the date of issuance of the Second Amalgamated Company Partly Paid-up Shares ("**Second Amalgamated Company Outstanding Amount**").
76. (i) Equity shares of the Second Amalgamated Company issued in terms of Clause 69 above shall, subject to receipt of necessary approvals, be listed and/or admitted to trading on the Stock Exchanges. The shares allotted pursuant to Part IV of this Scheme shall remain frozen in the depositories system until listing/trading permission is given by the designated stock exchange.
- (ii) Until the listing of the equity shares of the Second Amalgamated Company with the Stock Exchanges, except as provided in this Scheme, including this Part IV, there shall be no change in the shareholding pattern or control or pre-arrangement capital structure of the Second Amalgamated Company.
77. Unless otherwise determined by the board of directors or any committee thereof of the Second Amalgamated Company and the board of directors or any committee thereof of the Second Amalgamating Company, issuance of shares in terms of Clause 69 and Clause 75 of this Scheme shall be done within 90 (ninety) days from the Effective Date.

SECTION 4 - GENERAL TERMS AND CONDITIONS

78. Accounting treatment in the books of the Second Amalgamated Company

Upon the Effective Date, the Second Amalgamated Company shall account for the amalgamation in its books of accounts as under:

- (i) All the assets and liabilities of the Second Amalgamating Company transferred to the Second Amalgamated Company shall become the assets and liabilities of the Second Amalgamated Company and shall be recorded at their book values as appearing in the books of the Second Amalgamating Company.

- (ii) All the reserves of the Second Amalgamating Company shall be recorded in the books of the Second Amalgamated Company in the same form in which they appeared in the books of the Second Amalgamating Company.
- (iii) The Second Amalgamated Company shall credit to its share capital account, the aggregate face value of the equity shares issued by it pursuant to this Scheme.
- (iv) The difference between the amount recorded as share capital issued by the Second Amalgamated Company (plus any additional consideration in the form of cash or other assets) and the amount of share capital of the Second Amalgamating Company shall be adjusted in reserves in the books of the Second Amalgamated Company.
- (v) In case of any differences in accounting policies between the Second Amalgamated Company and the Second Amalgamating Company, the impact of the same until the Appointed Date shall be computed in accordance with Accounting Standard AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies, and adjusted in the reserves of the Second Amalgamated Company

PART V – GENERAL TERMS AND CONDITIONS

The provisions of this Part shall be applicable to Part II, Part III and Part IV of this Scheme.

- 79. The Companies shall make necessary applications before the High Court for the sanction of this Scheme under sections 391 and 394 of the Act.
- 80. The Companies (by their respective board of directors), either by themselves or through a committee appointed by them in this behalf, may jointly and as mutually agreed in writing:
 - (i) in their full and absolute discretion, assent to any alteration(s) or modification(s) to this Scheme which a High Court may deem fit to approve or impose, and/or effect any other modification or amendment jointly and mutually agreed in writing, including, without limitation, any modifications to the accounting treatment set out in the Scheme due to the International Financial Reporting Standards being made applicable to the Companies or to the matters set forth in this Scheme, and to do all acts, deeds and things as may be necessary, desirable or expedient for the purposes of this Scheme;
 - (ii) to give such directions (acting jointly) as may be mutually agreed in writing as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors or debenture holders of the respective companies), or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those (to the extent permissible under law);
 - (iii) in their full and absolute discretion and by mutual agreement in writing, modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time;
 - (iv) to determine jointly by mutual agreement in writing whether any asset, liability, employee, legal or other proceedings pertains to the Demerged Undertaking, First Amalgamating Company, Second Amalgamating Company or not, on the basis of any evidence that they may deem relevant for this purpose.
- 81. Upon the coming into effect of the Scheme, the First Amalgamating Company and the Second Amalgamating Company shall stand dissolved without winding-up.
- 82. **Severability**

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Companies in writing, affect the validity or implementation of the other parts and/or provisions of this Scheme.

83. **Resolutions**

Upon the coming into effect of the Scheme, the resolutions, if any, of the First Amalgamating Company and the Second Amalgamating Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the First Amalgamated Company and the Second Amalgamated Company, respectively, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the First Amalgamated Company and the Second Amalgamated Company, respectively, and shall constitute the aggregate of the said limits in the First Amalgamated Company and the Second Amalgamated Company, respectively.

84. **Dividends**

- (i) The Companies shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date. Provided that the shareholders of the First Amalgamating Company and the Second Amalgamating Company shall not be entitled to dividend, if any, declared and paid by the First Amalgamated Company and the Second Amalgamated Company, to their respective shareholders for the accounting period prior to the Appointed Date.
- (ii) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of a Company to demand or claim any dividends from such Company which, subject to the provisions of the Act, shall be entirely at the discretion of the respective boards of directors of such Company, and subject to the approval, if required, of the shareholders of such Company.

85. The coming into effect of this Scheme is conditional upon and subject to:

- (i) this Scheme being approved by the respective requisite majorities of the various classes of members and creditors (where applicable) of the Companies as required under the Act and the requisite orders of the High Courts being obtained;
- (ii) the certified copies of the orders of the High Courts approving this Scheme being filed with the Registrar of Companies, Delhi and Haryana;
- (iii) such approvals and sanctions and approvals including sanction of any governmental authority, creditor, lessor or contracting party as may be required by law or contract in respect of the Scheme being obtained.

86. In the event of this Scheme does not come into effect by September 30, 2012 or by such later date as may be agreed by the respective Boards of Directors of the Companies, this Scheme shall stand revoked, cancelled and be of no effect and become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each party shall bear its own costs, charges and expenses or shall bear costs, charges and expenses as may be mutually agreed.

87. Each party shall bear its own costs, charges, levies and expenses in relation to or in connection with or incidental to this Scheme until the date of sanction of this Scheme by the High Court.

Schedule I

Calls on Demerged Company Partly Paid-up Shares

S. No.	Percentage of call	Time period for payment
1.	1% of the Demerged Company Outstanding Amount	On the date of allotment
2.	99% of the Demerged Company Outstanding Amount	On or before February 25, 2012.

Schedule II

Calls on Resulting Company Partly Paid-up Shares

S. No.	Percentage of call	Time period for payment
1.	1% of the Resulting Company Outstanding Amount	On the date of allotment
2.	99% of the Resulting Company Outstanding Amount	On or before February 25, 2012.

Schedule III

Calls on Second Amalgamated Company Partly Paid-up Shares

S. No.	Percentage of call	Time period for payment
1.	1% of the Second Amalgamated Company Outstanding Amount	On the date of allotment
2.	99% of the Second Amalgamated Company Outstanding Amount	On or before May 29, 2012.

SUMMARY FINANCIAL AND OPERATING INFORMATION

The following summary financial and operating information is derived from our audited financial statements for the period from November 09, 2010 to March 31, 2011 and for the year ended March 31, 2012, as described in the Auditor's Report in the section titled "Financial Information of our Company" beginning on page 102 of this Information Memorandum. These Financial statements have been prepared in accordance with the Indian GAAP and the Companies Act, 1956.

The summary financial and operating information presented below should be read in conjunction with the financial statements, the notes thereto included in the section titled "Financial Information of our Company" beginning on page 102 of this Information Memorandum.

SUMMARY STATEMENT OF ASSETS & LIABILITIES

	Amount in Rupees	
	As at March 31, 2012	As at March 31, 2011
SOURCES OF FUNDS		
Shareholders' Funds		
Share Capital		
Equity	2,545,913,360	500,000
Reserves and Surplus	3,673,034,108	1,313,516
	6,218,947,468	1,813,516
Deferred Tax Liabilities	-	-
Total	6,218,947,468	1,813,516
APPLICATION OF FUNDS		
Non-Current Assets		
Fixed Assets (Tangible Assets)	536,287	-
Non-Current Investments	5,925,000,000	-
Long Term Loans & Advances	1,000,000	-
Deferred Tax Assets (Net)	1,430,997	6,180
	5,927,967,284	6,180
Current Assets, Loans and Advances		
Cash and Bank Balances	97,007	2,208,364
Trade Receivables	-	-
Loans and Advances	294,514,035	5,150
Other currents assets	2,740,182	-
	297,351,224	2,213,514
Less: Current Liabilities and Provisions		
Current Liabilities	4,038,236	5,515
Provisions	2,332,804	400,663
	6,371,040	406,178
Net Current Assets	290,980,184	1,807,336
Total	6,218,947,468	1,813,516

SUMMARY STATEMENT OF PROFITS & LOSSES

	Amount in Rupees	
	As at March 31, 2012	For the period from November 9, 2010 to March 31, 2011
INCOME		
Revenue from Operations	2,120,000	2,120,000
Other Income	3,044,647	-
	5,164,647	2,120,000
EXPENDITURE		
Administrative and Other Expenses	18,649,917	177,310
Employee Benefit Expenses	22,352,929	-
Interest and Finance Charges	227,846	855
Depreciation and Amortization Expenses	78,913	-
	41,309,605	178,165
Profit/(Loss) Before Tax	(36,144,958)	1,941,835
Provision for Tax		
-Current Tax	-	634,499
-Deferred Tax	(1,424,817)	(6,180)
Profit/(Loss) After Tax	(34,720,141)	1,313,516
Balance of Profit/(Loss) Brought Forward	1,313,516	-
Amount Available for Appropriation	(33,406,625)	1,313,516
Appropriations	-	-
Balance of Profit/(Loss) Carried Forward	(33,406,625)	1,313,516
EPS		
Basic	(0.10)	26.27
Diluted	(0.10)	26.27

SUMMARY STATEMENT OF CASH FLOWS

	For the year ended March 31, 2012	For the year ended March 31, 2011
A Cash flow from operating activities :		
Net (Loss) / Profit before Tax	(3,61,44,958)	19,41,835
Adjustment for:		
Interest Expenses on Intercompany Deposit	1,89,661	855
Provisional for Compensated Absences	9,28,022	-
Provisional for Gratuity	14,04,782	-
Interest Income on Intercompany Deposit	(30,44,647)	-
Depreciation / Amortisation	78,913	-
Operating (Loss) / Profit before working capital changes	(3,65,88,227)	19,42,690
Adjustments for:		
(Increase) in Loans and Advances	(3,45,584)	(5,150)
Increase in other current liabilities	40,32,722	5,515
Cash (used in) / generated from operations	(3,29,01,089)	19,43,055
Income Taxes Paid	(9,38,964)	(2,33,836)
Net cash (used in) / generated from operating activities	(3,38,40,053)	17,09,219
B Cash flow from investing activities		
Intercompany Deposit Given	(29,34,00,000)	-
Interest Received on Intercompany Deposit Given	3,04,465	-
Net cash used in investing activities	(29,30,95,535)	-
C Cash flow from financing activities		
Proceeds from fresh issue of Share Capital (Including Security Premium)	32,50,13,892	5,00,000
Interest Paid on Intercompany Deposit	(1,89,661)	(855)
Net cash generated from financing activities	32,48,24,231	4,99,145
D Net (decrease) / increase in cash and cash equivalents (A+B+C)	(21,11,357)	22,08,364
E Cash and cash equivalents at the beginning of the year	22,08,364	-
F Cash and cash equivalents at the end of the year (D+E)	97,007	22,08,364

GENERAL INFORMATION

INDIABULLS INFRASTRUCTURE AND POWER LIMITED

Incorporation

Our Company was incorporated as Indiabulls Infrastructure and Power Limited on November 09, 2010, under the Companies Act, 1956, with the Registrar of Companies, NCT of Delhi and Haryana. It obtained the certificate of commencement of business on November 11, 2010. The registration no. assigned to our Company is U40101DL2010PLC210263.

CIN: U40101DL2010PLC210263

Registered Office: M- 62 & 63, 1st Floor, Connaught Place, New Delhi - 110 001

Tel: +91-11-30252900;

Fax: +91-11-30252901

Corporate Office: 448-451, Udyog Vihar, Phase-V, Gurgaon, Haryana-122016

Tel: +91-124- 6682975;

Fax: +91-124- 6681240

Registrar of Companies:

Registrar of Companies, NCT of Delhi & Haryana, IFCI Tower, 4th Floor, 61, Nehru Place, New Delhi 110 019

Changes in the Registered Office since incorporation

Date	Registered Office
Since Incorporation	E-29, First Floor, Connaught Place, New Delhi – 110 001
March 15, 2011	1A, Hamilton House, 1st Floor, Connaught Place, New Delhi - 110 001
March 04, 2012	M- 62 & 63, 1st Floor, Connaught Place, New Delhi - 110 001

Board of Directors

Name, Fathers' name, Designation, Status, Experience, Occupation, Address	Age (In Years)	Qualifications	DIN	Details of directorships in other companies
Mr. Sameer Gehlaut S/o: Shri. Balwan Singh Designation: Non Executive Chairman Status: Promoter Director Experience: 17 years Occupation: Business Address: 71, Maker Tower, A - Wing, 7th Floor, Cuffe Parade, Mumbai - 400005, Maharashtra, INDIA.	38 years	B.Tech., IIT Delhi	00060783	1. Indiabulls Financial Services Limited 2. Indiabulls Finance Company Private Limited 3. Indiabulls Real Estate Limited 4. Indiabulls Power Limited. 5. Karanbhumi Estates Private Limited 6. Kritikka Infrastructure Private Limited 7. Meru Minerals Private Limited 8. Ceres Real Estate Private Limited 9. Indiabulls Mining Private Limited 10. Ceres Power Transmission Private Limited 11. Ceres Electricity Distribution Private Limited 12. Indiabulls Electricity Distribution Private Limited 13. Inuus Infrastructure Private Limited 14. Galax Minerals Private Limited 15. Inuus Land Development Private Limited

				<ul style="list-style-type: none"> 16. Inuus Real Estate Private Limited 17. Inuus Developers Private Limited 18. Inuus Properties Private Limited 19. Orthia Real Estate Private Limited 20. Orthia Properties Private Limited 21. Ceres Energy Private Limited 22. Mugwort Real Estate Private Limited 23. Valerian Real Estate Private Limited 24. Calleis Real Estate Private Limited 25. Cleta Infracon Private Limited
<p>Mr. Rajiv Rattan S/o: Shri Ram Rattan</p> <p>Designation: Executive Vice Chairman</p> <p>Status: Promoter Director</p> <p>Experience: 18 years</p> <p>Occupation: Business</p> <p>Address: 60, 2nd Floor, Vasant Vihar, Vasant Marg, New Delhi – 110 057, India</p>	39 years	B.Tech., IIT Delhi	00010849	<ul style="list-style-type: none"> 1. Indiabulls Financial Services Limited 2. Indiabulls Real Estate Limited 3. Indiabulls Life Insurance Company Limited 4. Indiabulls CSEB Bhayathan Power Limited 5. Indiabulls Power Limited. 6. Indiabulls Realtech Limited 7. Spire Constructions Private Limited 8. Ceres Real Estate Private Limited 9. Indiabulls Mining Private Limited 10. Ceres Power Transmission Private Limited 11. Ceres Electricity Distribution Private Limited 12. Indiabulls Electricity Distribution Private Limited 13. Priapus Developers Private Limited 14. Nettle Constructions Private Limited 15. Priapus Land Development Private Limited 16. Priapus Constructions Private Limited 17. Arcelormittal Indiabulls Mining Private Limited 18. Ceres Energy Private Limited 19. Heliotrope Real Estate Private Limited 20. Antheia Infrastructure Private Limited 21. Antheia Constructions Private Limited 22. Cleta Land Development Private Limited 23. Antheia Buildcon Private Limited
<p>Mr. Saurabh Kumar Mittal S/o: Dr. Santosh Kumar Mittal</p> <p>Designation: Non Executive Vice Chairman</p> <p>Status: Promoter Director</p> <p>Experience: 17 years</p>	39 years	B. Tech., IIT Delhi, MBA from Harvard Business School	01175382	<ul style="list-style-type: none"> 1. Indiabulls Financial Services Limited 2. Indiabulls Real Estate Limited 3. Indiabulls Power Limited. 4. Ceres Trading Services Private Limited 5. Ceres Real Estate Private Limited 6. Indiabulls Mining Private Limited 7. Ceres Power Transmission Private Limited 8. Ceres Electricity Distribution Private Limited 9. Indiabulls Electricity Distribution Private Limited

<p>Occupation: Business</p> <p>Address: A-19, A-Block, H. No. A - 1 To A - 32, Westend, Delhi - 110021, India.</p>				<ol style="list-style-type: none"> 10. Hespera Realty Private Limited 11. Lucerne Trading Services Private Limited 12. Hespera Land Development Private Limited 13. Hespera Realcon Private Limited 14. Ceres Energy Private Limited 15. Alona Builders And Developers Private Limited 16. Cleta Infrastructure Private Limited 17. Cleta Buildcon Private Limited
<p>Mr. Ram Kumar Sheokand S/o: Shri Chandgi Ram Sheokhand</p> <p>Designation: Director</p> <p>Status: Independent Director</p> <p>Experience: 36 years</p> <p>Occupation: Business</p> <p>Address: H.No. 1197, Urban Estate, Jind - 126102, Haryana</p>	58 years	M.A. (History)	00183200	<ol style="list-style-type: none"> 1. Kandy Finlease Limited 2. Lira Promoters Private Limited 3. R C S Softech Private Limited 4. OMS Chits Private Limited 5. Kandy Commodity Private Limited 6. Pineapple Infra Project Private Limited
<p>Mr. Rajender Singh Malhan S/o: Shri. Risal Singh</p> <p>Designation: Director</p> <p>Status: Independent Director</p> <p>Experience: 40 years</p> <p>Occupation: Ex-Army Officer and Retired Civil Servant from U.P. Civil Services</p> <p>Address: #320, E-Space, Nirvana Country, South City 2, Gurgaon, Haryana - 122001</p>	65 years	Graduate from Delhi University	05208128	Nil
<p>Mr. Joginder Singh Kataria S/o: Shri. Charan Singh</p> <p>Designation: Director</p> <p>Status: Independent Director</p>	72 years	M.A. (Political Science)	05202673	Nil

Experience: 32 years Occupation: Ex-Commandant (ITBP) Address: H.No. 949, Sector - 4, Distt - Gurgaon - 122001, Haryana				
--	--	--	--	--

Profile of Whole-time Director

Mr. Rajiv Rattan, aged 39, graduated with a degree in electrical engineering from the Indian Institute of Technology, Delhi in the year 1994. He is the Co-Founder and Vice Chairman of the Indiabulls group of companies. He was selected by Schlumberger for its international services business in 1994, where he worked for over 5 years before he co-founded Indiabulls group of companies. Mr. Rajiv Rattan has vast work experience in the field of financial services, real estate, power and infrastructure sector businesses. He also has extensive experience in process management and task management.

Company Secretary and Compliance Officer

Mr. Gaurav Srivastava

Indiabulls Infrastructure and Power Limited

Address: 448-451, Udyog Vihar, Phase-V, Gurgaon, Haryana-122016

Tel: +91-124- 6682975;

Fax: +91-124- 6681240

E-mail: gauravsrivastava3@indiabulls.com

Shareholders can contact the Compliance Officer in case of any share transfer related queries.

Bankers to the Company

Name of Bank: HDFC Bank Limited

G-3-4, Suryakiran building, 19, Kasturba Gandhi Marg

New Delhi-110001

Tel: 011 43584307 Fax: 011 43584346

Email: CSD-Asafali@hdfcbank.com

Contact Person: Mr. Anirudh Davar

Advisors to the Company

Sobhagya Capital Options Limited

SEBI Regn. No. - INM000008571

B- 206, Okhla Industrial Area, Phase- I, New Delhi- 110020

Tel: 011 40777000 Fax: 011 40777069

Email: heemadri@sobhagyacapital.com

Contact Person: Mr. Heemadri Mukerjea

Registrar and Share Transfer Agent

Karvy Computershare Private Limited

SEBI Regn. No- INR000000221

Address: Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081

Tel No: 040 – 44655000 Fax No: 040 – 23420814

Email : einward.ris@karvy.com

Contact Person: Mr. K. Sreedhara Murthy

Auditors

M/s Sharma Goel & Co., Chartered Accountants

Address: Y – 59, Hauz Khas, New Delhi- 110016

Tel.: +91-11-26967048 Fax: +91-11-26967365

E-mail: amar.mittal@sgcservices.com

Contact Person: Mr. Amar Mittal, Partner

CAPITAL STRUCTURE OF THE COMPANY

Upon issue and allotment of Shares pursuant to the Scheme, the share capital of the Company as at the date of filing of this Information Memorandum is as follows:

(Rs. in lacs, except share data)

Particulars as on the date of this Information Memorandum	Aggregate Value at Face Value
(A) Authorized Share Capital	
Comprising of 150,00,00,000 (One Hundred and Fifty Crore) Equity Shares of Rs. 2/- (Rupees Two Only) each.	30,000.00
(B) Issued, Subscribed and Paid-Up Capital before the Scheme*	
50,000 (Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each fully paid up	5.00
(C) Issued in terms of the Scheme*	23,771.73
118,85,86,680 (One Hundred and Eighteen Crores Eighty Five Lacs Eighty Six Thousand Six Hundred Eighty) Fully Paid up equity shares of Rs. 2/- (Rupees Two only) each	
8,43,70,000 (Eight Crores Forty Three Lacs Seventy Thousand) Partly Paid up equity shares of Rs. 2/- (Rupees Two only) each upon which Re. 0.515 stood paid-up per share as on the date of allotment	434.51
(D) Paid up Capital after the Scheme*	25,459.134
127,29,56,680 (One Hundred and Twenty Seven Crores Twenty Nine Lacs Fifty Six Thousand Six Hundred Eighty) Fully Paid up equity shares of Rs. 2/- (Rupees Two only) each	
(E) Securities Premium Account	
Before the Scheme	NIL
After the Scheme	1,984.59

*Upon effectiveness of the Scheme, as per clause 20(iii) and 20(i) of the Scheme, the Company had, at a meeting of its Board of Directors held on December 23, 2011, issued and allotted, pursuant to and in terms of the Scheme, inter alia an aggregate of 118,85,86,680 Equity shares of face value Rs. 2/- each credited as fully paid-up and 8,43,70,000 partly paid-up Equity shares of face value Rs. 2/- each credited as paid-up to the extent of Re. 0.50, to the shareholders of fully and partly paid-up shares of the Demerged Company, respectively, whose names appeared on its Register of members/ records of the depositories as the holders/beneficial holders of the shares of the Demerged Company as of December 8, 2011, the Record Date fixed by the Board of Directors of the Demerged Company for the purpose. Subsequently, upon receipt by the Company, of the balance money called up on the said shares, pursuant to the Resolutions passed by the Board of Directors on December 23, 2011 and February 22, 2012 respectively, the partly paid-up shares became fully paid-up. Therefore the entire issued, subscribed & paid-up capital of the Company as on date comprises of 127,29,56,680 fully paid-up equity shares of face value of Rs. 2/- each.

The details of increase and change in authorized share capital of our Company after the date of incorporation till filing of this Information Memorandum is as follows:

(In Rs.)

Date of change	Nature of increase/change	Type of Share	Number of Shares	Face Value	Cumulative authorized Share Capital
09-Nov-10	Incorporation	Equity	5,00,000	10	50,00,000
25-Nov-11	Reorganization of Share Capital pursuant to the Scheme of Arrangement	Equity	150,00,00,000	2	300,00,00,000

Notes to Capital Structure:

1. Equity Share Capital History of our Company

Date of Allotment of the Equity Shares	Number of Equity Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment	Nature of Issue & reason for allotment	Cumulative No. of Equity Shares	Cumulative paid up share capital (Rs.)	Cumulative share premium (Rs.)
Incorporation	50,000	10	10	Cash	Allotment to subscribers of MOA	50,000	500,000	Nil
December 23, 2011	118,85,86,680	2	Nil, Pursuant to the Scheme	Pursuant to the Scheme	Allotment pursuant to the Scheme	118,85,86,680	237,71,73,360	Nil
December 23, 2011	8,43,70,000 [§]	2	Nil, Pursuant to the Scheme	Pursuant to the Scheme	Allotment pursuant to the Scheme	127,29,56,680	254,59,13,360	Nil

Note: Upon effectiveness of the Scheme, as per clause 20(iii) and 20(i) of the Scheme, the Company had, at a meeting of its Board of Directors held on December 23, 2011, issued and allotted, pursuant to and in terms of the Scheme, inter alia an aggregate of 118,85,86,680 Equity shares of face value Rs. 2/- each credited as fully paid-up and 8,43,70,000 partly paid-up Equity shares of face value Rs. 2/- each credited as paid-up to the extent of Re. 0.50, to the shareholders of fully and partly paid-up shares of the Demerged Company, respectively, whose names appeared on its Register of members/ records of the depositories as the holders/beneficial holders of the shares of the Demerged Company as of December 8, 2011, the Record Date fixed by the Board of Directors of the Demerged Company for the purpose. Subsequently, upon receipt by the Company, of the balance money called up on the said shares, pursuant to the Resolutions passed by the Board of Directors on December 23, 2011 and February 22, 2012 respectively, the partly paid-up shares became fully paid-up. Therefore the entire issued, subscribed & paid-up capital of the Company as on date comprises of 127,29,56,680 fully paid-up equity shares of face value of Rs. 2/- each.

§ The partly paid up shares were made fully paid up on February 22, 2012.

2. Preference Share Capital History of our Company – N.A.

3. Details of Equity shares allotted/acquired to/by the Promoters in the one year preceding the date of filing of the Information Memorandum

NIL

4. Details of Shareholding of the Promoters

Name of the Promoter	Date of Allotment/ Acquisition	Nature of Issue & reason for allotment/ Transfer	No. of Equity Shares	Face Value (Rs.)	Issue/ acquisition Price (Rs.)	Date when the shares were made fully paid up	Percentage of Pre Issue capital	Percentage of Post Issue capital
Mr. Sameer Gehlaut	December 23, 2011	Allotment pursuant to the Scheme	35,40,000	2	Allotment pursuant to the Scheme	Allotted as fully paid up	N.A.	0.28
Mr. Rajiv Rattan	December 23, 2011	Allotment pursuant to the Scheme	17,70,000	2	Allotment pursuant to the Scheme	Allotted as fully paid up	N.A.	0.14
Mr. Saurabh Kumar Mittal	December 23, 2011	Allotment pursuant to the Scheme	17,70,000	2	Allotment pursuant to the Scheme	Allotted as fully paid up	N.A.	0.14
Total			70,80,000					0.56

5. Details of the aggregate shareholding of the Promoter Group:

S.No	Name	Shareholding in Indiabulls Infrastructure and Power Limited (In Nos.)	Percentage of total Shareholding
1.	Sameer Gehlaut	35,40,000	0.28
2.	Saurabh Kumar Mittal	17,70,000	0.14
3.	Rajiv Rattan	17,70,000	0.14
4.	Kritikka Infrastructure Private Limited	10,10,15,731	7.94
5.	Yantra Energetics Private Limited	8,21,80,147	6.45
6.	Jyestha Infrastructure Private Limited	6,38,34,760	5.01
7.	Gragerious Projects Private Limited	4,88,19,399	3.83
8.	Punarvasu Builders And Developers Private Limited	2,88,01,519	2.26
9.	Powerscreen Media Private Limited	2,65,50,000	2.09
10.	Laurel Energetics Private Limited	1,93,22,500	1.52
11.	Daisy Projects Private Limited	1,93,22,500	1.52
12.	Dahlia Infrastructure Private Limited	1,20,95,000	0.95
13.	Narendra Gehlaut	35,40,000	0.28
	Total	41,25,61,556	32.41

The other constituents of the promoter group comprising of Karambhum Estate Private Limited, Meru Minerals Private Limited, Spire Constructions Private Limited, Ceres Trading Services Private Limited, Galax Minerals Private Limited, Nettle Constructions Private Limited and Lucerne Trading Services Private Limited do not hold any shares in the Company.

6. Details of the aggregate number of Equity Shares purchased or sold by the Promoter Group and/or by the Directors of the Company which is a Promoter of The Issuer and/or by the Directors of The Issuer and their immediate relatives within six months immediately preceding the date of filing Information Memorandum.

Nil

7. Details of the maximum and minimum price at which purchases and sales referred to above were made, along with the relevant dates.

N.A

8. Details of transfers among the Promoter Group during the period from date of approval of Scheme till the date of Information Memorandum:

NIL

9. Details of all financing arrangements whereby the Promoter Group, the Directors of the Company which is a Promoter of The Issuer, the Directors of The Issuer and their relatives have financed the purchase by any other person of securities of The Issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing the Information Memorandum with SEBI.

Nil

10. Details of Lock-in of shares of Promoter and Promoter group (Pre Demerger)

Nil

11. **Shareholding Pattern of our Company Before Implementation of the Scheme (Pre Demerger)**

Category Code	Category of shareholder	Number of shareholders	Total number of shares	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
				As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a percentage
(I)	(II)	(III)	(IV)	(VI)	(VII)	(VIII)	(IX) = (VIII) / (IV) * 100
(A)	Promoter and Promoter Group						
(1)	Indian						
(a)	Individuals/Hindu Undivided family	0	0	0.00	0.00	0	0.00
(b)	Central Government / State Government(s)	0	0	0.00	0.00	0	0.00
(c)	Bodies Corporate	1*	50,000	100.00	100.00	0	0.00
(d)	Financial Institutions / Banks	0	0	0.00	0.00	0	0.00
(e)	Any other (specify)	0	0	0.00	0.00	0	0.00
	Sub-Total (A) (1)	1*	50,000	100.00	100.00	0	0.00
(2)	Foreign						
(a)	Individuals (Non-resident individuals / Foreign individuals)	0	0	0.00	0.00	0	0.00
(b)	Bodies Corporate	0	0	0.00	0.00	0	0.00
(c)	Institutions	0	0	0.00	0.00	0	0.00
(d)	Any other (specify)	0	0	0.00	0.00	0	0.00

	Sub-Total (A) (2)	0	0	0.00	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	1*	50,000	100.00	100.00	0	0.00
(B)	Public shareholding					N.A.	N.A.
(1)	Institutions					N.A.	N.A.
(a)	Mutual Funds / UTI	0	0	0.00	0.00		
(b)	Financial Institutions/Banks	0	0	0.00	0.00		
(c)	Central Government / State Government(s)	0	0	0.00	0.00		
(d)	Venture Capital Funds	0	0	0.00	0.00		
(e)	Insurance Companies	0	0	0.00	0.00		
(f)	Foreign Institutional Investors	0	0	0.00	0.00		
(g)	Foreign Venture Capital investors	0	0	0.00	0.00		
(h)	Any other (specify)						
	Sub-Total (B) (1)	0	0	0.00	0.00		
(2)	Non-institutions					N.A.	N.A.
(a)	Bodies Corporate	0	0	0.00	0.00	N.A.	N.A.
(b)(i)	Individuals shareholders holding nominal share capital up to Rs. 1 lakh	0	0	0.00	0.00		
(b)(ii)	Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0.00	0.00		
(c)	Any other (specify)						
(i)	Non-Resident Indians	0	0	0.00	0.00		
(ii)	Clearing Members	0	0	0.00	0.00		
	Sub-Total (B) (2)	0	0	0.00	0.00	N.A.	N.A.
	Total Public Shareholding (B) = (B)(1)+(B)(2)	0	0	0.00	0.00	N.A.	N.A.
	Total (A)+(B)	1*	50,000	100.00	100.00	0	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0.00	0.00	N.A.	N.A.
1	Promoter and promoter group	0	0	0.00	0.00		
2	Public	0	0	0.00	0.00		
	Grand Total (A) + (B) + (C)	1*	50,000	100.00	100.00	0.00	0.00

* Indiabulls Real Estate Limited was holding the entire share capital in its own name and through 6 other persons as its nominees.

12. **Details of Shareholders holding more than one percent of the share capital of Indiabulls Infrastructure and Power Limited. (Pre Demerger)**

Name of the Shareholder	Number of Shares	Percentage of total Shareholding
Indiabulls Real Estate Limited*	50,000	100.00%
Total	50,000	100.00%

*Includes six shares held through Nominees

13. **Details of Lock-in of shares of Promoter and Promoter group (Post Demerger)**

2,86,00,000 partly paid shares of the Demerged Company were under lock-in for certain period, as on record date fixed for the purpose, the shares issued by the Company in lieu thereof to the holders of those partly paid shares are also locked-in upto the period as mentioned below. u. The details of locked-in shares are as follows:

S.no	Name	No. of Shares	Lock-in upto
1	Powerscreen Media Private Limited	2,65,50,000	27.11.2014
2	Dahlia Infrastructure Private Limited	1,20,95,000	27.11.2014
3	Laurel Energetics Private Limited	1,93,22,500	27.11.2014
4	Daisy Projects Private Limited	1,93,22,500	27.11.2014
5	Narendra Gehlaut	35,40,000	27.11.2014
6	Vipul Bansal	35,40,000	27.11.2012
	Total:	8,43,70,000	

14. **Shareholding Pattern of our Company After Implementation of the Scheme as on February 22, 2012 (Post Demerger)**

Category Code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialised form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	No of shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII)/(IV)*100
A	Promoter and Promoter Group							
1	Indian							
(a)	Individual/Hindu Undivided family	4	1,06,20,000	1,06,20,000	0.84	0.83	0	0.00

Indiabulls

(b)	Central Government/state government(s)	0	0	0	0.00	0.00	0	0.00
(c)	Bodies corporate	9	40,19,41,556	40,19,41,556	31.79	31.58	0	0.00
(d)	Financial Institutions/Banks	0	0	0	0.00	0.00	0	0.00
(e)	Any other (specify)	0	0	0	0.00	0.00	0	0.00
	Sub Total (A) (1)	13	41,25,61,556	41,25,61,556	32.63	32.41	0	0.00
2	Foreign							
(a)	Individuals (Non resident individuals / Foreign individuals)	0	0	0	0.00	0.00	0	0.00
(b)	Bodies corporate	0	0	0	0.00	0.00	0	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0.00
(d)	Qualified Foreign Investors	0	0	0	0.00	0.00	0	0.00
(e)	Any other (specify)	0	0	0	0.00	0.00	0	0.00
	Sub Total (A) (2)	0	0	0	0.00	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group A=A(1)+A(2)	13	41,25,61,556	41,25,61,556	32.63	32.41	0	0.00
(B)	Public shareholding							
1	Institutions							
(a)	Mutual Funds / UTI	1	1,83,195	1,83,195	0.01	0.01	0	0.00
(b)	Financial Institutions / Banks	4	25,02,780	25,02,780	0.20	0.20	0	0.00
(c)	Central Government / State Government(s)	0	0	0	0.00	0.00	0	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00
(f)	Foreign institutional investors	149	43,68,96,055	43,68,96,055	34.55	34.32	0	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00
(h)	Any other (specify)							
	Sub Total (B) (1)	154	43,95,82,030	43,95,82,030	34.76	34.53	0	0.00
2	Non Institutions							
(a)	Bodies Corporate	1,698	11,18,26,273	11,18,26,273	8.84	8.78	0	0.00
(b)(i)	Individual shareholders	1,09,410	7,07,82,294	7,06,17,980	5.60	5.56	0	0.00

	holding nominal share capital up to Rs. 1 lakh							
(b)(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	131	18,45,49,091	18,44,60,591	14.60	14.50	0	0.00
(c)	Any other (specify)							
	Non-Resident Indians	1,298	73,22,025	73,22,025	0.58	0.58	0	0.00
	Clearing Members	261	1,08,59,728	1,08,59,728	0.86	0.85	0	0.00
	Overseas Corporate Bodies	1	10,09,787	10,09,787	0.08	0.08	0	0.00
	Other Foreign Entities	2	2,59,09,661	2,59,09,661	2.05	2.04	0	0.00
	Sub Total (B) (2)	1,12,801	41,22,58,859	41,20,06,045	32.61	32.39	0	0.00
	Total Public shareholding (B)= (B1) +(B2)	1,12,955	85,18,40,889	85,15,88,075	67.37	66.92	0	0.00
	Total (A)+(B)	1,12,968	126,44,02,445	126,41,49,631	100.00	99.33	0	0.00
(C)	Shares held by custodians and against which Depository Receipts have been issued							
1	promoter and promoter group	0	0	0	0.00	0.00	0	0.00
2	Public	1	85,54,235	85,54,235	0.00	0.67	0	0.00
	Grand Total (A) +(B)+(C)	1,12,969	127,29,56,680	127,27,03,866	100.00	100.00	0	0.00

15. Details of Shareholders holding more than one percent of the share capital of Indiabulls Infrastructure and Power Limited. (Post Demerger)

Name of the Shareholder	Number of Shares	Percentage of total Shareholding
Chartered Finance and Leasing Limited	1,36,62,473	1.07
Copthall Mauritius Investment Limited	3,63,79,343	2.86
Daisy Projects Private Limited	1,93,22,500	1.52
Dazbog Holdings EFC Limited	1,34,23,420	1.05
Deutsche Securities Mauritius Limited	1,57,99,028	1.24
Employees' Welfare Trust	13,26,04,541	10.42
Fidelity Investment Trust Fidelity Series Emerging markets Fund	1,64,14,242	1.29
Gragerious Projects Private Limited	4,88,19,399	3.83
HSBC Global Investment Funds A/c HSBC Global Investment Funds Mauritius Limited	5,13,44,272	4.03

HSBC Global Investment Funds Mauritius Ltd-GDR	3,01,16,193	2.37
Jyestha Infrastructure Private Limited	6,38,34,760	5.01
Kritikka Infrastructure Private Limited	10,10,15,731	7.94
Laurel Energetics Private Limited	1,93,22,500	1.52
Macquarie Bank Limited	6,88,41,618	5.41
Oberon Limited	2,44,26,000	1.92
Powerscreen Media Private Limited	2,65,50,000	2.09
Premier Investment Fund Limited	2,00,45,075	1.57
Punarvasu Builders and Developers Private Limited	2,88,01,519	2.26
The Master Trust Bank of Japan, Ltd. A/c HSBC indian equity mother fund	2,09,45,000	1.65
Yantra Energetics Private Limited	8,21,80,147	6.45
TOTAL	8,33,84,7761	65.50

16. Pre and Post Demerger Shareholding of Promoter and Promoter Group of our Company:

	Pre Demerger		Post Demerger	
	No. of Equity Shares	Percentage of Equity Share capital	No. of Equity Shares	Percentage of Equity Share capital
Promoters				
Mr. Sameer Gehalut	0.00	0.00	35,40,000	0.28
Mr. Rajiv Rattan	0.00	0.00	17,70,000	0.14
Mr. Saurabh Kumar Mittal	0.00	0.00	17,70,000	0.14
Total Holding of Promoters	0.00	0.00	70,80,000	0.56
Promoters Group				
Kritikka Infrastructure Private Limited	0.00	0.00	10,10,15,731	7.94
Yantra Energetics Private Limited	0.00	0.00	8,21,80,147	6.45
Jyestha Infrastructure Private Limited	0.00	0.00	6,38,34,760	5.01
Gragerious Projects Private Limited	0.00	0.00	4,88,19,399	3.83
Punarvasu Builders And Developers Private Limited	0.00	0.00	2,88,01,519	2.26
Powerscreen Media Private Limited	0.00	0.00	2,65,50,000	2.09
Laurel Energetics Private Limited	0.00	0.00	1,93,22,500	1.52
Daisy Projects Private Limited	0.00	0.00	1,93,22,500	1.52
Dahlia Infrastructure Private Limited	0.00	0.00	1,20,95,000	0.95
Narendra Gehlaut	0.00	0.00	35,40,000	0.28
Total Holding of Promoters Group	0.00	0.00	40,54,81,556	31.85
Total Holding of Promoters and Promoters Group	0.00	0.00	41,25,61,556	32.41

17. A list of top ten shareholders of the Company and the number of Equity Shares held by them is as under

a.) As on the date of the Information Memorandum (POST DEMERGER)

Name of Shareholders	Number of shares held	% of Total number of shares of the Company
Copthall Mauritius Investment Limited	3,63,79,343	2.86
Employees' Welfare Trust	13,26,04,541	10.42
Gragerious Projects Private Limited	4,88,19,399	3.83
HSBC Global Investment Funds A/c HSBC Global Investment Funds Mauritius Limited	5,13,44,272	4.03
HSBC Global Investment Funds Mauritius Ltd-GDR	3,01,16,193	2.37
Jyestha Infrastructure Private Limited	6,38,34,760	5.01
Kritikka Infrastructure Private Limited	10,10,15,731	7.94
Macquarie Bank Limited	6,88,41,618	5.41
Punarvasu Builders And Developers Private Limited	2,88,01,519	2.26
Yantra Energetics Private Limited	8,21,80,147	6.46
TOTAL	64,39,37,523	50.59

b.) Two years[^] prior to the date of this Information Memorandum (PRE DEMERGER)

Name of the Shareholder	Number of Shares	% of Total number of shares of the Company
Indiabulls Real Estate Limited*	50,000	100.00
Total	50,000	100.00

[^] The Company was incorporated on November 09, 2010 and thus the list has been provided since incorporation.

*Includes six shares held through Nominees

c.) Ten days prior to the date of this Information Memorandum (POST DEMERGER)

Name of Shareholders	Number of shares held	% of Total number of shares of the Company
Copthall Mauritius Investment Limited	3,63,79,343	2.86
Employees' Welfare Trust	13,26,04,541	10.42
Gragerious Projects Private Limited	4,88,19,399	3.83
HSBC Global Investment Funds A/c HSBC Global Investment Funds Mauritius Limited	5,13,44,272	4.03
HSBC Global Investment Funds Mauritius Ltd-GDR	3,01,16,193	2.37
Jyestha Infrastructure Private Limited	6,38,34,760	5.01
Kritikka Infrastructure Private Limited	10,10,15,731	7.94

Macquarie Bank Limited	6,88,41,618	5.41
Punarvasu Builders And Developers Private Limited	2,88,01,519	2.26
Yantra Energetics Private Limited	8,21,80,147	6.46
TOTAL	64,39,37,523	50.59

18. There are no options granted or equity shares issued under any scheme of employee stock option or employee stock purchase of the Company.
19. The Company has not instituted any employee stock option scheme as on the date of this Information Memorandum.
20. As on the date of filing the Information Memorandum, there are no outstanding financial instruments or any other right, which would entitle the Promoters or shareholders or any other person any option to receive equity shares after the Issue. The Company does not have any shares to be allotted, which are outstanding under ESOPs.
21. Details of outstanding warrants, options or rights to convert debentures, loans or other instruments into equity shares of the Company

Nil
22. We have not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.
23. At any given time, there shall be only one denomination of the Equity Shares of the Company and the Company shall comply with such disclosure and accounting norms specified by SEBI from time to time. The Equity Shareholders of the Company do not hold any warrant, option or convertible loan or debenture, which would entitle them to acquire further shares in the Company.
24. Our Company has 112969 shareholders as on the date of filing the Information Memorandum.
25. Other than as mentioned in this Information Memorandum, the Equity Shares held by the Promoter are not subject to any pledge.
26. None of the Directors or Key Management Personnel holds Equity Shares in the Company except as stated in the section titled "Our Management" on page 91 of this Information Memorandum.
27. As on date there are no partly paid up shares.

STATEMENT OF TAX BENEFITS

The statement of tax benefits has been audited by Tax Auditors, M/s Sharma Goel & Co., Chartered Accountants, vide their letter dated February 16, 2012.

The information provided below sets out the possible tax benefits available to prospective investors in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of securities, under the current tax laws presently in force in India. Several of these benefits are dependent on the prospective investors fulfilling the conditions prescribed under the relevant tax laws. Hence the ability to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT IN THE SECURITIES, PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL.

In respect of non-residents, the tax rates and the consequent taxation, mentioned in this section shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

Statement of General Tax Benefits:

These are the general tax benefits available to the all companies and shareholders, subject to compliance with relevant provisions.

A. Under the Income Tax Act, 1961

I. Benefits available to the company

1. As per Section 10(34) of the ITA, any income by way of dividends referred to in Section 115- O (i.e. dividends declared, distributed or paid on or after 1st April, 2003 by domestic companies) received on the shares of any company is exempt from tax.

Moreover, the company will also be entitled to avail the credit of dividend received by it from its subsidiaries in accordance with the provisions of section 115-O (1A) on which tax on distributed profits has been paid by the subsidiary.

2. As per Section 10(35) of the ITA, the following income will be exempt in the hands of the Company:
 - a) Income received in respect of the units of a Mutual Fund specified under clause (23D) of Section 10; or
 - b) Income received in respect of units from the Administrator of the specified undertaking; or
 - c) Income received in respect of units from the specified company:

However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified Company or of a mutual fund, as the case may be.

For this purpose (i) "Administrator" means the Administrator as referred to in Section 2(a) of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 and (ii) "Specified Company" means a Company as referred to in Section 2(h) of the said Act.

3. As per Section 2(29A) read with Section 2(42A), shares held in a company or a Unit of a Mutual Fund specified under clause (23D) of Section 10 are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares in a company or a Unit of a Mutual Fund specified under clause (23D) of Section 10 are held for more than twelve months.
4. As per Section 10(38) of the ITA, long term capital gains arising to the company from the transfer of long term capital asset being an equity share in a company or a unit of an equity oriented fund where such transaction is chargeable to securities transaction tax will be exempt in the hands of the Company.

For this purpose, "Equity Oriented Fund" means a fund –

- i. where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such funds; and
- ii. which has been set up under a scheme of a Mutual Fund specified under Section 10(23D) of the ITA.

As per Section 115JB, while calculating "book profits" the Company will not be able to reduce the long term capital gains to which the provisions of Section 10(38) of the ITA apply and will be required to pay Minimum Alternate Tax @ 18.5% (plus applicable surcharge and education cess) of the book profits.

5. The company will be entitled to amortize preliminary expenditure, being expenditure incurred on public issue of shares, under Section 35D (2)(c)(iv) of the ITA, subject to the limit specified in Section 35D(3).
6. As per Section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under Section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs.

However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

A "long term specified asset" for making investment under this section on or after 1st April 2007 means any bond, redeemable after three years and issued on or after the 1st April 2007 by:

- i. National Highways Authority of India constituted under Section 3 of the National Highways Authority of India Act, 1988; or
 - ii. Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.
7. As per Section 111A of the ITA, short term capital gains arising to the Company from the sale of equity share or a unit of an equity oriented fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).
 8. As per Section 112 of the ITA, taxable long-term capital gains, if any, on sale of listed securities or units or zero coupon bonds will be charged to tax at the concessional rate of 20% (plus applicable surcharge and education cess) after considering indexation benefits in accordance with and subject to the provisions of Section 48 of the ITA or at 10% (plus applicable surcharge and education cess) without indexation benefits, at the option of the Company.

9. Under Section 115JAA(1A) of the ITA, credit is allowed in respect of any Minimum Alternate Tax ('MAT') paid under Section 115JB of the ITA for any assessment year commencing on or after April 1, 2006. Tax credit eligible to be carried forward will be the difference between MAT paid and the tax computed as per the normal provisions of the ITA for that assessment year. Such MAT credit is allowed to be carried forward for set off purposes for up to 10 years succeeding the year in which the MAT credit is allowable.

II. Benefits available to Resident Shareholders

1. Under Section 10(32) of the IT Act, any income of minor children clubbed in the total income of the parent under Section 64(1A) of the IT Act, will be exempt from tax to the extent of Rs.1,500/- per minor child whose income is so included.
2. The company is liable to pay a dividend distribution tax currently at the rate of 15% (plus applicable surcharge and education cess) on total amount of income distributed or declared or paid as dividend. As per Section 10(34) read with Section 115-O (6) of the ITA, any income by way of dividends referred to in Section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003 by the domestic companies) received on the shares of the Company is exempt from tax. However it is pertinent to note that Section 14A of the IT Act restricts claims for deduction of expenses incurred in relation to exempt income. Thus, any expenses incurred to earn the dividend income are not an allowable expenditure.
3. As per Section 2(29A) read with Section 2(42A), shares held in a company are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares are held for more than twelve months.
4. As per Section 10(38) of the ITA, long term capital gains arising from the transfer of a long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt in the hands of the shareholder.
5. As per Section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under Section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs.

However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

A "long term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April 2007 by:

- i. National Highways Authority of India constituted under Section 3 of the National Highways Authority of India Act, 1988; or
 - ii. Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.
6. As per Section 54F of the ITA, long term capital gains (in cases not covered under Section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) will be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years. Such benefit will not be available:
 - a) if the individual or Hindu Undivided Family-

- owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
 - purchases another residential house within a period of one year after the date of transfer of the shares; or
 - constructs another residential house within a period of three years after the date of transfer of the shares; and
- b) the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain, the same proportion as the cost of the new residential house bears to the net consideration, will be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, will be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

7. As per Section 74 Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short term as well as long-term capital gains. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.
8. As per Section 111A of the ITA, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).
9. As per Section 112 of the ITA, taxable long-term capital gains, if any, on sale of listed securities will be charged to tax at the rate of 20% (plus applicable surcharge and education cess) after considering indexation benefits or at 10% (plus applicable surcharge and education cess) without indexation benefits, whichever is less.

III. Benefits available to Non-Resident Indians/Non-Resident Shareholders (Other than FIIs)

1. Under Section 10(32) of the IT Act, any income of minor children clubbed in the total income of the parent under Section 64(1A) of the IT Act, will be exempt from tax to the extent of Rs.1,500 per minor child whose income is so included.
2. The company is liable to pay a dividend distribution tax currently at the rate of 15% (plus applicable surcharge and education cess) on total amount of income distributed or declared or paid as dividend. As per Section 10(34) read with Section 115-O (6) of the ITA, any income by way of dividends referred to in Section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003 by the domestic companies) received on the shares of the Company is exempt from tax. However it is pertinent to note that Section 14A of the IT Act restricts claims for deduction of expenses incurred in relation to exempt income. Thus, any expenses incurred to earn the dividend income are not an allowable expenditure.
3. As per Section 2(29A) read with Section 2(42A), shares held in a company are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares are held for more than twelve months.

4. As per Section 10(38) of the ITA, long term capital gains arising from the transfer of long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt in the hands of the shareholder.
5. As per first proviso to Section 48 of the ITA, in case of a non resident shareholder, the capital gain/loss arising from transfer of shares of the Company, acquired in convertible foreign exchange, is to be computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively incurred in connection with such transfer, into the same foreign currency which was initially utilized in the purchase of shares. Cost Indexation benefit will not be available in such a case. As per Section 112 of the ITA, taxable long-term capital gains, if any, on sale of shares of the company will be charged to tax at the rate of 20% (plus applicable surcharge and education cess).
6. As per Section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under Section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs.

However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

A "long term specified asset" for making investment under this Section on or after 1st April 2007 means any bond, redeemable after three years and issued on or after the 1st April 2007 by:

- i. National Highways Authority of India constituted under Section 3 of the National Highways Authority of India Act, 1988; or
 - ii. Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.
7. As per Section 54F of the ITA, long term capital gains (in cases not covered under Section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) will be exempt from capital gains tax if the net consideration is utilized, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years. Such benefit will not be available:
 - (a). if the individual or Hindu Undivided Family-
 - owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
 - purchases another residential house within a period of one year after the date of transfer of the shares; or
 - constructs another residential house within a period of three years after the date of transfer of the shares; and
 - (b). the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain, the same proportion as the cost of the new residential house bears to the net consideration, will be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, will be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

8. As per Section 74 Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short term as well as long-term capital gains. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.
9. As per Section 111A of the ITA, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).
10. As per Section 115E of the ITA, in the case of a shareholder being a Non-Resident Indian, and subscribing to the shares of the Company in convertible foreign exchange, in accordance with and subject to the prescribed conditions, long term capital gains arising on transfer of the shares of the Company (in cases not covered under Section 10(38) of the ITA) will be subject to tax at the rate of 10% (plus applicable surcharge and education cess), without any indexation benefit.
11. As per Section 115F of the ITA and subject to the conditions specified therein, in the case of a shareholder being a Non-Resident Indian, gains arising on transfer of a long term capital asset being shares of the Company will not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or savings certificates referred to in Section 10(4B) of the ITA. If part of such net consideration is invested within the prescribed period of six months in any specified asset or savings certificates referred to in Section 10(4B) of the ITA then such gains would not be chargeable to tax on a proportionate basis. Further, if the specified asset or savings certificate in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such specified asset or savings certificates are transferred.
12. As per Section 115G of the ITA, Non-Resident Indians are not obliged to file a return of income under Section 139(1) of the ITA, if their only source of income is income from specified investments or long term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the ITA.
13. As per Section 115H of the ITA, where Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under Section 139 of the ITA to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to such investment income derived from foreign exchange assets, the specified assets for that year and subsequent assessment years until such assets are converted into money.
14. As per Section 115I of the ITA, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing a declaration along with his return of income for that assessment year under Section 139 of the ITA, that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the ITA.

For the purpose of aforesaid clauses "Non-Resident Indian" means an Individual, being a citizen of India or a person of Indian origin who is not a "resident". A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.

Provisions of the ITA vis-à-vis provisions of the Tax Treaty

In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident is resident. As per the provisions of Section 90(2) of the ITA, the provisions of the ITA would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

Tax Deduction at Source

No income-tax is deductible at source from income by way of capital gains under the present provisions of the IT Act, in case of residents. However, as per the provisions of section 195 of the IT Act, any income by way of capital gains, payable to non residents (except long-term capital gains exempt under section 10(38) of the IT Act), may be eligible to the provisions of with-holding tax, subject to the provisions of the relevant tax treaty. Accordingly income tax may have to be deducted at source in the case of a non- resident at the rate under the domestic tax laws or under the tax treaty, whichever is beneficial to the assessee unless a lower withholding tax certificate is obtained from the tax authorities.

As per Section 206AA of the Act, w.e.f 1 April 2010, every person who is entitled to receive any sum or income or amount on which tax is deductible at source, is required to furnish the Permanent Account Number (PAN) to the person responsible for deducting such tax, failing which tax shall be deducted at the rates as per the Act or rates in force or 20% whichever is higher. The provisions of Section 206AA shall apply on capital gains payable to non-residents.

IV. Benefits available to Foreign Institutional Investors ('FIIs')

1. As per Section 10(34) read with Section 115-O (6) of the ITA, any income by way of dividends referred to in Section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003 by the domestic companies) received on the shares of the Company is exempt from tax.
2. As per Section 2(29A) read with Section 2(42A), shares held in a company are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares are held for more than twelve months.
3. As per Section 10(38) of the ITA, long term capital gains arising from the transfer of long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt to tax in the hands of the FIIs.
4. As per Section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under Section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs.

However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

A "long term specified asset" for making investment under this Section on or after 1st April 2007 means any bond, redeemable after three years and issued on or after the 1st April 2007 by:

- i. National Highways Authority of India constituted under Section 3 of the National Highways Authority of India Act, 1988; or
- ii. Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

5. As per Section 74 Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short term as well as long-term capital gains. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.
6. As per Section 111A of the ITA, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).
7. As per Section 115AD of the ITA, FIIs will be taxed on the capital gains that are not exempt under the provision of Section 10(38) of the ITA, at the following rates:

Nature of income	Rate of tax (%)
Long term capital gains	10
Short term capital gains (other than referred to in Section 111A)	30

The above tax rates have to be increased by the applicable surcharge and education cess.

In case of long term capital gains, (in cases not covered under Section 10(38) of the ITA), the tax is levied on the capital gains computed without considering the cost indexation.

8. As per Section 196D, no tax is to be deducted from any income, by way of capital gains arising from the transfer of shares or dividend on shares as referred to in section 115AD payable to Foreign Institutional Investor.

Provisions of the ITA vis-à-vis provisions of the Tax Treaty

The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the FII is resident. As per the provisions of Section 90(2) of the ITA, the provisions of the ITA would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the FII.

VI. Benefits available to Mutual Funds

As per Section 10(23D) of the ITA, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made there under, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

B. Benefits available under the Wealth Tax Act, 1957

Asset as defined under Section 2(ea) of the Wealth tax Act, 1957 does not include shares in companies and hence, shares of the Company are not liable to wealth tax in the hands of shareholders.

C. Benefits available under the Gift Tax Act, 1958

Gift tax is not leviable in respect of any gifts made on or after October 1, 1998. Therefore, any gift of shares of the Company will not attract gift tax.

However as per section 56(2) (vii) of the I.T.Act, in case where individual or Hindu undivided Family receives shares from any person on or after 1st October, 2009:

- a. without any consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such property or;
- b. for a consideration which is less than the aggregate fair market value of the shares by an amount exceeding fifty thousand rupees, then the aggregate fair market value of such property as exceeds such consideration;

shall be taxable as the income of the recipient.

SECTION IV-ABOUT THE COMPANY

INDUSTRY OVERVIEW

Advisory Services

Many different terms are tossed around the advisory / consultancy service industry describing the different methodology used to design and construct new facilities and turnarounds. Determining the correct form of nature of services to be provided can have a great effect on the cost and risk associated with the power project(s). The cost of nature of services to be provided varies inversely with the amount of business risk the "owner / financiers" are willing to accept. The less business risk the owner wishes to assume, the higher the cost of and management. This follows the "risk-reward" motto for business.

The two most common types of construction contacts are EPC "turn-key" and EPCM. Each of these methods have variations that can be adapted to each project as needed; example (EPCC Engineering, Procurement, Construction, and Commissioning), etc.

EPC / EPCM Definition & Comparison:

Unfortunately, there are no tried and true definitions for the different methods and numerous variations of each of the most popular methods.

Determining the correct form of construction contract to pursue can have a great effect on the cost and risk associated with the construction project. The cost of construction varies inversely with the amount of business risk the "owner / financiers" are willing to accept. The less business risk the owner wishes to assume, the higher the cost of construction and management. This follows the "risk-reward" motto for business.

EPC (Engineering, Procurement and Construction): means the company is contracted to provide engineering, procurement and construction services by the owner. These are basically Design & Construct style contracts, where the project is largely Contractor managed and the cost risk and control are weighted towards the Contractor and away from the Owner. The EPC contractor has direct contracts with the construction contractors.

An EPC project is a well-known project management term used internationally. It refers to performing a complete project on a lump sum turnkey basis which encompasses the engineering, procurement and construction of the whole project. The FEED (front end engineering design) forms the basis of detailed design of the complete project, which in turn generates the basic data for the procurement and civil, mechanical, electrical and instrumentation (CME&I) works of an EPC project. The project objective is to ensure safe, timely, and successful completion of the EPC project within allocated budget.

EPCM (Engineering, Procurement and Construction Management): means the company is contracted to provide engineering, procurement and construction management services. Other companies are contracted by the Owner directly to provide construction services and they are usually managed by the EPCM contractor on the Owner's behalf. These are basically Professional Services contracts, where the project is largely Owner managed and the cost risk and control is weighted towards the Owner.

Power Sector

India is the fifth largest producer of electricity in the world and according to the Planning Commission, while the State Governments account for 51.5% of the total generation capacity, the central sector and the private sector account for 33.1% and 15.4% of the generation capacity respectively. In line with the respective power generation share, while the government sector (both central and state) have contributed 85.5% of the total capacity addition of 45,295 MW during 1999-00 and 2008-09, the private sector has contributed the balance 14.5%, almost at par with its share in the total installed capacity in the country. India's current installed power generation capacity as on 31-3-11 is 173626.40 MW.

SL. NO.	REGION	THERMAL				Nuclear	HYDRO (Renewable)	R.E.S.@ (MNRE)	TOTAL
		COAL	GAS	DSL	TOTAL				
1	Northern	24232.50	4134.76	12.99	28380.25	1620.00	13822.75	3165.55	46988.55
2	Western	30995.50	7903.81	17.48	38916.79	1840.00	7447.50	5357.96	53562.25
3	Southern	19882.50	4690.78	939.32	25512.60	1320.00	11299.03	9341.67	47473.30
4	Eastern	18747.88	190.00	17.20	18955.08	0.00	3882.12	359.64	23196.84
5	N. Eastern	60.00	787.00	142.74	989.74	0.00	1116.00	223.60	2329.34
6	Islands	0.00	0.00	70.02	70.02	0.00	0.00	6.10	76.12
7	All India	93918.38	17706.35	1199.75	112824.48	4780.00	37567.40	18454.52	173626.40
Captive Generating capacity connected to the Grid (MW)									19509

Source: www.powermin.nic.in

TRENDS

The Central Government evolves general policy framework in the field of energy and also supplement the efforts of the State sector in enhancing generation and transmission capabilities in the country. However, the distribution sector by and large remains the State function.

The Ministry of Power is responsible for the administration of the Electricity Act, 2003 and Energy Conservation Act, 2001.

The functions of Ministry of Power inter alia include the following:

General Policy in the electric power (except small/mini/micro hydel projects of and below 25 MW capacity) and thermal power and transmission and distribution system network.

Research, development and technical assistance relating to hydroelectric and thermal power & transmission system network.

BUSINESS OVERVIEW

The Company was incorporated in India on November 09, 2010 as a public limited company, under the provisions of the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi & Haryana, as wholly owned subsidiary of Indiabulls Real Estate Limited. Subsequently, the Company got demerged by way of Scheme of Arrangement among Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited and their respective Shareholders and Creditors and Indiabulls Builders Limited, Indiabulls Power Limited., Poena Power Supply Limited and their respective Shareholders and Creditors, for demerger of the 'Power Business Undertaking' of IBREL into the Company, as a going concern.

Indiabulls Infrastructure and Power Limited is engaged in the business of providing consultancy to various other companies, which are or planning to venture into the business of generation, transmission and distribution of power or are in the process of setting up the power generation plants. The services inter-alia includes advising on finalization of bid documents, selection of equipments / suppliers / sourcing of raw materials, designing of the power plant, negotiations and finalization of the terms and conditions of various legal documents including sourcing agreements with suppliers, financial closures agreements, engineering contracts, agreements with the construction contractors etc. by the power generation/distribution companies. The Company through its affiliate companies is also engaged in the business of power generation, distribution and transmission.

KEY INDUSTRY REGULATIONS

The major regulations applicable to the industry are as under:

THE PAYMENT OF GRATUITY ACT, 1972

The Payment of Gratuity Act, 1972 was enacted to introduce a scheme for payment of gratuity for certain employees employed in Industrial and commercial establishment as a measure of social security. By the amendment of 1984 by act 26 of 1984 sub section (3A) was inserted in section 1 to the Payment of Gratuity Act 1972 to ensure that once the act has become applicable to such shop or establishment it shall continue to be so notwithstanding the fact that the number of persons employed therein at any time after it has become so applicable falls below ten. To ensure that an unscrupulous employer may not fabricate the records to avoid application of the Act or reduce the number of employees just to avoid payment of gratuity, various provisions, as to notice of opening, notice of change or closure of the shop or establishment, and appointment of inspectors have been made under the Act. Any violation thereof have been made offences punishable with imprisonment or fine or with both.

THE EMPLOYEES PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT, 1952

The Act provides for the institution of Provident Funds, Pension Fund and Deposit-Linked insurance fund for employees in Factories and other Establishments. The act applies to (a) every establishment which is a factory engaged in any industry specified in Schedule of the Act and in which 20 or more persons are employed and (b) any other establishment which the Central Government by Notification specify giving not less than two months' notice of its intention to do so in the Official Gazette.

THE CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970

It applies to every establishment in which 20 or more workmen are employed or were employed on any day on the preceding 12 months as contract labour and to every contractor who employs or who employed on any day of the preceding 12 months 20 or more workmen. It does not apply to establishments where the work performed is of intermittent or casual nature. It aims to prevent any exploitation of the persons engaged as contract labour, who are generally neither borne on pay roll or muster roll nor is paid wages directly. It provides for registration requirements of the principal employer, who has the responsibility for inadequate wage payments by the contractor to the labour.

THE PAYMENT OF WAGES ACT, 1936

It regulates payment of wages to certain classes of employed persons. It makes every employer responsible for the payment of wages to person employed by him. No deductions can be made from the wages nor can any fine be levied on wages earned by a person employed except as provided under this Act.

THE MINIMUM WAGES ACT, 1948

It came into force with an objective to provide for the fixation of a minimum wage by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act

THE PAYMENT OF BONUS ACT, 1965

It was enacted with the objective of providing of payment of bonus to employees on the basis of profit or on the basis of productivity. This Act ensures that a minimum annual bonus is payable to every employee regardless of whether the employer has made a profit or a loss in the accounting year in which the bonus is payable. Every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or Rs. 100, whichever is higher.

THE WORKMEN'S COMPENSATION ACT, 1923

It has been enacted with the objective to provide for the payment by certain classes of employers to their workmen or their survivors, compensation for industrial accidents and occupational diseases resulting in death or disablement. In case the employer fails to pay compensation due under the Act within one month from the date it falls due the Commissioner may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

HISTORY AND CERTAIN CORPORATE MATTERS

HISTORY AND MAJOR EVENTS

Our Company was incorporated as Indiabulls Infrastructure and Power Limited on November 09, 2010 under the Companies Act, 1956, with the Registrar of Companies, NCT of Delhi and Haryana. The registration no. assigned to our Company is U40101DL2010PLC210263. The Company received certificate of Commencement of Business on November 11, 2010. The Registered Office of the Company got shifted from E-29, First Floor, Connaught Place, New Delhi - 110 001 to 1A, Hamilton House, 1st Floor, Connaught Place, New Delhi -110 001 w.e.f. March 15, 2011. Subsequently, w.e.f. March 04, 2012 the registered office of the Company got shifted from 1A, Hamilton House, First Floor, Connaught Place, New Delhi - 110 001 to M- 62 & 63, 1st Floor, Connaught Place, New Delhi -110 001

1. Major Events

Date/Period	Activities
November 09, 2010	Incorporated as Public Limited Company under the Companies Act, 1956, as a wholly owned subsidiary of Indiabulls Real Estate Limited.
November 11, 2010	Our Company obtained the Certificate of commencement of business.
March 15, 2011	Registered office of the Company was shifted.
October 17, 2011	The Hon'ble High Court of Delhi at New Delhi, approved the Scheme of Arrangement among Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited and their respective Shareholders and Creditors and Indiabulls Builders Limited, Indiabulls Power Limited., Poena Power Supply Limited and their respective Shareholders and Creditors.
November 25, 2011	The above Scheme came into effect on filing of Form 21 with the Registrar of Companies, NCT of Delhi and Haryana pursuant to Clause 44 (iii) of the Scheme, whereby the scheme became operative w.e.f. the appointed date i.e. April 01, 2010.
June 20, 2012	Indiabulls Power Limited. ceased to be a subsidiary of our Company by virtue of our shareholding in Indiabulls Power Limited. reducing from 53.20% to 44.84% on account of issue of 41,54,07,007 shares by Indiabulls Power Limited. in terms of the court approved Scheme of Arrangement among Indiabulls Power Limited., Indiabulls Infrastructure Development Limited and their respective shareholders and creditors.

2. Corporate profile of the Company

Description of activities and Services provided by the Company:

Indiabulls Infrastructure and Power Limited is engaged in the business of providing consultancy to various other companies, which are or planning to venture into the business of generation, transmission and distribution of power or are in the process of setting up the power generation plants. The services inter-alia includes advising on finalization of bid documents, selection of equipments / suppliers / sourcing of raw materials, designing of the power plant, negotiations and finalization of the terms and conditions of various legal documents including sourcing agreements with suppliers, financial closures agreements, engineering contracts, agreements with the construction contractors etc. by the power generation/distribution companies. The Company through its affiliate companies is also engaged in the business of power generation, distribution and transmission.

3. Injunction or restraining orders: Nil

4. Our Company has 112969 shareholders as on the date of filing the Information Memorandum.

5. Main Objects of the Company

1. To promote, undertake, carry on either on its own or through any other entity or to enter into agreements, contracts, partnership, alliance or any other arrangement for technical, financial and operational assistance or sharing of profits / losses with any Person / Body / Bodies Corporate incorporated in India or abroad either under a Strategic Alliance or Joint Venture or any other arrangement, in India or any part of the world, the business of generating, developing, transmitting, distributing, trading and supplying all forms of electrical power/energy from any source whatsoever and to construct, lay down, establish, fix and carry out necessary power stations, cables, wires, lines, accumulators, lamps and works and to carry on the business of electrical and mechanical engineers, traders, suppliers of electricity for the purposes of light, heat, motive power or otherwise, and manufacturers of and dealers in apparatus and things required for or capable of being used in connection with the generation, distribution, trading, supply, accumulation and employment of electricity, galvanism, magnetism or otherwise and business of establishing, commissioning, setting up, operating and maintaining electric power generating stations based on conventional/non-conventional resources, tie-lines, sub-stations and transmission lines on Build, Own and Operate (BOO) and/or Build, Own and Transfer (BOT), and/or Build, Own, Lease and Transfer (BOLT) and/or Build, Own, Operate and Transfer (BOOT) basis and/or otherwise, and to carry on the business of acquiring, operating, managing and maintaining existing power generation stations, tie-lines, sub-stations and transmission lines, either owned by the private sector or public sector or the Government or Governments or other public authorities and for any or all of the aforesaid purposes, to do all the necessary or ancillary activities as may be considered necessary or beneficial or desirable and in any manner deal with or dispose of undertaking, property, assets, rights and all other effects which in the opinion of the Company is conducive to the attainment of any or all of its business objectives or to acquire and dispose of shares, securities and interest in such Businesses.
2. To carry on the business of design, engineering, construction and development of power projects including hydro-electric projects, renewable energy, nuclear, gas and coal and fuel oil based projects, power transmission and distribution, real or personal estate/properties, airports, oil and gas, highways, pipelines, telecom, IT Parks, industrial infrastructure, warehouses, transportation systems, water resources, tunnels, dams, seaports, Special Economic Zones (SEZ) and other infrastructure projects.

3. To act as consultants and to advise and assist on all aspects of corporate, commercial and industrial management or activity including production, manufacturing, personnel, financial, marketing, taxation, audit, technology, insurance, purchasing, sales, quality, control, productivity, planning, research and development, project management, supervision, schedule, safety and quality control, organization, import and export business, industrial relations and management and to make evaluations feasibility studies, project reports forecasts and surveys and to give advice on acquisition and commercial exploitation of power and suggest ways and means for improving efficiency in power projects, business organizations of registered or co-operate societies, partnership or proprietary concerns and industries of all kinds in India and elsewhere in the world and improvement of business management, office organization and export management, to supply to and provide, maintain and operate services, facilities, conveniences, bureau and the like for the benefit of the company including assistance in acquiring governmental, regulatory and any other required approvals, to recruit and/or advice on the recruitment of staff for any company, to publish and sell books, bulletins periodicals and any other form of printed matters, to acquire, sell and deal in patents designs and any other rights to industrial property, and generally to conduct market research, product planning, classes, seminars and conferences in connection with any of the foregoing.
4. To carry on the profession of consultants on management, employment, engineering, industrial and technical matters, including in relation to architecture, design management and interior design to industry and business of every kind and description including acting as consultants to companies engaged in real estate development and infrastructure projects.
5. To form, settle, acquire, set up, incorporate, establish, promote, subsidize, organize and assist or aid in forming, promoting, subsidizing, organizing or aiding, companies, trusts, funds, entities or partnerships of all kinds for any purpose including for the purpose of accepting and undertaking any properties, businesses, assets, liabilities of this Company, or with objects similar in whole or part with that of Company and invest therein.

Changes in Memorandum of Association of the Company

S. No.	Date of Change	Type of Meeting	Type of Resolution	Brief particulars of Change
1.	25-Nov-11		Pursuant to the Court approved Scheme of Arrangement	Alteration in the Capital Clause so as to reclassify the authorized share capital from the previous Rs. 50,00,000 divided into 5,00,000 equity shares of Rs. 10 each to Rs. 300,00,00,000 divided into 150,00,00,000 equity shares of Rs. 2 each.

Holding and Subsidiary Companies

The Company has no holding and subsidiary companies.

Shareholders Agreement

There are no shareholder agreements as on date of Filing of the Information Memorandum with SEBI.

Other Agreements

Except the Contracts / Agreements entered into in the ordinary course of the business carried on or intended to be carried on by the Company, the Company has not entered into any other Agreement / Contract.

In terms of clause 5 of the Scheme read with clause 7 thereof all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertaking, to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favour, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.

Strategic Partners

There are no strategic partners of the Company.

Financial Partners

There are no financial partners of the Company.

OUR MANAGEMENT

BOARD OF DIRECTORS

Indiabulls Infrastructure and Power Limited is a professionally managed organization. The Company functions under the control of a Board of Directors. The day to day matters are looked after by qualified key personnel, under the supervision of the Whole-time Director.

Name, Fathers' name, Status, Experience, Occupation, Address	Age (In Years)	Qualifications	DIN	Details of directorships in other companies
<p>Mr. Sameer Gehlaut S/o: Shri. Balwan Singh</p> <p>Designation: Non Executive Chairman</p> <p>Status: Promoter Director</p> <p>Experience: 17 years</p> <p>Occupation: Business</p> <p>Address: 71, Maker Tower, A - Wing, 7th Floor, Cuffe Parade, Mumbai - 400005, Maharashtra, INDIA.</p>	38 years	B.Tech., IIT Delhi	00060783	<ol style="list-style-type: none"> 1. Indiabulls Financial Services Limited 2. Indiabulls Finance Company Private Limited 3. Indiabulls Real Estate Limited 4. Indiabulls Power Limited. 5. Karanbhumi Estates Private Limited 6. Kritikka Infrastructure Private Limited 7. Meru Minerals Private Limited 8. Ceres Real Estate Private Limited 9. Indiabulls Mining Private Limited 10. Ceres Power Transmission Private Limited 11. Ceres Electricity Distribution Private Limited 12. Indiabulls Electricity Distribution Private Limited 13. Inuus Infrastructure Private Limited 14. Galax Minerals Private Limited 15. Inuus Land Development Private Limited 16. Inuus Real Estate Private Limited 17. Inuus Developers Private Limited 18. Inuus Properties Private Limited 19. Orthia Real Estate Private Limited 20. Orthia Properties Private Limited 21. Ceres Energy Private Limited 22. Mugwort Real Estate Private Limited 23. Valerian Real Estate Private Limited 24. Calleis Real Estate Private Limited 25. Cleta Infracon Private Limited
<p>Mr. Rajiv Rattan S/o: Shri Ram Rattan</p> <p>Designation: Executive Vice Chairman</p> <p>Status: Promoter Director</p> <p>Experience: 18 years</p> <p>Occupation: Business</p> <p>Address: 60, 2nd</p>	39 years	B.Tech., IIT Delhi	00010849	<ol style="list-style-type: none"> 1. Indiabulls Financial Services Limited 2. Indiabulls Real Estate Limited 3. Indiabulls Life Insurance Company Limited 4. Indiabulls CSEB Bhaiyathan Power Limited 5. Indiabulls Power Limited. 6. Indiabulls Realtech Limited 7. Spire Constructions Private Limited 8. Ceres Real Estate Private Limited 9. Indiabulls Mining Private Limited 10. Ceres Power Transmission Private Limited 11. Ceres Electricity Distribution Private Limited

<p>Floor, Vasant Vihar, Vasant Marg, New Delhi – 110 057, India</p>				<ol style="list-style-type: none"> 12. Indiabulls Electricity Distribution Private Limited 13. Priapus Developers Private Limited 14. Nettle Constructions Private Limited 15. Priapus Land Development Private Limited 16. Priapus Constructions Private Limited 17. Arcelomittal Indiabulls Mining Private Limited 18. Ceres Energy Private Limited 19. Heliotrope Real Estate Private Limited 20. Antheia Infrastructure Private Limited 21. Antheia Constructions Private Limited 22. Cleta Land Development Private Limited 23. Antheia Buildcon Private Limited
<p>Mr. Saurabh Kumar Mittal S/o: Dr. Santosh Kumar Mittal</p> <p>Designation: Non Executive Vice Chairman</p> <p>Status: Promoter Director</p> <p>Experience: 17 years</p> <p>Occupation: Business</p> <p>Address: A-19, A-Block, H. No. A - 1 To A - 32, Westend, Delhi - 110021, India.</p>	39 years	B. Tech., IIT Delhi, MBA from Harvard Business School	01175382	<ol style="list-style-type: none"> 1. Indiabulls Financial Services Limited 2. Indiabulls Real Estate Limited 3. Indiabulls Power Limited. 4. Ceres Trading Services Private Limited 5. Ceres Real Estate Private Limited 6. Indiabulls Mining Private Limited 7. Ceres Power Transmission Private Limited 8. Ceres Electricity Distribution Private Limited 9. Indiabulls Electricity Distribution Private Limited 10. Hespera Realty Private Limited 11. Luceme Trading Services Private Limited 12. Hespera Land Development Private Limited 13. Hespera Realcon Private Limited 14. Ceres Energy Private Limited 15. Alona Builders And Developers Private Limited 16. Cleta Infrastructure Private Limited 17. Cleta Buildcon Private Limited
<p>Mr. Ram Kumar Sheokand S/o: Shri Chandgi Ram Sheokhand</p> <p>Designation: Director</p> <p>Status: Independent Director</p> <p>Experience: 36 years</p> <p>Occupation: Business</p> <p>Address: H.No. 1197,</p>	58 years	M.A. (History)	00183200	<ol style="list-style-type: none"> 1. Kandy Finlease Limited 2. Lira Promoters Private Limited 3. R C S Softech Private Limited 4. OMS Chits Private Limited 5. Kandy Commodity Private Limited 6. Pineapple Infra Project Private Limited

Urban Estate, Jind - 126102, Haryana				
Mr. Rajender Singh Malhan S/o: Shri. Risal Singh Designation: Director Status: Independent Director Experience: 40 years Occupation: Ex-Army Officer and Retired Civil Servant from U.P. Civil Services Address: #320, E-Space, Nirvana Country, South City 2, Gurgaon, Haryana - 122001	65 years	Graduate from Delhi University	05208128	Nil
Mr. Joginder Singh Kataria S/o: Shri. Charan Singh Designation: Director Status: Independent Director Experience: 32 years Occupation: Ex-Commandant (ITBP) Address: H.No. 949, Sector - 4, Distt - Gurgaon - 122001, Haryana	72 years	M.A. (Political Science)	05202673	Nil

Nature of any family relationship between any of the Directors:

Nil

Details of arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which of the Directors was selected as a director or member of senior management.

Nil

THERE ARE NO SERVICE CONTRACTS ENTERED INTO BY THE DIRECTORS WITH THE COMPANY PROVIDING FOR BENEFITS UPON TERMINATION OF EMPLOYMENT.

Details of Borrowing Powers

In terms of the Articles of Association, the Board may, from time to time, at its discretion, subject to the provisions of Section 292 and 293 of the Act, raise or borrow and/or secure payment of any sum or sums of money for the purposes of the Company. It may secure payment or repayment of the same in such terms and conditions in all respect as it thinks fit and in particular by the issue of bonds, notes, convertible, redeemable or otherwise perpetual or redeemable debentures or debenture-stock or any mortgage or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Vide a resolution passed at the Extraordinary General Meeting of the Company held on November 24, 2011, consent of the members of the Company was accorded to the Board of Directors of the Company pursuant to Section 293(1)(a) of the Companies Act, 1956 for authorising and empowering them to to sell, lease or otherwise dispose of including by way mortgage, hypothecation, pledge, in such form and manner and with such ranking and at such time and on such term as the board may determine, all or any of the movable and/or immovable properties /assets of the company, both present and future and/ or the whole or/any part of the undertaking(s) of the company to or in favour of the lender(s), agent(s), trustee(s), or any other person whomsoever participating in extending financial assistance for securing the borrowing of the company availed/ to be availed by way of loan(s) (in foreign currency and/or rupee currency) and securities (comprising fully/ partly convertible debenture and/ or non convertible debenture with or without detachable or non detachable warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued/to be issued by the company, from time to time, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premium on prepayment, remuneration of the agent(s) and/or trustee(s), premium(if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the company in terms of the loan agreement(s), debenture trust deed(s) or any other documents, entered into/to be entered into between the company and the lender(s)/investor(s)/agent(s) and/or trustee(s), in respect of the said loans/borrowings/debentures etc.

Vide a resolution passed at the Extraordinary General Meeting of the Company held on November 24, 2011, consent of the members of the Company was accorded to the Board of Directors of the Company pursuant to Section 293(1)(d) of the Companies Act, 1956 for borrowings from time to time for the purpose of the company's business any sum or sums of money, as it may deem proper, notwithstanding that the moneys to be borrowed together with the money already borrowed by the company, if any (apart from temporary loans obtained from the company's banker in the ordinary course of business) may exceed the aggregate for time being of the paid up capital of the company and its free reserve, if any, provided that the total amount of the moneys to be so borrowed by the Board together with moneys already borrowed (apart from temporary loans obtained from the company's bankers in the ordinary course of business) shall not exceed Rs.10000,00,00,000/-(Rupees Ten Thousand Crore Only) outstanding at any one time.

Compensation of Whole-time Director

Mr. Rajv Rattan, Whole time Director, does not draw any compensation from the Company.

Shareholding of the Directors

S. No.	Name	No. of Shares as on February 22, 2012
1.	Mr. Sameer Gehlaut	35,40,000
2.	Mr. Rajiv Rattan	17,70,000
3.	Mr. Saurabh Kumar Mittal	17,70,000
	Total	70,80,000

Qualification Shares required to be held by Directors

Directors are not required to hold any qualification shares.

Interest of directors

All the Directors may be deemed to be interested to the extent of fees payable to them, if any, for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them, if any, under the Articles of Association, and to the extent of remuneration paid to them, if any for services rendered as an officer or employee of the Company.

The Directors may also be regarded as interested in the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to the companies, firms, trusts, in which they are interested as Directors, members, partners, trustees and Promoter, pursuant to this Issue. All of the Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

The Directors have no interest in any property acquired by the Company within two years of the date of this Information Memorandum.

The Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of the Information Memorandum in which the directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them other than contracts in the normal course of business and being permitted as per the current rules and regulations governing the same.

Changes in the Board of Directors in the last 3 years

The following are the changes in the Board of Directors in the last 3 years. To maintain brevity and to avoid any confusion, this table does not enumerate the instances where the Status or Designation of the Director has been changed or when the appointment of an Additional Director has been regularized.

S. No	Name, Address & DIN	Date of Appointment	Date of Cessation	Reason
1.	Mr. Anil Lepps Address: C-369, Defence Colony, New Delhi-110024 DIN : 01196789	09/11/2010	25/04/2011	Resigned
2.	Mr. Abhimanyu Singh Mehlawat Address: 1056-A, Sector 17-B, IFFCO Colony, Gurgaon, 122001, Haryana, India DIN : 02229285	09/11/2010	21/02/2012	Resigned
3.	Mr. Rajender Nagpal Address: House no. 1237, Sector 14, Faridabad-121007, Haryana, India DIN : 02258252	09/11/2010	21/02/2012	Resigned
4.	Mr. Mukul Bansal Address: 402, 4 th Floor, Park Lane Apartments, 26 th Road, Bandra (West), Mumbai 400050 DIN : 00399080	25/04/2011	21/02/2012	Resigned

5.	Mr. Rajiv Rattan Address: 60, 2 nd Floor, Vasant Vihar, Vasant Marg, New Delhi – 110 057, India DIN: 00010849	21/02/2012		Appointed
6.	Mr. Sameer Gehlaut Address: 71, Maker Tower, A - Wing, 7th Floor, Cuffe Parade, Mumbai - 400005, Maharashtra, INDIA. DIN: 00060783	21/02/2012		Appointed
7.	Mr. Saurabh Kumar Mittal Address: A-19, A-Block, H. No. A - 1 To A - 32, Westend, Delhi - 110021, India. DIN: 01175382	21/02/2012		Appointed
8.	Mr. Ram Kumar Sheokand Address: H.No. 1197, Urban Estate, Jind – 126102, Haryana DIN: 00183200	21/02/2012		Appointed
9.	Mr. Rajender Singh Malhan Address: #320, E-Space, Nirvana Country, South City 2, Gurgaon, Haryana – 122001 DIN: 05208128	21/02/2012		Appointed
10.	Mr. Joginder Singh Kataria Address: H.No. 949, Sector - 4, Distt - Gurgaon - 122001, Haryana DIN: 05202673	21/02/2012		Appointed

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the requirements of the applicable regulations, including the listing agreement to be entered in to with the Stock Exchanges and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Company has a Board constituted in compliance with the Companies Act and listing agreement to be entered in to with the Stock Exchanges and in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. The executive management of the Company provides the Board detailed reports on its performance periodically.

Composition of Board of Directors

Currently, the Board of Directors has 6 Directors. In compliance with Clause 49 of the equity listing agreement, the Company has 1 Executive Director and 5 Non-Executive Directors, including 3 Independent Directors, on its Board of Directors.

S.NO	NAME OF DIRECTOR	DESIGNATION	STATUS
1.	Mr. Sameer Gehlaut	Non Executive Chairman	Promoter Director
2.	Mr. Rajiv Rattan	Executive Vice Chairman	Promoter Director
3.	Mr. Saurabh Kumar Mittal	Non Executive Vice Chairman	Promoter Director
4.	Mr. Ram Kumar Sheokand	Director	Independent Director
5.	Mr. Rajender Singh Malhan	Director	Independent Director
6.	Mr. Joginder Singh Kataria	Director	Independent Director

Committees of the Board

Audit Committee

The Audit committee was reconstituted on February 21, 2012. The members of the Audit Committee are:

Sr. No	Name of the Director	Designation in Committee	Nature of Directorship
1.	Mr. Joginder Singh Kataria	Chairman	Independent Director
2.	Mr. Rajender Singh Malhan	Member	Independent Director
3.	Mr. Ram Kumar Sheokand	Member	Independent Director
4.	Mr. Saurabh Kumar Mittal	Member	Promoter Director

Mr. Gaurav Srivastava, Company Secretary, shall be the Secretary of the Committee.

Terms of reference

The terms of reference of the Audit Committee, inter-alia, include:

- To oversee the financial reporting process and disclosure of financial information.
- To review with management, quarterly, half yearly and annual financial statements and ensure their accuracy and correctness before submission to the Board.
- To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations.
- To recommend the appointment of the internal and statutory auditors and fixing their remuneration.
- To hold discussions with the statutory and internal auditors.

The scope and function of the Audit Committee are in accordance with Section 292A of the Companies Act and Clause 49 of the Listing Agreement.

Remuneration Committee

The Remuneration Committee was constituted by a meeting of the Board of Directors held on February 21, 2012. The members of the Remuneration Committee are:

Sr. No	Name of the Director	Designation in Committee	Nature of Directorship
1.	Mr. Rajender Singh Malhan	Chairman	Independent Director
2.	Mr. Joginder Singh Kataria	Member	Independent Director
3.	Mr. Ram Kumar Sheokand	Member	Independent Director

Terms of reference

The terms of reference of Remuneration Committee, inter-alia, include:

- To recommend to the Board, compensation terms of the Executive Directors.
- To assist the Board in determining and implementing the Company's Policy on the remuneration of Executive Directors.

Share Transfer and Shareholder's Grievance Committee

The Share Transfer and Shareholder's grievance Committee was constituted on February 21, 2012. The members of the Share Transfer and Investor Grievance Committee are;

Sr. No	Name of the Director	Designation in Committee	Nature of Directorship
1.	Mr. Ram Kumar Sheokand	Chairman	Independent Director
2.	Mr. Rajender Singh Malhan	Member	Independent Director
3.	Mr. Joginder Singh Kataria	Member	Independent Director

Mr. Gaurav Srivastava, Company Secretary, shall be the Secretary of the Committee.

Terms of Reference

The scope, terms of reference and functioning of the Committee is as prescribed under Clause 49 of the Listing Agreement. The primary functions carried out by the Committee are to approve requests for share transfers and transmissions to approve the requests pertaining to remat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc. and for this purpose the required authority has been delegated to Mr. Ram Kumar Sheokand.

Compliance with Listing Agreement

The Company in terms of this Information Memorandum intends to list its equity shares on BSE and NSE and intends to comply with the requirements under the respective Listing Agreement of the above-mentioned stock exchanges. Further, we are in compliance with clause 49 of the listing agreement to the extent applicable to a company seeking listing for the first time.

Key Management Personnel

In addition to the Executive Vice Chairman, Mr. Rajiv Rattan, provided below is the key managerial employee of the Company.

Name, Designation, Qualifications	Date of Joining	Age (Years)	Term of office with date of expiration of term	Details of service contracts including termination /retirement benefits	Experience (years)	Previous Employment
Gaurav Srivastava, Company Secretary & Compliance Officer M.Com, LLB & Company Secretary	26/10/2011	35 years	N.A.	N.A.	13 years	Indiabulls Industrial Infrastructure Limited

Nature of any family relationship between any of the Key Management Personnel:

None of the above Key Management Personnel are related to each other.

Details of any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Management Personnel, was selected as a director or member of senior management

Nil

No compensation was paid to the Key Management Personnel in the last financial year pursuant to a bonus or profit-sharing plan

The Key Management Personnel as stated above are Permanent employees of the Company.

Shareholding of Key Management Personnel

The Key Management Personnel together hold 17,70,000 Equity Shares.

Name	No. of shares held
Mr. Rajiv Rattan	17,70,000
Mr. Gaurav Srivastava	0

Bonus or profit sharing plan of the Key Management Personnel

The Company does not have any bonus or profit sharing plan of the Key Management Personnel.

Interests of Key Management Personnel

The key management personnel of the Company do not have any interest in the Company other than to the extent of the remuneration, employee stock options held, if any, Equity Shares allotted under employee stock purchase scheme or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

None of the key management personnel have been paid any consideration of any nature from the Company, other than their remuneration.

Changes in the Key Management Personnel

The changes in the key management personnel in the last three years are as follows:

S. No.	Name	Date of		Reason
		Joining	Leaving	
1.	Mr. Rajiv Rattan	21/02/2012	-	Appointed
2.	Mr. Gaurav Srivastava	26/10/2011	-	Appointed

Employees

Employee Stock Option Scheme and Employee Stock Purchase Scheme

At present, the Company does not have any Employee Stock Option Scheme and Employee Stock Purchase Scheme.

Other Benefits to the Officers of the Issuer Company

Except the payment of salaries and perquisites, no amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any employee and there is no consideration for payment of giving of the benefit.

PROMOTERS

Promoters

Prior to the Scheme becoming effective, the Company was a wholly owned subsidiary of Indiabulls Real Estate Limited (IBREL). Pursuant to the Scheme becoming effective, the Company has allotted equity shares to the shareholders of IBREL on the Demerger Record Date. Further, in terms of Clause 20(iii) of the Scheme, the existing shareholding of IBREL in the Company has been cancelled.

Mr. Sameer Gehlaut, Mr. Rajiv Rattan and Mr. Saurabh Kumar Mittal are presently the Promoters of the Company.

The details of the Promoters are as follows:

Mr. Sameer Gehlaut



Age	38 years
Personal Address	71, Maker Tower, A - Wing, 7th Floor, Cuffe Parade, Mumbai - 400005, Maharashtra, INDIA.
Educational qualifications and professional Experience	B.Tech., IIT Delhi
Directorship held in other companies	<ol style="list-style-type: none"> 1. Indiabulls Financial Services Limited 2. Indiabulls Finance Company Private Limited 3. Indiabulls Real Estate Limited 4. Indiabulls Power Limited. 5. Karanbhumi Estates Private Limited 6. Kritikka Infrastructure Private Limited 7. Meru Minerals Private Limited 8. Ceres Real Estate Private Limited 9. Indiabulls Mining Private Limited 10. Ceres Power Transmission Private Limited 11. Ceres Electricity Distribution Private Limited 12. Indiabulls Electricity Distribution Private Limited 13. Inuus Infrastructure Private Limited 14. Galax Minerals Private Limited 15. Inuus Land Development Private Limited 16. Inuus Real Estate Private Limited 17. Inuus Developers Private Limited 18. Inuus Properties Private Limited 19. Orthia Real Estate Private Limited 20. Orthia Properties Private Limited 21. Ceres Energy Private Limited 22. Mugwort Real Estate Private Limited 23. Valerian Real Estate Private Limited 24. Calleis Real Estate Private Limited 25. Cleta Infracon Private Limited

Permanent Account Number	AFMPG9469E
Passport Number	Z1776388
DIN	00060783

Profile: Mr. Sameer Gehlaut, aged 38, graduated with a degree in mechanical engineering from the Indian Institute of Technology, Delhi. He is also the Co-Founder and Chairman of the Indiabulls group of companies engaged in the businesses of real estate, infrastructure, financial services and power sector. Asia Money had named Mr. Sameer Gehlaut as one of the 100 most influential persons in business across Asia-Pacific in the fiscal year 2007-08.

Declaration: It is confirmed that Permanent Account Number and Passport Number of Mr. Sameer Gehlaut is being submitted to the Stock Exchanges on which Shares are proposed to be listed, at the time of filing of Information Memorandum with them.

Mr. Rajiv Rattan



Age	39 years
Personal Address	60, 2 nd Floor, Vasant Vihar, Vasant Marg, New Delhi - 110 057, INDIA
Educational qualifications and professional Experience	B.Tech., IIT Delhi
Directorship held in other companies	<ol style="list-style-type: none"> 1. Indiabulls Financial Services Limited 2. Indiabulls Real Estate Limited 3. Indiabulls Life Insurance Company Limited 4. Indiabulls CSEB Bhayathan Power Limited 5. Indiabulls Power Limited. 6. Indiabulls Realtech Limited 7. Spire Constructions Private Limited 8. Ceres Real Estate Private Limited 9. Indiabulls Mining Private Limited 10. Ceres Power Transmission Private Limited 11. Ceres Electricity Distribution Private Limited 12. Indiabulls Electricity Distribution Private Limited 13. Priapus Developers Private Limited 14. Nettle Constructions Private Limited 15. Priapus Land Development Private Limited 16. Priapus Constructions Private Limited 17. Arcelormittal Indiabulls Mining Private Limited 18. Ceres Energy Private Limited 19. Heliotrope Real Estate Private Limited 20. Antheia Infrastructure Private Limited 21. Antheia Constructions Private Limited 22. Cieta Land Development Private Limited 23. Antheia Buildcon Private Limited
Permanent Account Number	AESPR3957D
Passport Number	G8799401
DIN	00010849

Profile: Mr. Rajiv Rattan, aged 39, graduated with a degree in electrical engineering from the Indian Institute of Technology, Delhi in the year 1994. He is the Co-Founder and Vice Chairman of the Indiabulls group of companies. He was selected by Schlumberger for its international services business in 1994, where he worked for over 5 years before he co-founded Indiabulls group of companies. Mr. Rajiv Rattan has vast work experience in the field of financial services, real estate, power and infrastructure sector businesses. He also has extensive experience in process management and task management.

Declaration: It is confirmed that Permanent Account Number and Passport Number of Mr. Rajiv Rattan is being submitted to the Stock Exchanges on which Shares are proposed to be listed, at the time of filing of Information Memorandum with them.

Mr. Saurabh Kumar Mittal



Age	39 years
Personal Address	A -19 - A - Block, H. No. A - 1 To A - 32, Westend, Delhi - 110021, INDIA.
Educational qualifications and professional Experience	B. Tech., IIT Delhi, MBA from Harvard Business School
Directorship held in other companies	<ol style="list-style-type: none"> 1. Indiabulls Financial Services Limited 2. Indiabulls Real Estate Limited 3. Indiabulls Power Limited. 4. Ceres Trading Services Private Limited 5. Ceres Real Estate Private Limited 6. Indiabulls Mining Private Limited 7. Ceres Power Transmission Private Limited 8. Ceres Electricity Distribution Private Limited 9. Indiabulls Electricity Distribution Private Limited 10. Hespera Realty Private Limited 11. Lucerne Trading Services Private Limited 12. Hespera Land Development Private Limited 13. Hespera Realcon Private Limited 14. Ceres Energy Private Limited 15. Alona Builders And Developers Private Limited 16. Cleta Infrastructure Private Limited 17. Cleta Buildcon Private Limited
Permanent Account Number	ANAPM2488D
Passport Number	Z1583525
DIN	01175382

Profile:

Mr. Saurabh Kumar Mittal, aged 39, graduated with a degree in Electric Engineering from the Indian Institute of Technology, Delhi and also hold masters in business administration from Harvard Business School, where he was elected Baker Scholar. Previously, Mr. Mittal has worked at Citigroup Asset Management and Farallon Capital Management, securities broking and real estate / infrastructure development businesses. He is also a Co-founder and Vice Chairman of Indiabulls group of companies.

Declaration: It is confirmed that Permanent Account Number and Passport Number of Mr. Saurabh Kumar Mittal is being submitted to the Stock Exchanges on which Shares are proposed to be listed, at the time of filing of Information Memorandum with them.

CURRENCY OF PRESENTATION

In the Information Memorandum, all references to "Rupees" and "Rs." and "Indian Rupees" are to the legal currency of the Republic of India. Through out the sections on 'Financial Information' and 'Summary of Financial Information' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' in the Information Memorandum figures have been expressed in lacs. The term 'lacs' means 'One Hundred Thousand'.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and elsewhere in the Information Memorandum, unless otherwise indicated, have been calculated on the basis of our financial statements prepared in accordance with Indian GAAP. In the Information Memorandum, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

DIVIDEND POLICY

The Company does not have any formal dividend policy in respect of its equity shares. The declaration and payment of equity dividend in the Company is recommended by our Board of Directors and approved by the shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition. The Company has not paid any dividend on its equity shares so far.

SECTION V- FINANCIAL INFORMATION

FINANCIAL INFORMATION OF OUR COMPANY

Financial Statements of Indiabulls Infrastructure and Power Limited for the period from November 09, 2010 to March 31, 2011 and for the year ended March 31, 2012 are included herein:

a) For the period from November 09, 2010 to March 31, 2011

Auditors' Report to the Members of Indiabulls Infrastructure and Power Limited

1. We have Audited the attached Balance Sheet of Indiabulls Infrastructure and Power Limited ("the Company") as at March 31, 2011 and the annexed Profit and Loss Account and the Cash Flow Statement for the period ended March 31, 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our Audit.
2. We conducted our Audit in accordance with the Auditing standards generally accepted in India. Those Standards require that we plan and perform the Audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our Audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act'), we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our Audit;
 - (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) the Balance Sheet, Profit and Loss Account and Cash Flow Statement, dealt with by this report are in agreement with the books of account;
 - (iv) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement, dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
 - (v) on the basis of written representations received from the directors, as at March 31, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of Section 274 (1) (g) of the Act;
5. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read with the notes thereon give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2011;

- (b) in the case of Profit and Loss Account, of the profit of the Company for the period ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flows of the Company for the period ended on that date.

For Sharma Goel & Co.
Chartered Accountants
FRN No: 000643N
Amar Mittal
Partner
Membership No.017755
Place : New Delhi
Date : April 27, 2011

Annexure referred to in paragraph 3 of the Auditor's Report of even date to the Members of Indiabulls Infrastructure and Power Limited on the financial statements for the period ended March 31, 2011

1. In our opinion and according to the information and explanations given to us, the nature of the Company's business / activities for the period ended March 31, 2011, is such that paragraphs 4(i), 4(ii), 4(vi), 4(viii), 4(x), 4(xi), 4(xii), 4(xiii), 4(xv), 4(xvi), 4(xix) and 4(xx) of Order are not applicable to the Company.
2. The company has not granted any loan to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Also, the Company has not taken loan from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
3. In our opinion and according to the information and explanations given to us, there is an adequate internal control systems commensurate with the size of the Company and nature of its business, however the activity of the company do not involve in purchase of inventory & fixed assets and in the sale of goods & services. We have not observed any major weakness in the internal control system during the course of Audit.
4. In our opinion and according to the information and explanations given to us, the Company has not entered into any contracts or arrangements referred to in Section 301 of the Companies Act, 1956, the particulars of which are required to be entered in the register required to be maintained under that section.
5. According to the information and explanations given to us in respect of statutory and other dues :
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and any other material Statutory Dues have generally been regularly deposited during the period by the Company with the appropriate authorities, to the extent applicable. There were no dues on account of Cess under Section 441A of the Companies Act, 1956 since the aforesaid section has not yet been made effective by the Central Government.
 - (b) According to the information and explanations given to us and, there are no dues of Income tax, Wealth tax, Sales tax, Customs duty and Excise duty which have not been deposited on account of any dispute.
6. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for the long-term investment by the Company.
7. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
8. According to the information and explanation given to us, no material fraud on or by the Company has been noticed or reported during the period.

For Sharma Goel & Co.
Chartered Accountants
FRN No: 000643N
Amar Mittal
Partner
Membership No.017755
Place : New Delhi
Date : April 27, 2011

Balance Sheet as at March 31, 2011			
			Amount in Rupees
			As at
			March 31, 2011
I	Sources of Funds	Schedule	
	Shareholders' Funds		
	Share Capital	1	5,00,000
	Reserves and Surplus	2	13,13,516
	Total		18,13,516
II	Application of Funds		
	Deferred Tax Assets (Net)		6,180
	(Refer Note B 6 of Schedule 10)		
	Current Assets, Loans and Advances		
	Cash and Bank Balances	3	22,08,364
	Loans and Advances	4	5,150
			22,13,514
	Less: Current Liabilities and Provisions		
	Current Liabilities	5	5,515
	Provisions	6	4,00,663
			4,06,178
	Net Current Assets		18,07,336
	Total		18,13,516
	Significant Accounting Policies and Notes to Accounts	10	
	As per our report of even date		
	For Sharma Goel & Co. Chartered Accountants FRN 000643N	For and on behalf of the Board	
	Amar Mittal Partner Membership No. 017755	Abhimanyu Mehlawat Director DIN:02229285	Rajender Nagpal Director DIN:02258252
	Place: New Delhi Date : April 27, 2011	Place: New Delhi Date : April 27, 2011	

Profit and Loss Account for the Period from November 09, 2010 to March 31, 2011		
	Schedule	Amount in Rupees For the Period from November 09, 2010 to March 31, 2011
INCOME		
Income from Operation	7	21,20,000
Total		21,20,000
EXPENDITURE		
Administrative and Other expenses	8	1,77,310
Interest and Finance Charges	9	855
Total		1,78,165
Profit / (Loss) Before Tax		19,41,835
Provision for Tax		
-Current Tax		6,34,499
-Deferred Tax		-6,180
Profit / (Loss) After Tax		13,13,516
Balance of Profit/(Loss) Brought Forward		-
Balance of Profit Carried Forward		13,13,516
Earnings Per Share (Refer Note B 5 of Schedule 10)		
- Basic and Diluted (Rs.)		26.27
Face Value Per Equity Share (Rs.)		10
Significant Accounting Policies and Notes to Accounts	10	
As per our report of even date		
For Sharma Goel & Co. Chartered Accountants FRN 000643N	For and on behalf of the Board	
Amar Mittal Partner Membership No. 017755	Abhimanyu Mehlawat Director DIN:02229285	Rajender Nagpal Director DIN:02258252
Place: New Delhi Date : April 27, 2011	Place: New Delhi Date : April 27, 2011	

Cash Flow Statement for the period from November 09, 2010 to March 31, 2011		
		Amount in Rupees
		For the Period from November 09, 2010 to March 31, 2011
A Cash flow from Operating activities :		
Net Profit/(Loss) before Tax	✓	19,41,835
Operating Profit/(Loss) before working capital changes	✓	19,41,835
Adjustments for:		
(Increase)/Decrease in Loans and Advances		-5,150
Increase/(Decrease) in Trade Payables and other liabilities		5,515
Cash generated from Operations	✓	19,42,200
Direct Tax (paid)/refund	✓	(2,33,836)
Net cash generated from/(used in) operating activities	✓	17,08,364
B Cash flow from investing activities		-
Net cash generated from/(used in) investing activities		-
C Cash flow from financing activities		
Proceeds from issue of Equity Share Capital	✓	5,00,000
Net cash generated from/(used in) Financing activities	✓	5,00,000
D Net increase / (decrease) in cash and cash equivalents (A+B+C)	✓	22,08,364
E Cash and cash equivalents at the beginning of the period		-
F Cash and cash equivalents at the end of the period (D+E)	✓	22,08,364
Note:		
1 The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in Accounting Standard (AS) - 3 on Cash Flow Statements as notified under the Companies (Accounting Standards) Rules, 2006		
2 Cash and cash equivalents as at the end of the year include:		
		-
Balances with Scheduled Banks		
-In Current Accounts	✓	22,08,364
Total	✓	22,08,364
As per our report of even date		
For Sharma Goel & Co.	For and on behalf of the Board	
Chartered Accountants		
FRN 000643N		
Amar Mittal	Abhimanyu Mehlawat	Rajender Nagpal
Partner	Director	Director
Membership No. 017755	DIN:02229285	DIN:02258252
Place: New Delhi	Place: New Delhi	
Date : April 27, 2011	Date : April 27, 2011	

Schedules forming part of Balance Sheet as at March 31, 2011		Amount in Rupees
		As at
		March 31, 2011
1	Share Capital	
	Authorised:	
	500,000 Equity Shares of Rs 10 each	50,00,000
	Issued, Subscribed and Paid up:	
	Equity Share Capital	
	50,000 Equity Shares of Rs 10 each fully paid up	5,00,000
	[The entire paid up Equity share capital is held by the Holding company-Indiabulls Real Estate Limited and its nominees.]	
	As per Balance Sheet	5,00,000
2	Reserves and Surplus	
	Surplus as per Profit and Loss Account	13,13,516
	As per Balance Sheet	13,13,516
3	Cash and Bank Balances	
	Balances with Scheduled Banks	
	- In Current Accounts	22,08,364
	As per Balance Sheet	22,08,364
4	Loans and Advances	
	Duties & Taxes - Others	5,150
	As per Balance Sheet	5,150
5	Current Liabilities	
	Sundry Creditors (Refer Note B-10 of Schedule 10)	
	(a) Due to Micro and Small Enterprises	-
	(b) Due to others	-
	Other Liabilities	5,515
	As per Balance Sheet	5,515
6	Provisions	
	Provision for Tax [Net of Advance Tax/Tax Deducted at Source of Rs. 233,836]	4,00,663
	As per Balance Sheet	4,00,663

Schedules forming Part of Profit and Loss Account for the Period from November 09, 2010 to March 31, 2011		Amount in Rupees
		For the Period from November 09, 2010 to March 31, 2011
7	Income from Operation	
	Income from Project Mangement, Desinging, Advisory and Liasioning Services- Gross [Tax Deducted at Source of Rs. 233,836]	21,20,000
	As per Profit and Loss Account	21,20,000
8	Administrative and Other Expenses	
	Rates and Taxes	3,000
	Preliminary Expenses	1,16,560
	Auditor's Remuneration - Audit Fees	50,000
	Miscellaneous Expenses	7,750
	As per Profit and Loss Account	1,77,310
9	Interest and Finance Charges	
	Interest- Others	855
	As per Profit and Loss Account	855

SCHEDULE: 10**Significant Accounting Policies and Notes to Accounts Forming Part of Balance Sheet as at March 31, 2011 and Profit and Loss Account for the Period from November 09, 2010 to March 31, 2011.****A. Significant Accounting Policies****i. Basis of Accounting:**

The financial statements are prepared under the historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India and in compliance with the applicable accounting standards as notified under the Companies (Accounting Standards) Rules, 2006, as amended.

ii. Use of Estimates:

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

iii. Revenue Recognition:

- a) Income from Project Management, Designing, Advisory and Liasioning Services is recognized on accrual basis.
- b) Revenue from real estate development projects and plots under development is recognised in the financial year in which the agreement to sell / application forms (containing salient terms of agreement to sell) is executed, on the Percentage of Completion Method which is applied on a cumulative basis in each accounting year to the current estimate of contract revenue and related project costs, when the stage of completion of each project reaches a significant level which is estimated to be at least 25% of the total estimated construction cost of the respective projects.
- c) Revenue from sale of developed land and plots is recognised in the year in which the underlying sale deed is executed.
- d) Interest income from deposits is recognized on accrual basis.
- e) Dividend income is recognized when the right to receive the dividend is unconditionally established.

iv. Inventories:

Land other than that transferred to real estate projects under development is valued at lower of cost or net realisable value.

Cost includes cost of acquisition and internal and external development costs, construction costs, and development/construction materials. Real estate projects under development represents land under development, cost incurred directly in respect of construction activity and indirect construction cost to the extent to which the expenditure is indirectly related to the construction or incidental thereto on unsold real estate projects is valued at cost.

Construction materials, stores and spares, tools and consumable are valued at lower of cost or net realisable value, whichever is lower on the basis of first-in first-out method.

v. Borrowing Costs:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

vi. Investments:

Investments are classified as long term or current investments. Long term investments are stated at cost and provision for diminution in their value, other than temporary, is recorded in the books of account. Current investments are stated at the lower of cost or fair value.

vii. Taxes on Income:

Current Tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred Tax resulting from timing differences between taxable income and accounting income is accounted for at the current rate of tax / substantively enacted tax rates as on the Balance Sheet date, to the extent that the timing differences are expected to crystallize.

Deferred Tax Assets are recognized where realization is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, Deferred Tax Assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets will be realised. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

viii. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for:

i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or,

ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

ix. Share Issue Expenses:

Share Issue Expenses are adjusted against Securities Premium Account to the extent of balance available and thereafter, the balance portion is charged off to the profit and loss account, as incurred.

x. Earnings Per Share:

Basic Earnings per Share is computed using the weighted average number of equity shares outstanding during the year. Diluted Earnings per Share is computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year.

xi. Preliminary Expenses:

Preliminary Expenses are adjusted against Securities Premium Account (net of tax) to the extent of balance available and thereafter, the balance portion is charged off to the profit and loss account, as incurred.

xii. Deferred Employee Stock Compensation Costs:

Deferred Employee Stock Compensation Costs are recognised in accordance with the Guidance Note on Accounting for Employee Share Based Payments issued by the Institute of Chartered Accountants of India, which establishes financial accounting and reporting principles for employee share based payment plans. Employee stock compensation costs are measured based on the estimated intrinsic or fair value (as elected by the Company in respect of its different Employees Share Based Payment Plans) of the stock options on the grant date. The compensation expense is amortized over the vesting period of the options.

B. Notes to Accounts:

1. Overview:

Indiabulls Infrastructure and Power Limited ("the Company") was incorporated on November 09, 2010. The Company is in the business of generating, developing, transmitting, distributing, trading and supplying all forms of the electrical power/energy and to establish commission, set up, operate and maintain electric power generating stations and do all other related and ancillary objects.

2. The Company first accounting period is from November 09, 2010 to March 31, 2011. As this is the first accounting period of the company, there are no figures presented in respect of previous accounting period.

3. Employees Stock Options Schemes:

Stock Option Schemes of Indiabulls Real Estate Limited ("IBREL"), the holding company:

Indiabulls Real Estate Limited ("IBREL"), the holding company had established the Indiabulls Real Estate Limited Employees Stock Options Scheme - 2006 ("IBREL ESOS-I" or "Plan-I") and Indiabulls Real Estate Limited Employees Stock Options Scheme - 2008 (II) ("IBREL ESOS-II" or "Plan-II") during the financial year ending March 31, 2007 and March 31, 2009 respectively. IBREL had issued 9,000,000 equity settled options at an exercise price of Rs 60 per option under the IBREL ESOS I and 2,000,000 equity settled options at an exercise price of Rs 110.50 per option under the IBREL ESOS II to eligible employees which gave them the right to subscribe stock options representing an equal number of equity shares of face value of Rs. 2 each of IBREL. These options vest uniformly over a period of 10 years, commencing one year after from the date of grant. IBREL follows the Intrinsic Value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share based Payments ("Guidance Note"), issued by the Institute of Chartered Accountants of India. There is no impact on the profits after taxes and the basic and diluted earnings per share of the Company, on account of IBREL ESOS-I and IBREL ESOS-II.

During the year ended March 31, 2011, 574,500 and 128,500 options have been exercised for Plan - I and Plan - II respectively.

During the year ended March 31, 2011, the Board of Directors and Shareholders of IBREL have given their consent to create, issue, offer and allot, to the eligible employees of IBREL and its Subsidiary Companies, stock options not exceeding 30,000,000 in number, representing 30,000,000 Equity shares of face value of Rs. 2 each of IBREL, and accordingly the Employee Stock Option Scheme- 2010 ("IBREL ESOP 2010") has been formed. As per the scheme Exercise Price will be the market price of the equity shares of IBREL, being the latest available closing price, prior to the date of grant or as may be decided by the Board or Compensation Committee. However Compensation Committee of the Board has not yet granted any options under IBREL ESOP 2010 Scheme.

Indiabulls Employees' Welfare Trust" (Trust) has been formed on October 04, 2010 with an initial corpus of Rs. 50,000, to administer and implement current un granted options under Employee Stock Option Schemes ("ESOP Schemes") and any future ESOP / Employee Stock Purchase Schemes to all eligible employees of the Indiabulls Group listed Companies namely Indiabulls Financial Services Limited, Indiabulls Real Estate Limited, Indiabulls Securities Limited, Indiabulls Power Limited and Store One Retails India Limited (Collectively referred as Settlers). IBREL being one of the Settlers has contributed Rs. 10,000 as initial corpus towards establishment of the Trust. Trust is administered by independent trustees.

4. Disclosure in respect of Accounting Standard (AS) – 18 Related Party Disclosures as notified under the Companies (Accounting Standards) Rules, 2006 :

a) Related Parties

(i) Where Control exists

- Holding Company Indiabulls Real Estate Limited

(ii) Other Related Parties

- Key Management Personnel: Mr. Sameer Gehlaut
 (Director and Chairman of Holding Company)
- Mr. Rajiv Rattan
 (Director and Vice Chairman of Holding Company)
- Mr. Saurabh Kumar Mittal
 (Director of Holding Company)
- Mr. Narendra Gehlaut
 (Joint Managing Director of Holding Company)
- Mr. Vipul D. Bansal
 (Joint Managing Director of Holding Company)

b) Summary of Significant Transactions with Related Parties for the period from November 09, 2010 to March 31, 2011:

(Amount in Rs.)		
Nature of Transaction	Holding Company	Total
Expenses		
Reimbursement of Other Expenses	1,25,330	1,25,330

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed. Related party relationships as given above are as identified by the Company and have been relied upon by the auditors.

5. **Earnings per Share**

Basic earnings per share is computed by dividing the net profit/(loss) attributable to equity shareholders, for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The number of equity shares and potential diluted equity shares are adjusted for stock split, bonus shares and the potential dilutive effect of Employee Stock Option Plans as appropriate.

Particulars	For the period from November 09, 2010 to March 31,2011
Profit/(Loss) available for Equity Shareholders (Rs.)	13,13,516
Weighted average number of Shares used in computing Basic and Diluted earnings per share	50,000
Nominal Value per Equity Share - (Rs.)	10
Basic Earnings per Equity Share - (Rs.)	26.27
Diluted Earnings per Equity Share - (Rs.)	26.27

6. Deferred Tax:

In Compliance with accounting standard 22 (AS 22) – Accounting for taxes on Income, as notified under the companies (Accounting Standards) Rules, 2006, as amended, the company has credited deferred tax of Rs.6,180 in the Profit and Loss Account during the period from November 09, 2010 to March 31, 2011.

The breakup of deferred tax assets into major components as at March 31, 2011 is as under:

(Amount in Rs.)

Particulars	As at March 31, 2011
Deferred Tax Asset arising on account of temporary difference due to:	
Preliminary expenses	6,180
Deferred Tax Asset (Net)	6,180

7. The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e .purchase, sale, dealing, construction and development of real estate projects and all other related activities. The Company operates in domestic market only. Considering the nature of Company's business and operations and based on the information available with the management no further disclosures are required in respect of reportable segments, under AS 17 Accounting Standard 17 – "Segment Reporting" as notified under the Companies (Accounting Standards) Rules ,2006., other than those already provided in the financial statements.
8. As per the best estimate of the management, no provision is required to be made as per Accounting Standard 29 (AS 29) - Provisions, Contingent Liabilities and Contingent Assets, as notified under the Companies (Accounting Standards) Rules, 2006, as amended, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.
9. In respect of amounts as mentioned under Section 205C of the Companies Act, 1956, there were no dues required to be credited to the Investor Education and Protection Fund as at March 31, 2011.
10. Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 :
- There is no payment due to suppliers as at the end of the accounting period on account of Principal and Interest.
 - No interest was paid during the year in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed date.
 - No interest is payable at the end of the year other than interest under Micro, Small and Medium Enterprises Development Act, 2006.
 - No amount of interest was accrued and unpaid at the end of the accounting period.
- The above information and that given in Schedule-5 "Current Liabilities" regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
11. The Company has not entered into any derivative instrument during the period. The Company does not have any foreign currency exposures towards receivables, payables or any other derivative instrument that have not been hedged.
12. There is no Contingent Liability to be reported as at March 31, 2011.

13. In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2011 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet. In the opinion of the Board of Directors, no provision is required to be made against the recoverability of these balances.
14. There are no other particulars to be disclosed in accordance with Part II to Schedule VI of the Companies Act, 1956.

As per our report of even date

For Sharma Goel & Co.
Chartered Accountants
FRN: 000643N

For and on behalf of the Board

Amar Mittal
Partner
Membership No 017755

Abhimanyu Mehlawat
Director
DIN:02229285

Rajender Nagpal
Director
DIN: 02258252

Place: New Delhi
Date: April 27, 2011

Place: New Delhi
Date: April 27, 2011

b) Year ended March 31, 2012

AUDITOR'S REPORT

To the Members of Indiabulls Infrastructure and Power Limited

1. We have audited the accompanying financial statements of Indiabulls Infrastructure and Power Limited ("the Company") which comprise the Balance Sheet as at March 31, 2012 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Standards on Auditing generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act'), we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement, dealt with by this report are in agreement with the books of account;
 - iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement, dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
 - v) On the basis of written representations received from the directors, as at March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors are disqualified as at March 31, 2012 from being appointed as a director in terms of Section 274 (1) (g) of the Act;
 - vi) In our opinion and according to the information and explanations given to us, the said financial statements read with the notes thereon give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - b. In the case of Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
 - c. In the case of Cash Flow Statement, of the cash flow of the Company for the year ended on that date.

For Sharma Goel & Co.
Chartered Accountants
FRN : 000643N
Sd/-
Amar Mittal
Partner
Membership No. 017755
Place: New Delhi
Date: April 28, 2012

Annexure to the Auditor's Report of even date to the Members of Indiabulls Infrastructure and Power Limited on the financial statements for the year ended March 31, 2012(Refer to in paragraph 3 of our report of even date)

Based on the Audit Procedures performed for the purpose of reporting a true and fair view on the financials statements of the company and taking into the consideration the information and explanation given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- i) In respect of fixed assets of the company, in our opinion:
 - a) The Company has maintained proper records, showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a programme of physical verification of its fixed assets by which they are verified annually. In accordance with this programme, fixed assets were verified during the year and no discrepancies were noticed on such verification. In our opinion, the frequency of the physical verification is reasonable having regards to the size of the company and nature of fixed assets.
 - c) The Company has not disposed off any fixed assets during the year. Therefore the going concern assumption is not affected.
- ii) The company does not have any Inventory. Accordingly, the provisions of paragraph 4 clause (ii) of the Order are not applicable
- iii) The Company has not taken loan from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. In respect of loans, secured or unsecured, granted to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, in our opinion:
 - a) The Company has granted unsecured loans to one party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding at any time during the year aggregated to Rs.301,000,000/- and the balance outstanding at year end is Rs. 293,400,000/-.
 - b) In our opinion rate of interest, where ever stipulated and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interest of the Company.
 - c) The payments of principal amount and interest where ever stipulated in respect of such loans have been regular.
 - d) There is no overdue amount with regard to principal amount and interest where ever stipulated.
- iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regards to the purchase of fixed assets and sale of services. The activities of the Company do not involve in purchase of inventories and sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- v) In our opinion, the Company has not entered into any contracts or arrangements referred to in Section 301 of the Companies Act, 1956, the particulars of which are required to be entered in the register, maintained section 301.
- vi) The Company has not accepted any deposits from the public within the meaning of section 58A and section 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

vii) The Company is not a listed company, neither the paid up capital and reserves of the company does not exceed Rs 50 Lakhs, nor the annual turnover exceeds five crores for a period of three consecutive financial years preceding the current financial year The provisions of paragraph 4 clause (vii) of the Order are not applicable.

viii) In our opinion, the maintenance of cost records prescribed under section 209(1)(d) of the Companies Act, 1956, is not applicable to the company.

ix) In respect of disputed and undisputed Statutory Dues of the Company and according to information and explanations given to us and on the basis of our examination of the records of the Company

- a. Amounts deducted / accrued in the books of accounts in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and any other material Statutory Dues have generally been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable. There were no dues on account of Cess under Section 441A of the Companies Act, 1956 since the aforesaid section has not yet been made effective by the Central Government.

According to the information and explanations given to us, no undisputed amounts payable in respect aforesaid dues were in arrears, as at March 31, 2012 for a period of more than six months from the date they became payable.

- b. There are no dues of Income-Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
- x) The company has not been registered for a period of more than 5 years. Accordingly, the provisions of paragraph 4 clause (x) of the Order are not applicable.
- xi) Based on our audit procedures and in our opinion, the company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.
- xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of paragraph 4 clause (xii) of the Order are not applicable.
- xiii) The Company is not a Chit Fund or a Nidhi/Mutual Benefit fund/society. Accordingly, the provisions of paragraph 4 clause (xiii) of the Order are not applicable.
- xiv) In our opinion the company is not dealing or trading in shares, debentures, securities and other investments. Accordingly, the provisions of paragraph 4 clause (xiv) of the Order are not applicable.
- xv) In our opinion, the Company has not given any guarantee in terms of paragraph 4 clause (xv).
- xvi) In our opinion and to the best of our knowledge and belief no term loans were obtained during the year.
- xvii) In our opinion and according to the information and explanations given to us, funds raised on short-term basis, prima facie, have not been used for the long term investment by the company.
- xviii) In our opinion Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix) In our opinion and according to the records examined by us, no debentures were issued during the year.
- xx) The Company has not raised any monies by way of public issue during the year. Accordingly, the provisions of paragraph 4 clause (xx) of the Order are not applicable.

xxi) In our opinion, no material fraud on or by the Company has been noticed or reported during the period covered by our audit.

For Sharma Goel & Co.
Chartered Accountants
FRN: 000643N

Amar Mittal
Partner
Membership No. 017755
Place: New Delhi
Date: April 28, 2012

Indiabulls Infrastructure and Power Limited
Balance Sheet as at March 31, 2012

(Amount in Rupees)

Particulars	Note No	As at March 31, 2012	As at March 31, 2011
I. EQUITY AND LIABILITIES			
1) Shareholders' Funds			
(a) Share Capital	3	2,54,59,13,360	5,00,000
(b) Reserves and surplus	4	3,67,30,34,108	13,13,516
2) Non Current Liabilities			
(a) Long-term provisions	5	22,91,854	-
3) Current Liabilities			
(a) Other current liabilities	6	40,38,236	5,515
(b) Short-term provisions	7	40,950	4,00,663
TOTAL		6,22,53,18,508	22,19,694
II. ASSETS			
1) Non-current assets			
(a) Fixed assets	8		
- Tangible assets		5,36,287	-
(b) Non-current investments	9	5,92,50,00,000	-
(c) Deferred tax assets (net)	10	14,30,997	6,180
(d) Long-term loans and advances	11	10,00,000	-
2) Current assets			
(a) Cash and bank balances	12	97,007	22,08,364
(b) Short-term loans and advances	13	29,45,14,035	5,150
(c) Other current assets	14	27,40,182	-
TOTAL		6,22,53,18,508	22,19,694

See accompanying notes forming part of the financial statements ¶ 1-30

In terms of our report attached.

For Sharma Goel & Co.
Chartered Accountants
FRN : 000643N

For and on behalf of the Board of Directors

Amar Mittal
Partner
Membership No. 017755

Rajiv Rattan
Whole Time Director

Joginder Singh Kataria
Director

Gaurav Srivastava
Company Secretary

Place: New Delhi
Date : April 28, 2012

Place: New Delhi
Date : April 28, 2012

Indiabulls Infrastructure and Power Limited
Statement of Profit and Loss for the year ended March 31, 2012

(Amount in Rupees)

Particulars	Note No	For the year ended March 31, 2012	For the year ended March 31, 2011
1 Revenue from operations	15	21,20,000	21,20,000
2 Other Income	16	30,44,647	-
3 Total Revenue (1+2)		51,64,647	21,20,000
4 Expenses:			
Employee benefits expense	17	2,23,52,929	-
Finance costs	18	2,27,846	855
Depreciation and amortisation expense	8	78,913	-
Other expenses	19	1,86,49,917	1,77,310
Total Expenses		4,13,09,605	1,78,165
5 (Loss) / Profit before tax (3-4)		(3,61,44,958)	19,41,835
6 Tax Expense			
(a) Current Tax		-	6,34,499
(b) Deferred Tax Credit (Refer Note 10)		(14,24,817)	(6,180)
Total Tax Expense (a+b)		(14,24,817)	6,28,319
7 (Loss) / Profit for the year (5-6)		(3,47,20,141)	13,13,516
Earnings Per Equity Share (Refer Note 22)			
- Basic		(0.10)	26.27
- Diluted		(0.10)	26.27

See accompanying notes forming part of the financial statements 1-30

In terms of our report attached.

For Sharma Goel & Co.
Chartered Accountants
FRN : 000643N

For and on behalf of the Board of Directors

Amar Mittal
Partner
Membership No. 017755

Rajiv Rattan
Whole Time Director

Joginder Singh Kataria
Director

Gaurav Srivastava
Company Secretary

Place: New Delhi
Date : April 28, 2012

Place: New Delhi
Date : April 28, 2012

Indiabulls Infrastructure and Power Limited
Cash Flow Statement for the year ended March 31, 2012

	(Amount in Rupees)	
	For the year ended March 31, 2012	For the year ended March 31, 2011
A Cash flow from operating activities :		
Net (Loss) / Profit before Tax	(3,61,44,958)	19,41,835
Adjustment for:		
Interest Expenses on Intercompany Deposit	1,89,661	855
Provisional for Compensated Absences	9,28,022	-
Provisional for Gratuity	14,04,782	-
Interest Income on Intercompany Deposit	(30,44,647)	-
Depreciation / Amortisation	78,913	-
Operating (Loss) / Profit before working capital changes	(3,65,88,227)	19,42,690
Adjustments for:		
(Increase) in Loans and Advances	(3,45,584)	(5,150)
Increase in other current liabilities	40,32,722	5,515
Cash (used in) / generated from operations	(3,29,01,089)	19,43,055
Income Taxes Paid	(9,38,964)	(2,33,836)
Net cash (used in) / generated from operating activities	(3,38,40,053)	17,09,219
B Cash flow from investing activities		
Intercompany Deposit Given	(29,34,00,000)	-
Interest Received on Intercompany Deposit Given	3,04,465	-
Net cash used in investing activities	(29,30,95,535)	-
C Cash flow from financing activities		
Proceeds from fresh issue of Share Capital (Including Security Premium)	32,50,13,892	5,00,000
Interest Paid on Intercompany Deposit	(1,89,661)	(855)
Net cash generated from financing activities	32,48,24,231	4,99,145
D Net (decrease) / increase in cash and cash equivalents (A+B+C)	(21,11,357)	22,08,364
E Cash and cash equivalents at the beginning of the year	22,08,364	-
F Cash and cash equivalents at the end of the year (D+E)	97,007	22,08,364

Note :

1 The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in Accounting Standard (AS) - 3 on Cash Flow Statements as notified under the Companies (Accounting Standards) Rules, 2006 as amended.

2 Cash and cash equivalents as at the end of the year include:

Cash on Hand	21,992	-
Balances with Banks		
In Current Accounts	75,015	22,08,364
Total	97,007	22,08,364

3 Previous Year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification / disclosure.

4 The above cash flow excludes assets (other than cash and cash equivalent) and liabilities arising on demerger from IBREL.

As per our report of even date

For Sharma Goel & Co.
Chartered Accountants
FRN 000643N

For and on behalf of the Board of Directors

Amar Mittal
Partner
Membership No. 017755

Rajiv Rattan
Whole Time Director

Joginder Singh Kataria
Director

Gaurav Srivastava
Company Secretary

Place: New Delhi
Date : April 28, 2012

Place: New Delhi
Date : April 28, 2012

Notes forming part of the financial statements for the year ended March 31, 2012

1. Overview

Indiabulls Infrastructure and Power Limited ("the Company") was incorporated on November 09, 2010. The Company is in the business of generating, developing, transmitting, distributing, trading and supplying all forms of the electrical power/energy and to establish commission, set up, operate and maintain electric power generating stations and do all other related and ancillary objects.

Pursuant to and in terms of the Court approved Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956, by and among Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited, Indiabulls Builders Limited, Indiabulls Power Limited, Poena Power Supply Limited and their respective shareholders and creditors (Scheme), which had been approved by the Hon'ble High Court of Delhi vide its order dated October 17, 2011 and came into effect on November 25, 2011, with effect from April 1, 2011 i.e. the Appointed Date, - (a) The Power business undertaking of Indiabulls Real Estate Limited (IBREL) which included the IBREL investment in the Company, stood demerged from IBREL and transferred to and vested in favour of Indiabulls Infrastructure and Power Limited (IIPL) which had the effect of making IIPL the Promoter Group / holding company of the Indiabulls Power Limited. :-

a) Certain Assets comprising of Fixed Assets and Loans and Advances in the IBREL aggregating to Rs. 1,840,201 have been transferred to the Company, at their book values;

b) The Equity Share Capital of the Company amounting to Rs. 500,000 was cancelled;

c) The Investment in IPL amounting to Rs. 5,925,000,000 had been transferred from IBREL to the Company;

d) The net adjustment for such transfer of assets, liabilities and cancellation and issue of Equity Share Capital amounting to Rs. 3,507,981,841 has been shown in the Capital Reserve Account;

e) Pursuant to the effectiveness of the Scheme on November 25, 2011, the Company has issued and allotted 1,188,586,680 Fully Paid up Equity Shares and 84,370,000 Partly Paid up Equity Shares to the shareholders of Indiabulls Real Estate Limited, who were holding the shares, as on the Record Date i.e. 8th December, 2011, in the ratio of 2.95 : 1.

Pursuant to the Scheme, the Authorised Share Capital of the Company has been reorganised to Rs. 3,000,000,000 divided into 1,500,000,000 Equity shares Face Value of Rs.2/-each.

2. Significant Accounting Policies

2.1 Basis of Accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.3 Cash and cash equivalents (for the purpose of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.5 Revenue Recognition

Revenue from Power Consultancy/ Advisory Services is recognised when services are rendered. Interest income from deposits and others is recognised on an accrual basis. Dividend income is recognised when the right to receive the dividend is established. Profit/loss on sale of investments is recognised on the date of its sale and is computed as excess of sale proceeds over its carry amount as at the date of sale.

2.6 Fixed Assets

Tangible fixed assets are stated at cost, net of tax/ duty credits availed, less accumulated depreciation and impairment losses, if any. Cost includes original cost of acquisition and installation, including incidental expenses related to such acquisition or installation.

Fixed assets acquired and put to use for the purpose of the project are capitalised and depreciation thereon is included in Expenditure during construction pending capitalisation till commissioning of the project.

2.7 Depreciation/ Amortisation

Depreciation on fixed assets is provided on the Straight-Line Method at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956.

Depreciation on additions/ deletions to fixed assets is provided on a pro-rata basis from/ upto the date the asset is put to use/ discarded. Individual assets costing upto Rs. 5,000 each are fully depreciated in the year of capitalisation. The acquisition value of Leasehold Land is amortized over the period of the Lease.

2.8 Impairment of Assets

The carrying values of assets/ cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in the case of revalued assets and the recoverable amount is reassessed and the assets is reflected at the recoverable amount.

2.9 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset, are capitalised as a part of the cost of such assets. Any income earned on the temporary deployment/ investment of those borrowings is deducted from the borrowing costs so incurred. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

2.10 Investments

Investments are classified as long term and current. Long term investments are carried individually at cost less provision, if any, for diminution other than temporary in the value of such investment. Current investments are carried individually at the lower of cost and fair value.

2.11 Employee Benefits

The Company's contribution to Provident Fund is charged to the Statement of Profit and Loss/ Expenditure during construction pending capitalisation, as applicable. The Company has unfunded defined benefit plans namely leave encashment (long term compensated absences) and gratuity for eligible employees, the liabilities for which are determined on the basis of actuarial valuations, conducted by an independent actuary at the end of the financial year using the Projected Unit Credit Method in accordance with Accounting Standard 15 (Revised 2005) – Employee Benefits, as notified under the Companies (Accounting Standards) Rules, 2006, as amended. Actuarial gains/ losses comprise experience adjustments and the effects of change in actuarial assumptions, and are recognised in the Statement of Profit and Loss as income or expenses/ Expenditure during construction pending capitalisation, as applicable.

2.12 Taxes on Income

Current tax is determined as the tax payable in respect of taxable income for the reporting year and is determined in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax resulting from timing differences between taxable income and accounting income is accounted for at the current rate of tax/ substantively enacted tax rates as on the Balance Sheet date, to the extent that the timing differences are expected to crystallize.

Deferred Tax Assets are recognised where realisation is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognised only if there is a virtual certainty of realisation supported by convincing evidence. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

2.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liability is disclosed for:-

- (a) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or;
- (b) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

2.14 Share Issue Expenses

Share Issue Expenses are adjusted against Securities Premium Account to the extent of balance available and thereafter, the balance portion is charged off to the Statement of profit and loss, as incurred.

2.15 Earnings Per Equity Share

Basic Earnings per Equity Share is computed using the weighted average number of equity shares outstanding during the year. Diluted Earnings per Equity Share is computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year.

2.16 Preliminary Expenses

Preliminary Expenses are adjusted against Securities Premium Account (net of tax) to the extent of balance available and thereafter, the balance portion is charged off to the Statement of profit and loss, as incurred.

Indiabulls Infrastructure and Power Limited
Notes forming part of the financial statements for the year ended March 31, 2012

	As at March 31, 2012	(Amount in Rupees) As at March 31, 2011
Note 3		
Share Capital		
Authorised		
1,500,000,000 (Previous Year 500,000) Equity Shares of Rs.2 each	3,00,00,00,000	50,00,000
	<u>3,00,00,00,000</u>	<u>50,00,000</u>
Issued, Subscribed and Paid up		
Equity Share Capital		
1,272,956,680 (Previous Year 50,000) Equity Shares of Rs.2 each fully paid up	2,54,59,13,360	5,00,000
Total - Share Capital	<u>2,54,59,13,360</u>	<u>5,00,000</u>

a) Reconciliation of the number of shares outstanding

	March 31, 2012		March 31, 2011	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
As at the beginning of the year	50,000	5,00,000	-	-
Add: Issued during the year				
- For payment received in cash	-	12,65,55,000	50,000	5,00,000
- Under the Scheme of Demerger	1,27,29,56,680	2,41,93,58,360	-	-
Less: Cancellation during the year				
- Under the Scheme of Demerger	(50,000)	(5,00,000)	-	-
As at the end of the reporting year	<u>1,27,29,56,680</u>	<u>2,54,59,13,360</u>	<u>50,000</u>	<u>5,00,000</u>

b) Terms/ Rights attached to Equity Shares

The company has only one class of equity shares with voting rights, having a par value of Rs 2 per share. Each shareholder of equity shares is entitled to one vote per share held. Each share is entitled to dividend, if declared, in Indian Rupees. The dividend, if any, proposed by Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

c) Shareholders holding more than 5% shares in the company

	March 31, 2012		March 31, 2011	
	No. of Shares	% holding	No. of Shares	% holding
Equity Shares fully paid				
One Shareholder is each holding more than 5% or more of the Share Capital (Face Value Rs.10)			50,000	100%
Five Shareholder is each holding more than 5% or more of the Share Capital (Face Value Rs.2)	44,84,76,797	35.23%		

- d)** 1,188,586,680 Shares out of the issued, subscribed and fully paid up share capital were allotted in the last five years pursuant to the scheme of demerger without payment being received in cash.
84,370,000 Shares out of the issued, subscribed and partly paid up share capital were allotted in the last five years pursuant to the scheme of demerger without payment being received in cash.

Note 4

Reserves and surplus

Capital Reserve

Opening Balance	-	-
Add : Additions during the year	3,50,79,81,841	-
Closing Balance	<u>3,50,79,81,841</u>	<u>-</u>

Securities Premium Account

Opening Balance	-	-
Add : Additions during the year	19,84,58,892	-
Closing Balance	<u>19,84,58,892</u>	<u>-</u>

Surplus in Statement of Profit and Loss

Opening Balance	13,13,516	-
Add: (Loss) / Profit for the year	(3,47,20,141)	13,13,516
Closing Balance	<u>(3,34,06,625)</u>	<u>13,13,516</u>

Total - Reserves and surplus	<u>3,67,30,34,108</u>	<u>13,13,516</u>
-------------------------------------	-----------------------	------------------

Note 5		
Long-term provisions		
Provision for employee benefits (Refer Note 21)		
Provision for Gratuity (unfunded)	13,95,964	-
Provision for Compensated Absences (unfunded)	8,95,890	-
Total - Long-term provisions	22,91,854	-
Note 6		
Other current liabilities		
Duties & Taxes payable	3,33,147	5,515
Expenses Payable - Others	37,05,089	-
Total - Other current liabilities	40,38,236	5,515
Note 7		
Short-term provisions		
Provision for employee benefits (Refer Note 21)		
Provision for Gratuity (unfunded)	8,818	-
Provision for Compensated Absences (unfunded)	32,132	-
	40,950	-
Others Provisions		
Provision for Taxation [Net of Advance Income Tax/Tax Deducted At Source Rs. Nil (Previous year Rs. 233,836)]	-	4,00,663
	-	4,00,663
Total - Short-term provisions	40,950	4,00,663

Indiabulls Infrastructure and Power Limited
Notes forming part of the financial statements for the year ended March 31, 2012

Notes 8

FIXED ASSETS

Particulars	Gross Block At Cost			Accumulated Depreciation / Amortisation			Net Block		
	As at April 1, 2011	Additions during the Year*	Adjustments/ Sales during the Year	As at March 31, 2012	As at April 1, 2011	Provided during the Year	Adjustments during the Year	As at March 31, 2012	As at March 31, 2011
A. Tangible Assets									
Office Equipment	-	20,784	-	20,784	-	987	-	19,797	-
Computers	-	4,07,893	-	4,07,893	-	66,119	-	3,41,774	-
Furniture and Fixtures	-	1,86,524	-	1,86,524	-	11,807	-	1,74,717	-
TOTAL (A)	-	6,15,201	-	6,15,201	-	78,914	-	5,36,287	-
Previous Year	-	-	-	-	-	-	-	-	-

* Assets received from IBREL under scheme of demerger.

Indiabulls Infrastructure and Power Limited
Notes forming part of the financial statements for the year ended March 31, 2012

Amount in Rupees

	As at March 31, 2012	As at March 31, 2011
Note 9		
Non-current investments		
(a) Long Term Investment in Equity Instruments , Quoted		
- in Subsidiary Companies	5,92,50,00,000	-
1,185,000,000 (Previous Year Nil) Equity Shares of Face Value of Rs.10 each in Indiabulls Power Limited		
Total - Non-current investments	5,92,50,00,000	-
Aggregate amount of Unquoted Investments	-	-
Aggregate amount of Quoted Investments	5,92,50,00,000	-
Aggregate provision for diminution in value of investments	-	-
Note 10		
Deferred tax Assets (net)		
Deferred tax liabilities		
Arising on account of timing differences due to:		
- Difference between book and tax depreciation	1,06,153	-
Deferred tax liabilities (A)	1,06,153	-
Deferred tax assets		
Arising on account of timing differences due to:		
- Preliminary Expenses	4,635	6,180
- Provision for Gratuity	4,34,078	-
- Provision for Compensated Absences	2,86,758	-
- Provision for Bonus	8,11,679	-
Deferred tax assets (B)	15,37,150	6,180
Total - Deferred tax assets (net) (A-B)	14,30,997	6,180
Note 11		
Long-term loans and advances		
Secured, considered good		
Security Deposits - Premises	10,00,000	-
Total - Long-term loans and advances	10,00,000	-
Note 12		
Cash and bank balances		
Balances with Banks		
- In Current Accounts	75,015	22,08,364
Cash on hand	21,992	-
Total - Cash and bank balances	97,007	22,08,364

Note 13

Short-term loans and advances (Unsecured, considered good)

(a) Loans and advances to related party

Inter Corporate Deposits/Loans Given

29,34,00,000

-

(b) Loans and advances to employees

11,900

-

(c) Balances with Government authorities

- Service Tax

-

5,150

- Advance Income Tax/Tax Deducted At Source [Net of provision for tax
Rs. Nil (Previous Year Rs. Nil)]

5,38,301

-

(d) Other loans and advances

Advances recoverable in cash or in kind or for value to be received

5,63,834

-

Total - Short-term loans and advances

29,45,14,035

5,150

Note 14

Other current assets

Accrued Interest

- on Inter Corporate Deposits

27,40,182

-

Total - Other current assets

27,40,182

-

Amount in Rupees

	For the Year Ended March 31, 2012	For the Year Ended March 31, 2011
Note 15		
Revenue from operations		
Income from Advisory	21,20,000	21,20,000
Total - Revenue from operations	21,20,000	21,20,000
Note 16		
Other Income		
Interest Income on Inter Corporate Deposits	30,44,647	-
Total - Other Income	30,44,647	-
Note 17		
Employee benefits expense		
Salaries and Wages	2,00,19,675	-
Contribution to Provident Fund and Other Funds	450	-
Provision for Gratuity (Refer Note 21)	14,04,782	-
Provision for Compensated Absences (Refer Note 21)	9,28,022	-
Total - Employee benefits expense	2,23,52,929	-
Note 18		
Finance costs		
Interest Expenses		
- Interest Expenses on Taxation	38,185	-
- Interest on Intercompany Deposits	1,89,661	-
- Others	-	855
Total - Finance Costs	2,27,846	855
Note 19		
Other expenses		
Rent Expenses (Refer Note 25)	3,76,613	-
Rates and Taxes	1,72,45,055	3,000
Legal and Professional Charges	3,64,744	-
Electricity & Water Expenses	4,456	-
Communication Expenses	79,675	-
Printing and Stationery	190	-
Auditor's Remuneration	5,61,800	50,000
Preliminary Expenses	-	1,16,560
Miscellaneous Expenses	17,384	7,750
Total - Other Expenses	1,86,49,917	1,77,310

20. Disclosures in respect of Accounting Standard – 18, Related Party Disclosures, as notified under the Companies (Accounting Standards) Rules, 2006, as amended:

Nature of relationship

Related party

Related parties where control exists:

- I. **Holding Company** Indiabulls Real Estate Limited (upto March 31, 2011)
- II. **Subsidiary Company** Indiabulls Power Limited.

Other related parties:

- III. **Step down Subsidiaries***

Name of Subsidiary Companies	Name of Subsidiary Companies
Airmid Power Limited	Indiabulls Power Generation Limited
Albina Power Limited	Indiabulls Power Infrastructure Limited
Amravati Power Transmission Company Limited (formerly Poena Power Transmission Limited)	Indiabulls Power Management Limited
Angina Power Limited	Indiabulls Power Projects Development Limited
Apesh Power Limited	Indiabulls Power Projects Limited
Aravali Properties Limited	Indiabulls Power Solutions Limited
Ashkit Power Limited	Indiabulls Power Supply Limited
Bracond Limited	Indiabulls Power Systems Limited
Chloris Power Limited	Indiabulls Power Trading Limited
Citra Thermal Power and Infrastructure Limited	Indiabulls Power Transmission Limited
Corus Power Limited	Indiabulls Power Utility Limited
Devona Thermal Power and Infrastructure Limited	Indiabulls Powergen Limited
Diana Energy Limited	Indiabulls Realtech Limited
Diana Power Limited	Indiabulls Thermal Energy Limited
Elena Power And Infrastructure Limited	Indiabulls Thermal Power Limited
Fama Power Company Limited	Indiabulls Thermal Power Management Limited
Fornax Power Limited	Indiabulls Thermal Power Projects Limited
Geneformus Limited	Indiabulls Thermal Projects Limited
Hecate Electric Limited	Indiabulls Water Supply & Waste Management Services Limited
Hecate Energy Private Limited	Kaya Hydropower Projects Limited
Hecate Energy Trading Limited	Lenus Power Limited
Hecate Hydro Electric Power Limited	Lucina Power And Infrastructure Limited
Hecate Power and Energy Resources Limited	Mabon Power Limited
Hecate Power Company Limited	Mariana Power Limited

Name of Subsidiary Companies	Name of Subsidiary Companies
Hecate Power Development Limited	Pachi Hydropower Projects Limited
Hecate Power Distributors Limited	Papu Hydropower Projects Limited
Hecate Power Generation Limited	Poana Power Systems Limited
Hecate Power Limited	Poana Hydro Power Projects Limited
Hecate Power Management Limited	Poana Power Company Limited
Hecate Power Projects Limited	Poana Power Development Limited
Hecate Power Services Limited	Poana Power Distributors Limited
Hecate Power Solutions Limited	Poana Power Generation Limited
Hecate Power Supply Limited	Poana Power Limited
Hecate Power Systems Limited	Poana Power Management Limited
Hecate Power Transmission Limited	Poana Power Services Limited
Hecate Power Utility Limited	Poana Power Solutions Limited
Hecate Powergen Limited	Poana Power Supply Limited**
Hecate Thermal Power And Infrastructure Limited	Poana Power Trading Limited
Indiabulls CSEB Bhayathan Power Limited	Poana Power Utility Limited
Indiabulls Electric Company Limited	Poana Thermal Power Limited
Indiabulls Electric Energy Limited	Renemark Limited
Indiabulls Electric Limited	Selene Power Company Limited
Indiabulls Electric Power Limited	Sentia Thermal Power and Infrastructure Limited
Indiabulls Electricity Company Limited	Sepla Hydropower Projects Limited
Indiabulls Electricity Generation Limited	Sepset Thermal Power and Infrastructure Limited
Indiabulls Hydro Electric Power Limited	Serida Power Limited
Indiabulls Hydro Energy Limited	Sinnar Power Transmission Company Limited (formerly Poana Power Projects Limited)
Indiabulls Hydro Power Limited	Tharang Warang Hydropower Projects Limited
Indiabulls Hydro Power Projects Limited	Triton Energy Limited
Indiabulls Power Development Limited	Varali Power Limited
Indiabulls Power Distribution Limited	Zeus Energy Limited
Indiabulls Power Generation Company Limited	

* These companies include step down subsidiaries of the subsidiaries of the Company.

** Pursuant to and in terms of the Court approved Scheme, Poana Power Supply Limited (PPSL) a wholly owned subsidiary of the IPL got merged during the year with the IPL.

IV. **Key Management Personnel**

Name	Designation
Mr. Rajiv Rattan	Whole Time Director of the Company
Mr. Sameer Gehlaut	Director of the Company

Mr. Ram Kumar Sheokand	Director of the Company
Mr. Saurabh Kumar Mittal	Director of the Company
Mr. Joginder Singh Kataria	Director of the Company
Mr. Rajender Singh Malhan	Director of the Company
Mr. Gaurav Srivastava	Company Secretary of the Company

V. Summary of Significant Transactions with Related Parties:

(Amount in Rs.)

Name	Period ended	Loan Received/ Inter Corporate Deposit (Given)**	Professional Consultancy Income	Interest on Loan / Inter Corporate Deposits (Given)	Reimbursement received of ROC and General expenses
Poena Power Development Limited	Mar 31, 2012	-	2,120,000	-	-
	Mar 31, 2011	-	-	-	-
Elena Power And Infrastructure Limited	Mar 31, 2012	21,050,000	-	(189,661)	-
	Mar 31, 2011	-	-	-	-
Indiabulls Power Limited	Mar 31, 2012	(301,000,000)	-	3,044,647	15,039,329
	Mar 31, 2011	-	-	-	-
Indiabulls Real Estate Limited *	Mar 31, 2012	-	-	-	-
	Mar 31, 2011	-	-	-	125,330

* Holding Company upto March 31, 2011.

** Maximum amount outstanding at any time during the year/Previous Year.

VI. Summary of Outstanding Balances with Related Parties:

(Amount in Rs.)

Name	Period ended	Inter Corporate Deposit Given	Interest on Inter Corporate Deposits Given
Subsidiary Company			
Indiabulls Power Limited.	Mar 31, 2012	293,400,000	2,740,182
	Mar 31, 2011	-	-

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed. Related party relationships as given above are as identified by the Company and have been relied upon by the auditors.

21. Employee Benefits

Contributions are made to the Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the eligible employees and the company make pre-determined contributions to the Provident Fund. The contributions are normally based upon a proportion of the employee's salary. The company has recognized in the Statement of Profit and Loss an amount of Rs. 450 (Previous Year: Rs.Nil) towards employer's contribution towards Provident Fund.

Provision for unfunded Gratuity and Compensated absences payable to eligible employees on retirement/ separation is based upon an actuarial valuation as at the year ended March 31, 2012. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. After the issuance of Accounting Standard (AS) 15 (Revised) on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit Method'. Gains/ losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss as applicable and as identified by the Management of the Company.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of Gratuity and Compensated Absences and the amounts recognised in the financial statements for the year ended March 31, 2012 as per Accounting Standard (AS) 15- Employee Benefits, as notified under the Companies (Accounting Standards) Rules, 2006, as amended:

Particulars	(Amount in Rupees)			
	Gratuity		Compensated Absences	
	(Unfunded)		(Unfunded)	
	31-Mar-12	31-Mar-11	31-Mar-12	31-Mar-11
<u>Reconciliation of liability recognised in the Balance sheet:</u>				
Present Value of commitments (as per Actuarial valuation)	1,404,782	N.A.	928,022	N.A.
Fair value of plan assets	-	N.A.	-	N.A.
Net liability in the Balance sheet (as per Actuarial valuation)	1,404,782	N.A.	928,022	N.A.
<u>Movement in net liability recognised in the Balance sheet:</u>				
Net liability as at the beginning of the year	-	N.A.	N.A.	N.A.
Net amount recognised as expenses in the Statement of Profit and Loss	1,404,782	N.A.	928,022	N.A.
Benefits Paid	-	N.A.	-	N.A.
Net liability as at the end of the year	1,404,782	N.A.	928,022	N.A.
<u>Expenses recognised in the Statement of Profit and Loss</u>				
Current service cost	1,404,782	N.A.	928,022	N.A.
Past Service Cost	-	N.A.	-	N.A.
Interest Cost	-	N.A.	-	N.A.
Expected return on plan asset	-	N.A.	-	N.A.
Benefits Paid	-	N.A.	-	N.A.
Actuarial (gains) / losses	-	N.A.	-	N.A.

Particulars	Gratuity		Compensated Absences	
	(Unfunded)		(Unfunded)	
	31-Mar-12	31-Mar-11	31-Mar-12	31-Mar-11
Expenses charged / (reversal) to the Statement of Profit and Loss	1,404,782	N.A.	928,022	N.A.
<u>Return on Plan assets:</u>				
Expected return on Plan assets	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.
<u>Reconciliation of defined-benefit commitments:</u>				
Commitments as at the beginning of the year	N.A.	N.A.	N.A.	N.A.
Current service cost	1,404,782	N.A.	928,022	N.A.
Past Service Cost	-	N.A.	-	N.A.
Interest cost	-	N.A.	-	N.A.
Paid benefits	-	N.A.	-	N.A.
Actuarial (gains) / losses	-	N.A.	-	N.A.
Commitments as at the end of the year	1,404,782	N.A.	928,022	N.A.
<u>Reconciliation of Plan assets:</u>				
Plan assets as at the beginning of the year	N.A.	N.A.	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.
Contributions during the year	N.A.	N.A.	N.A.	N.A.
Paid benefits	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.
Plan assets as at the end of the year	N.A.	N.A.	N.A.	N.A.

22. Earnings Per Equity Share (EPS):

The basic earnings per equity share is computed by dividing the net profit/ loss after tax (including the post tax effect of extraordinary items, if any) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the profit / loss after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per equity share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per equity share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares

are adjusted for share splits/ reverse share splits, bonus shares and share warrants and the potential dilutive effect of Employee Stock Options Plans, as appropriate.

Amount in Rupees except number of shares

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
(Loss) / Profit for the year	(34,720,141)	1,313,516
Weighted average number of Shares used in computing Basic and diluted earnings per equity share (Number of Shares)	337,397,923	50,000
Face Value per equity share	2.00	10.00
Basic Earnings per equity share	(0.10)	26.27
Diluted Earnings per equity share	(0.10)	26.27

23. The Company's activities during the year involved setting up of its power project in India for generation of thermal power. Considering the nature of Company's business and operations and based on the information available with the Company, there is/are no reportable segment (business and/ or geographical) in accordance with Accounting Standard 17 on 'Segment Reporting' as notified under the Companies (Accounting Standards) Rules, 2006, as amended. Hence no further disclosures are required in respect of reportable segments, under Accounting Standard 17.
24. In respect of amounts as mentioned under Section 205C of the Companies Act, 1956, there were no dues required to be credited to the Investor Education and Protection Fund as at March 31, 2012.
25. The Company has taken various premises on operating leases/ leave and license and lease rent/ license fees amounting to Rs. 376,613 (Previous Year: Rs. Nil) in respect of the same have been incurred during the year ended March 31, 2012. The underlying agreements are executed for a period generally ranging from one year to three years, renewable at the option of the Company and are cancellable, by giving a notice generally of 30 to 90 days. There are no restrictions imposed by such leases and there are no subleases. The minimum lease rentals outstanding as at March 31, 2012, are as under:

Minimum lease rentals payables	As at March 31, 2012 (Rs.)	As at March 31, 2011 (Rs.)
Within one year	1,157,743	Nil
One to Five years	900,467	Nil

26. In the opinion of the Board of Directors, all current and non-current assets, long term and short term loans and advances appearing in the Balance Sheet as at March 31, 2012 have a value on realisation in the ordinary course of the Company's business at least equal to the amount at which they are stated in the Balance Sheet. In the opinion of the Board of the Director's, no provision is required to be made against the recoverability of these balances.
27. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006:
- An amount of Rs. Nil (Previous Year: Rs. Nil) and Rs. Nil (Previous Year: Rs. Nil) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
 - No interest was paid during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.

- c) No interest is payable at the end of the year other than interest under Micro, Small and Medium Enterprises Development Act, 2006.
- d) No amount of interest was accrued and unpaid at the end of the accounting year.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

- 28. The Company has not entered into any derivative instruments during the year. The Company does not have any foreign currency exposures towards receivables, payables or any other derivative instrument that have not been hedged.
- 29. There are no Contingent liabilities and Commitments to be reported as at March 31, 2012 (Previous Year Rs. Nil).
- 30. The Revised Schedule VI has become effective from April 01, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous Year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

In terms of our report attached.

For Sharma Goel & Co.
Chartered Accountants
FRN: 000643N

For and on behalf of the Board of Directors

Amar Mittal
Partner
Membership No 017755

Rajiv Rattan
Whole Time Director

Joginder Singh Kataria
Director

Gaurav Srivastava
Company Secretary

Place: New Delhi
Date: 28 April, 2012

Place: New Delhi
Date: 28 April, 2012

FINANCIAL INFORMATION OF GROUP COMPANIES

The information for the last 3 years based on the audited statements in respect of the listed group companies, irrespective of whether these are covered under section 370(1) (B) of the Companies Act, 1956 or not is given hereunder:

1) Store One Retail India Limited

Store One Retail India Limited was incorporated as a Public Limited Company on March 18, 2005 under the name and style of Piramyd Retail Limited, with the Registrar of Companies, Maharashtra, Mumbai. The name of the company was changed from 'Piramyd Retail Limited' to 'Indiabulls Retail Services Limited' and a fresh certificate of incorporation was issued by the Registrar of Companies on May 22, 2008 to this effect. Subsequently the registered office of the Company was shifted to the NCT of Delhi & Haryana w.e.f. July 30, 2008. Further, the name of the Company was changed from 'Indiabulls Retail Services Limited' to 'Store One Retail India Limited' and a fresh Certificate of Incorporation was issued by Registrar of Companies on October 6, 2009 to this effect.

Brief Description of Business:

The Company is primarily engaged into the business of Property Management Services, Business Support Services, Security Agency Services and Asset Management Services. The registered office of the Company is located at M- 62 & 63, 1st Floor, Connaught Place, New Delhi-110 001.

Financial Performance

(Amount in Rs. Lacs)

Particulars	31.03.2012	31.03.2011	31.03.2010
Authorised Equity Capital	2,500.00	2,500.00	2,500.00
Authorised Preference Capital	400.00	-	-
Paid up Equity Capital	2,000.00	2,000.00	2,000.00
Paid up Preference Capital	312.25	-	-
Reserves and Surplus (excluding revaluation reserves) and net of debit balance in the Profit & Loss Account	2882.43	(25,466.81)	(21,949.68)
Sales/Total Income	5,142.02	595.29	1,885.67
Profit/(Loss) after Tax (PAT)	1,183.93	(3,517.12)	(5,119.71)
Basic Earnings per Share (In Rs.)	5.92	(17.59)	(25.60)
Diluted Earnings per Share (In Rs.)	5.92	(17.59)	(25.60)
NAV per share (In Rs.)	24.41	(117.33)	(99.75)

Source: Audited Financial Statements (the figures for 2012 are as approved by the Board of Directors of the Company and are yet to be adopted in the ensuing AGM)

The highest and lowest market price of shares during the preceding six months

NSE

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
High Price	18-July-2012	39.75	35,833	13.86
Low Price	02-Jan-2012	8.75	75,924	6.84

BSE

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
High Price	18-July-2012	39.65	24,504	9.50
Low Price	02-Jan-2012	8.90	68,923	6.22

Details of changes in capital structure during the six months preceding the date of filing of this Information Memorandum.

Nil

Information regarding significant adverse factors related to the group companies:

- (i) Store One Retail India Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;
- (ii) Store One Retail India Limited had loss in the immediately preceding year.

Store One Retail India Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing the Information Memorandum.

The Promoters have not disassociated themselves from Store One Retail India Limited during the three years preceding the date of filing the Information Memorandum.

2) Indiabulls Financial Services Limited

Indiabulls Financial Services Limited was incorporated as Private Limited Company on 10th day of January, 2000, under the name and style of Orbis Infotech Private Limited, with the Registrar of Companies, NCT of Delhi and Haryana. The name of the Company was subsequently changed to Indiabulls Financial Services Private Limited and a fresh Certificate of Incorporation was issued by Registrar of Companies on 16th day of March, 2001, to this effect. The Company was converted into Public Limited Company and a fresh Certificate of Incorporation consequent to change of name to Indiabulls Financial Services Limited was issued by the Registrar of Companies on 27th day of February, 2004, to this effect.

Brief Description of Business:

The Company is engaged in the Non Banking financing Activities and is registered with Reserve Bank of India vide registration no. N – 14. 02367. The registered office of the Company is located at F-60, Malhotra Building, 2nd Floor Connaught Place, New Delhi - 110 001.

Financial Performance

Particulars	(Amount in Rs. Lacs)		
	31.03.2012	31.03.2011	31.03.2010
Authorised Equity Capital	40,000.00	40,000.00	40,000.00
Paid up Equity Capital	6236.09	6219.84	6,197.89
Reserves and Surplus (excluding revaluation reserves)	421119.04	408968.87	399,222.31
Sales/Total Income	299001.77	207967.13	142,940.61
Profit/(Loss) after Tax (PAT)	72379.18	60869.10	26,416.03
Basic Earnings per Share (In Rs.)	23.25	19.61	8.72
Diluted Earnings per Share (In Rs.)	23.07	19.42	8.64
NAV per share (In Rs.)	137.06	133.50	130.83

Source: Audited Financial Statements

The highest and lowest market price of shares during the preceding six months

NSE

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
High Price	11-July-12	256.40	2951072	7407.82
Low Price	02-Jan-12	136.35	367995	514.72

BSE

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
High Price	11-July-12	256.30	713195	1790.90
Low Price	02-Jan-12	136.15	86642	120.90

Details of changes in capital structure during the six months preceding the date of filing of this Information Memorandum.

Changes in the paid-up Capital during last six months:

Date of Change	Brief description / Reasons of Change	Paid-up Capital after change (Rs. Lacs)
January 06, 2012	Allotment of 45,890 (Forty Five Thousand Eight Hundred and Ninety) Equity shares of face value Rs. 2/- each to eligible employees, under Employees Stock Option Plan - 2008.	6,228.96
February 28, 2012	Allotment of 3,56,694 (Three Lacs Fifty Six Thousand Six Hundred Ninety Four) Equity shares of face value Rs. 2/- each to eligible employees, under various Employees Stock Option Plans.	6,236.09
May 02, 2012	Allotment of 48,846 (Forty Eight Thousand Eight Hundred And Forty Six) Equity shares of face value Rs. 2/- each to eligible employees, under IBFSL -ICSL Employees Stock Option Plan -2006	6,237.07
May 22, 2012	Allotment of 1,23,289 (One Lac Twenty Three Thousand Two Hundred Eighty Nine) Equity shares of face value Rs. 2/- each to eligible employees, under various Employees Stock Option Plans.	6,239.53
May 25, 2012	Allotment of 12,400 (Twelve Thousand Four Hundred) Equity shares of face value Rs. 2/- each to eligible employees, under Employees Stock Option Plan - 2008	6,239.78

Information regarding significant adverse factors related to the group companies:

- (i) Indiabulls Financial Services Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;
- (ii) Indiabulls Financial Services Limited has not made a loss in the immediately preceding year.

Indiabulls Financial Services Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing the Information Memorandum.

The Promoters have not disassociated themselves from Indiabulls Financial Services Limited during the three years preceding the date of filing the Information Memorandum.

3) Indiabulls Securities Limited

Indiabulls Securities Limited was incorporated as a private limited company on June 9, 1995 under the name and style of GPF Securities Private Limited with the Registrar of Companies NCT of Delhi and Haryana. The name of the Company was changed to Orbis Securities Private Limited and a fresh Certificate of Incorporation was issued by Registrar of Companies on December 15, 1995 to this effect. The Company was converted into Public Limited Company and a fresh Certificate of Incorporation consequent to change of name to Orbis Securities Limited was issued by the Registrar of Companies on January 5, 2004 to this effect. The name of the Company was again changed to Indiabulls Securities Limited and a fresh Certificate of Incorporation was issued by Registrar of Companies on February 16, 2004 to this effect.

Brief Description of Business:

The Company is engaged in the business of securities broking and advisory services. The registered office of the Company is located at F-60, Malhotra Building, 2nd Floor, Connaught Place, New Delhi 110 001.

Financial Performance

Particulars	(Amount in Rs. Lacs)		
	31.03.2012	31.03.2011	31.03.2010
Authorised Equity Capital	10,000.00	10,000.00	10,000.00
Paid up Equity Capital	4,622.25	4,622.25	4,598.81
Reserves and Surplus (excluding revaluation reserves)	17,488.57	18,617.40	17,394.30
Sales/Total Income	16,545.24	33,758.47	34,475.41
Profit/(Loss) after Tax (PAT)	(1,160.21)	3,737.28	6,121.75
Basic Earnings per Share (In Rs.)	(0.50)	1.62	2.43
Diluted Earnings per Share (In Rs.)	(0.50)	1.60	2.34
NAV per share (In Rs.)	9.57	10.06	9.56

Source: Audited Financial Statements (the figures for 2012 are as approved by the Board of Directors of the Company and are yet to be adopted in the ensuing AGM)

**The highest and lowest market price of shares during the preceding six months
NSE**

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
High Price	17-Feb-2012	13.35	5,67,980	73.40
Low Price	02-Jan-2012	5.75	1,75,706	10.35

BSE

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
High Price	17-Feb-2012	13.37	3,50,190	45.42
Low Price	02-Jan-2012	5.75	67,244	3.96

Details of changes in capital structure during the six months preceding the date of filing of this Information Memorandum.

Nil

Information regarding significant adverse factors related to the group companies:

- (i) Indiabulls Securities Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;
- (ii) Indiabulls Securities Limited has incurred a loss of Rs. 1,160.21 Lacs in the immediately preceding year i.e FY 2011-12.

Indiabulls Securities Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing the Information Memorandum.

The Promoters have not disassociated themselves from Indiabulls Securities Limited during the three years preceding the date of filing the Information Memorandum.

4) Indiabulls Real Estate Limited

Indiabulls Real Estate Limited was incorporated as a Public Limited Company on April 4, 2006 under the name and style of Indiabulls Real Estate Limited, with the Registrar of Companies, NCT of Delhi and Haryana.

Brief Description of Business:

The Company is engaged in the business of construction and development of properties, project management, investment advisory and construction services as well as providing consultancy services on engineering, industrial and technical matters to various industries including companies engaged in construction - development of real estate and infrastructure projects. The registered office of the Company is located at F-60, Malhotra Building, 2nd Floor, Connaught Place, New Delhi-110 001.

Financial Performance

(Amount in Rs. lacs)

Particulars	31.03.2012	31.03.2011	31.03.2010
Authorised Equity Capital	10,000.00	10,000.00	10,000.00
Paid up Equity Capital	9,480.21	8,044.84	8,030.78
Reserves and Surplus (excluding revaluation reserves)	562,744.68	585,979.52	633,392.94
Sales/Total Income	22,249.97	17,372.68	13,343.71
Profit/(Loss) after Tax (PAT)	1,445.34	4,580.54	2,244.45
Basic Earnings per Share (In Rs.)	0.34	1.14	0.38
Diluted Earnings per Share (In Rs.)	0.34	1.13	0.37
NAV per share (In Rs.)	121.99	147.68	159.74

Source: Audited Financial Statements

The highest and lowest market price of shares during the preceding six months NSE

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
High Price	22-Feb-2012	84.00	97,80,947	7,734.16
Low Price	02-Jan-2012	45.50	15,81,884	736.51

BSE

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
High Price	22-Feb-2012	83.90	22,72,702	1811.01
Low Price	02-Jan-2012	45.50	2,04,101	95.13

Details of changes in capital structure during the six months preceding the date of filing of this Information Memorandum.

Changes in the paid-up Capital during last six months:

Date of Change	Brief description / Reasons of Change	Paid-up Capital after change (Rs. Lacs)
24-Feb-2012	2,86,00,000 partly paid-up Equity shares of face value Rs. 2/- each (paid-up to the extent of Re. 0.515 per share) were made fully paid-up, consequent upon receipt of final call money from holders of such shares.	9,480.21
11-May-2012	Extinguishment of 8,650,000 Equity shares bought back pursuant to Buy Back offer of the Company.	9,307.21

22-May-2012	Extinguishment of 2,500,000 Equity shares bought back pursuant to Buy Back offer of the Company.	9,257.21
01-Jun-2012	Extinguishment of 1,216,331 Equity shares bought back pursuant to Buy Back offer of the Company.	9,232.89
13-Jun-2012	Extinguishment of 1,630,291 Equity shares bought back pursuant to Buy Back offer of the Company.	9,200.28
29-Jun-2012	Extinguishment of 250,914 Equity shares bought back pursuant to Buy Back offer of the Company.	9,195.26
13-Jul-2012	Extinguishment of 848,873 Equity shares bought back pursuant to Buy Back offer of the Company.	9,178.29

Information regarding significant adverse factors related to the group companies:

- (i) Indiabulls Real Estate Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;
- (ii) Indiabulls Real Estate Limited has not made a loss in the immediately preceding year.

Indiabulls Real Estate Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the Company during the five years preceding the date of filing the Information Memorandum.

The Promoters have not disassociated themselves from Indiabulls Real Estate Limited during the three years preceding the date of filing the Information Memorandum.

5) Indiabulls Wholesale Services Limited

Indiabulls Wholesale Services Limited was incorporated in India on July 24, 2007 as a public limited company, under the provisions of the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi & Haryana, as wholly owned subsidiary of Indiabulls Real Estate Limited. Subsequently, the Company got demerged by way of Scheme of Arrangement between Indiabulls Real Estate Limited (IBREL) and the Company, and their respective shareholders and creditors, for demerger of the 'Wholesale Trading Business Undertaking' of IBREL into the Company, as a going concern w.e.f. March 31, 2011.

Brief Description of Business:

The Company is engaged in the business of wholesale trading of various industrial / consumer products and commodities in select Indian cities. The Company is intending to sell various industrial / consumer products and commodities to retailers, small manufacturers and local shops. Additionally, the Company is also engaged in the business of information technology and software development to provide customized solutions to various sectors through its affiliate companies. The registered office of the Company is located at M- 62 & 63, 1st Floor, Connaught Place, New Delhi – 110001.

Financial Performance

(Amount in Rs. Lacs)

Particulars	31.03.2012	31.03.2011	31.03.2010
Authorised Equity Capital	8,000.00	11,000.00	11,000.00
Authorised Preference Capital	3,000.00	-	-
Paid up Equity Capital	1,005.70	1,005.70	10,000.00
Reserves and Surplus (excluding revaluation reserves)	77,253.82	50,917.51	-
Sales/Total Income	5,648.05	10,273.70	7.98
Profit/(Loss) after Tax (PAT)	479.53	2,392.23	(179.81)
Basic Earnings per Share (In Rs.)	0.93	4.76	(0.18)
Diluted Earnings per Share (In Rs.)	0.93	4.76	(0.18)
NAV per share (In Rs.)	155.63	103.26	8.47

Source: Audited Financial Statements (the figures for 2012 are as approved by the Board of Directors of the Company and are yet to be adopted in the ensuing AGM)

The highest and lowest market price of shares during the preceding six months

NSE

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
High Price	10-July-12	11.50	65,147	7.05
Low Price	02- Jan-12	4.05	2,73,491	11.12

BSE

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
High Price	11-July-12	11.10	1,33,336	14.31
Low Price	02-Jan-12	4.00	75,499	3.06

Details of changes in capital structure during the six months preceding the date of filing of this Information Memorandum.

Nil

Details of public or rights issue in the preceding three years.

Nil

Information regarding significant adverse factors related to the group companies:

- (i) Indiabulls Wholesale Services Limited has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;
- (ii) Indiabulls Wholesale Services Limited has not made a loss in the immediately preceding year.

Indiabulls Wholesale Services Limited has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing the Information Memorandum.

The Promoters have not disassociated themselves from Indiabulls Wholesale Services Limited during the three years preceding the date of filing the Information Memorandum.

6) Indiabulls Power Limited.

Indiabulls Power Limited. was incorporated in India on October 08, 2007 as Sophia Power Company Limited, a public limited company, under the provisions of the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi & Haryana. The Company obtained a certificate of commencement of business on October 12, 2007. The Company's name was changed to Indiabulls Power Limited. pursuant to a special resolution dated July 04, 2009. A fresh certificate of incorporation consequent upon the name change was granted to the Company on July 07, 2009.

Brief Description of Business:

The Company is engaged in the business of developing and operating power projects in India.

The registered office of the Company is located at M- 62 & 63, 1st Floor, Connaught Place, New Delhi – 110001.

Financial Performance

(Amount in Rs. Lacs)

Particulars	31.03.2012	31.03.2011	31.03.2010
Authorised Equity Capital	5,00,000.00	5,00,000.00	5,00,000.00
Authorised Preference Capital	-	-	-
Paid up Equity Capital	2,22,732.29	2,02,293.27	2,02,129.65

Reserves and Surplus (excluding revaluation reserves)	2,09,750.25	1,90,813.57	1,89,944.07
Sales/Total Income	7,396.72	3,039.63	7,082.41
Profit/(Loss) after Tax (PAT)	5,242.25	966.42	3,772.43
Basic Earnings per Share (In Rs.)	0.251	0.048	0.208
Diluted Earnings per Share (In Rs.)	0.251	0.047	0.206
NAV per share (In Rs.)	19.42	19.43	19.40

Source: Audited Financial Statements (the figures for 2012 are as approved by the Board of Directors of the Company and are yet to be adopted in the ensuing AGM)

The highest and lowest market price of shares during the preceding six months

NSE

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
High Price	05-Mar-12	20.90	42,50,690	835.09
Low Price	02- Jan-12	8.45	1,72,183	14.95

BSE

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
High Price	05-Mar-12	20.70	14,58,271	287.35
Low Price	02- Jan-12	8.40	56,708	4.93

Details of changes in capital structure during the six months preceding the date of filing of this Information Memorandum.

Nil

Details of public or rights issue in the preceding three years.

Nil

Information regarding significant adverse factors related to the group companies:

- (i) Indiabulls Power Limited. has not become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 and is not under winding up;
- (ii) Indiabulls Power Limited. has not made a loss in the immediately preceding year.

Indiabulls Power Limited. has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the company during the five years preceding the date of filing the Information Memorandum.

The Promoters have not disassociated themselves from Indiabulls Power Limited. during the three years preceding the date of filing the Information Memorandum.

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

There has been no change in the accounting policies of Indiabulls Infrastructure and Power Limited in the last three years.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Indiabulls Infrastructure and Power Limited was incorporated in India on November 09, 2010 as a public limited company, under the provisions of the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi & Haryana, as wholly owned subsidiary of Indiabulls Real Estate Limited. The CIN assigned to the Company is U40101DL2010PLC210263. The registered office of the Company is situated at M- 62 & 63, 1st Floor, Connaught Place, New Delhi – 110001.

As on March 31, 2011, the Authorized Share Capital of the Company (prior to the effectiveness of the Scheme) was Rs. 50,00,000 divided into 5,00,000 Equity Shares of Rs. 10/- each. Upon the Scheme being made effective on November 25, 2011, the authorized share capital of the Company stood at Rs. 300,00,00,000 divided into 150,00,00,000 Equity Shares of Rs. 2/- each.

Upon effectiveness of the Scheme, the Company had, at a meeting of its Board of Directors held on December 23, 2011, issued and allotted, pursuant to and in terms of the Scheme, inter alia an aggregate of 118,85,86,680 Equity shares of face value Rs. 2/- each credited as fully paid-up and 8,43,70,000 partly paid-up Equity shares of face value Rs. 2/- each credited as paid-up to the extent of Re. 0.50, to the shareholders of fully and partly paid-up shares of the Demerged Company, respectively, whose names appeared on its Register of members/ records of the depositories as the holders/beneficial holders of the shares of the Demerged Company as of December 8, 2011, the Record Date fixed by the Board of Directors of the Demerged Company for the purpose. Subsequently, upon receipt by the Company, of the balance money called up on the said shares, pursuant to the Resolutions passed by the Board of Directors on December 23, 2011 and February 22, 2012 respectively, the partly paid-up shares became fully paid-up. Therefore the entire issued, subscribed & paid-up capital of the Company as on date comprises of 127,29,56,680 fully paid-up equity shares of face value of Rs. 2/- each.

The paid-up capital of the Company is Rs. 254,59,13,360/- divided into 127,29,56,680 (One Hundred and Twenty Seven Crores Twenty Nine Lacs Fifty Six Thousand Six Hundred Eighty) Fully Paid up equity shares of Rs. 2/- (Rupees Two only) each.

Pursuant to the Scheme, the Company has been vested with the Power Business undertaking, as defined under the Scheme.

Details of the Business of the Company

Indiabulls Infrastructure and Power Limited is engaged in the business of providing consultancy to various other companies, which are or planning to venture into the business of generation, transmission and distribution of power or are in the process of setting up the power generation plants. The services inter-alia includes advising on finalization of bid documents, selection of equipments / suppliers / sourcing of raw materials, designing of the power plant, negotiations and finalization of the terms and conditions of various legal documents including sourcing agreements with suppliers, financial closures agreements, engineering contracts, agreements with the construction contractors etc. by the power generation/distribution companies. The Company through its affiliate companies is also engaged in the business of power generation, distribution and transmission.

SECTION VI- LEGAL AND OTHER INFORMATION**OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

There are no material outstanding litigations or developments against Indiabulls Infrastructure and Power Limited as on the date of this Information Memorandum. From time to time and in ordinary course of its business, the Company may be subject to legal actions and complaints which may primarily include disputes as to alleged disagreement over business matters. The Company believes that such actions and complaints are usual and bound to arise during the ordinary course of business of any entity which are actively engaged in Power business. The Company management however does not believe that any current or pending claims will have any material adverse effect on the financial condition or the results or future operations of the Company.

Following are the name(s) of the small scale undertaking(s) or any other creditors to whom the Company owes a sum exceeding Rupees One Lac which is outstanding more than thirty days as on March 31, 2012:

S. No.	NAME OF THE PARTY	AMOUNT (RS. Lacs)
1.	Nil	Nil

Material developments after the date of the latest balance sheet

Indiabulls Power Limited. has ceased to be a subsidiary of our Company by virtue of our shareholding in Indiabulls Power Limited. reducing from 53.20% to 44.84% on account of issue of 41,54,07,007 shares by Indiabulls Power Limited. in terms of the court approved Scheme of Arrangement among Indiabulls Power Limited, Indiabulls Infrastructure Development Limited and their respective shareholders and creditors.

GOVERNMENT APPROVALS OR LICENSING ARRANGEMENTS

The Company has all the necessary licenses, permissions and approvals, as may be applicable, from the Central and State Governments and other government agencies/certification bodies required for the business and no further approvals are required by the company, except those mentioned separately hereunder, and those approvals that may be required to be taken from any government or any other authority in the normal course of business from time to time to continue the activities, and those mentioned under the heading Risks Envisaged.

The Company does not require any other approvals or renewals, except as mentioned specifically hereunder.

In view of the approvals listed below, the Company can undertake its current and proposed business activities and no further material approvals are required from any Government authority to continue such activities.

INVESTMENT APPROVALS

As per Notification No. FEMA 20 / 2000 - RB dated 3rd May 2000, as amended from time to time, under automatic route of Reserve Bank, the Company is not required to make an application for Issue of Equity Shares to NRIs/FIIs with repatriation benefits. However, the allotment / transfer of the Equity Shares to NRIs/FIIs shall be subject to prevailing RBI Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

GOVERNMENT AND OTHER APPROVALS:

S. No.	Name of Registration	Name of Issuing Authority/Department	Licence/Registration No.
1.	Certificate of Incorporation for incorporation of the Company as Indiabulls Infrastructure and Power Limited	Registrar of Companies, NCT of Delhi and Haryana	U40101DL2010PLC210263
2.	Permanent Account Number	Income Tax Department, Government of India	AACCI4485N
3.	TDS Account Number	National Securities Depository Limited, Mumbai.	DELI08178C
4.	Service Tax Code, New Delhi	Assistant Commissioner, Service Tax, New Delhi	AACCI4485NSD001
5.	Service Tax Code	Assistant Commissioner, Central Excise	MANAGEMENT CONSULTANTS - 00440116 EDUCATION CESS - 00440298 SECONDARY AND HIGHER EDUCATION CESS - 00440426

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.

SECTION VII - OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for listing:

The Hon'ble High Court of Delhi at New Delhi, vide its Order dated October 17, 2011, has approved the Scheme of Arrangement among Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited and their respective Shareholders and Creditors and Indiabulls Builders Limited, Indiabulls Power Limited., Poena Power Supply Limited and their respective Shareholders and Creditors whereby the Power business undertakings of Indiabulls Real Estate Limited has been transferred to and vested in Resulting Company i.e Indiabulls Infrastructure and Power Limited with effect from April 01, 2011 (i.e. the Appointed Date under the Scheme) under Sections 391 to 394 of the Companies Act, 1956.

The Scheme is operative from the Appointed Date i.e., April 01, 2011. However it is effective from the date of filing of Form 42 of the Companies (Court) Rules, 1959 of the High Court in relation to the Scheme along with Form 21 with the Registrar of Companies, NCT of Delhi and Haryana, i.e., November 25, 2011.

Prohibition by the SEBI

There is no prohibition on the Indiabulls Infrastructure and Power Limited, Promoters, Promoter Group, Directors, Group Companies, from accessing the capital market for any reasons by the SEBI or any other authorities.

There is no action pending with SEBI against the Directors of Indiabulls Infrastructure and Power Limited.

Indiabulls Infrastructure and Power Limited, its Promoters, Group Companies, The Relatives (as per Companies Act, 1956) of Promoters, Group Companies are not identified as willful defaulters by Reserve Bank of India or other authorities.

Eligibility Criterion

There being no initial public offering or rights issue, the eligibility criteria in terms of Chapters III and IV of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 are not applicable. However, SEBI has vide its letter no. CFD/DIL2/SK/MS/15575/2012 dated July 12, 2012, relaxed the applicability of provisions of Regulation 19(2)(b) of the Securities Contract (Regulations) Rules, 1957. The Company has submitted this Information Memorandum to BSE and NSE and the same is available on the Company's website www.indiabulls.com/ibipl/. The Information Memorandum would also be made available on the website of BSE, www.bseindia.com and NSE, www.nseindia.com.

Any other information as may be prescribed by SEBI from time to time

The Company shall insert any other information in the Information Memorandum as prescribed by SEBI or the Stock Exchanges, if required.

General Disclaimer from the Company

The Company accepts no responsibility for statement made otherwise than in the Information Memorandum or in the advertisements to be published in relation to this Scheme or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by the Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

Caution

Indiabulls Infrastructure and Power Limited accepts no responsibility for statements made otherwise than in this Information Memorandum or in the advertisement or any other material issued by or at the instance of our Company and that anyone placing reliance on any other source of information would be doing so at his own risk. Our Company shall make all information available to the equity shareholders and no selective or additional information would be available for a section of the equity shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Information Memorandum.

Disclaimer with respect to jurisdiction

This Information Memorandum has been prepared under the provisions of Indian laws and the applicable rules and regulations there under. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in New Delhi, India only.

Disclaimer Clause of BSE

As required, a copy of this Information Memorandum has been submitted to BSE.

The BSE had vide its letter dated September 16, 2011, given its 'No-Objection' to the Scheme of Arrangement under clause 24(f) of the Listing Agreement and by virtue of that No-Objection, BSE's name in this Information Memorandum can be used as one of the Stock Exchanges on which the Company's securities are proposed to be listed.

The BSE does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or
- Warrant that this Company's securities will be listed or will continue to be listed on the BSE; or
- Take any responsibility for the financial or other soundness of this Company; and
- It should not for any reason be deemed or construed to mean that this Information Memorandum has been cleared or approved by the BSE.

Every person who acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of NSE

As required, a copy of this Information Memorandum has been submitted to NSE.

The NSE had vide its letter dated September 13, 2011, given its 'No-Objection' to the Scheme of Arrangement under clause 24(f) of the Listing Agreement and by virtue of that No-objection, NSE's name in this Information Memorandum can be used as one of the Stock Exchanges on which the Company's securities are proposed to be listed.

The NSE has scrutinized this Information Memorandum for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. It is to be distinctly understood that the aforesaid permission given by the NSE should not in any way be deemed or construed that the Information Memorandum has been cleared or approved by the NSE nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; nor does it warrant that this Company's securities will be listed or will continue to be listed on the NSE; nor does it take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.

Every person who acquires any securities of the Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Filing

This Information Memorandum has been filed with BSE, Listing Department, at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai, 400001 and with NSE, Listing Department, at Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400051. All the legal requirements applicable till the date of filing the Information Memorandum with the Stock Exchanges have been complied with.

Listing

Application will be made to BSE and NSE for permission to deal in and for an official quotation of the Equity Shares of the Company. The Company has nominated BSE as the designated Stock Exchange for the aforesaid listing of the shares. The Company has taken steps for completion of necessary formalities for listing and commencement of trading at BSE and NSE.

Designated Stock Exchange

The designated stock exchange is BSE.

Expert Opinion, if any

Save and except as indicated elsewhere in this Information Memorandum, no other expert opinion has been obtained by the Company.

Previous Public or Rights issues, if any during the last five years:

The Company has not made any previous public or rights issue since incorporation.

Previous issues of securities otherwise than for cash.

The Company has not issued any security, previously, otherwise than for cash.

Commission or brokerage on previous issues

Nil

Indiabulls Infrastructure and Power Limited did not make any capital issue during the last three years.

Indiabulls Power Limited., a group company, came with Initial Public Offering (IPO) of its Equity shares in the month of October 2009, whereby 33,98,00,000 Equity shares of face value Rs. 10 each were offered to the Public together with a Green Shoe Option of 5,09,00,000 Equity shares, at an issue price of Rs. 45 per share (including premium of Rs.35/- per share). The shares of the Company were listed on BSE and NSE w.e.f. 30th October, 2009. The paid-up capital of the Company after the IPO and GSO to the IPO was Rs. 2019,85,23,460 divided into 201,98,52,346 fully paid equity shares of Rs.10/- each.

Details of all Outstanding debentures or bonds and redeemable preference shares and other instruments issued by Indiabulls Infrastructure and Power Limited outstanding as on the date of offer document.

Nil

Stock market data for equity shares of Indiabulls Infrastructure and Power Limited

Equity shares of the Company are not listed on any stock exchange. The Company is seeking approval for listing of its shares through this Information Memorandum.

Mechanism evolved for redressal of investor grievances in Indiabulls Infrastructure and Power Limited

The Company has appointed M/s Karvy Computershare Private Limited as its Registrar and Transfer agent for handling the share registry work relating to shares held both in physical and electronic form at a single point. As per the Memorandum of Understanding with the Registrar, it shall strive to redress the investor complaints within one month of its receipt. The Company has also constituted an Investors' Grievance Committee to deal with the grievances of investors related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend, transfer, transmission, transposition, nomination, dividend, change of name/address/signature, registration of mandate / Power of Attorney, replacement/split /consolidation of share certificate/demat/remat of shares, issue of duplicate certificates etc.

Details of the number of investor complaints received during the three years preceding the filing Information Memorandum with the SEBI and the number of complaints disposed off during that period.

Nil

Details of the number of investor complaints pending on the date of filing Information Memorandum with the Board.

Nil

Details of the number of investor complaints pending on the date of filing Information Memorandum with the SEBI in respect of the listed group companies.

S.NO.	Name of the Company	Number of pending Investor complaints
1)	Store One Retail India Limited	NIL
2)	Indiabulls Financial Services Limited	NIL
3)	Indiabulls Securities Limited	NIL
4)	Indiabulls Real Estate Limited	2
5)	Indiabulls Wholesale Services Limited	NIL
6)	Indiabulls Power Limited.	NIL

Details of the time normally taken for disposal of various types of investor grievances.

S. No	Nature of the Complaint/Grievance	Standard Redressal Time
1.	Non-receipt of S/C after rejecting DRN	10-15 days
2.	Non-receipt of Dividend	10-15 days
3.	Non- receipt of S/C	10-15 days
4.	Non receipt of Annual Report	02 days
5.	Change of Address	7-10 days
6.	Bank Mandate	7-10 days
7.	Transmission	30 days
8.	Demat of Shares	15 days
9.	Nomination of Shares	10 days
10.	Registration of Power	7-10 days
11.	Name Correction	10-15 days

Details of Change, if any, in the auditors of Indiabulls Infrastructure and Power Limited during the last three years, and reasons, thereof.

Nil

Details of Capitalization of reserves or profits (during last five years) by Indiabulls Infrastructure and Power Limited.

Nil

Details of Revaluation of assets, if any (during the last five years) by Indiabulls Infrastructure and Power Limited.

Nil

Demat Credit

The Company has executed Agreements with NSDL & CDSL for admitting its securities in demat form. The Company's shares were allotted on December 23, 2011 in physical/ dematerialized form to those shareholders who have provided necessary details to the Company and/ or who were holding their shares in Indiabulls Real Estate Limited in demat form as well as physical shares as on the Demerger Record date. The Company's ISIN is INE834M01019.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of GoI and FEMA.

While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment.

By way of Circular No. 53 dated December 17, 2003, the RBI has permitted FIIs to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents.

Transfers of equity shares previously required the prior approval of the FIPB. However, vide a RBI circular dated October 4, 2004 issued by the RBI, the transfer of shares between an Indian resident and a nonresident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (FDI) Policy and transfer does not attract the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (ii) the non-resident shareholding is within the sectoral limits under the FDI policy, and (iii) the pricing is in accordance with the guidelines/regulations prescribed by the SEBI/RBI.

SECTION IX- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

ARTICLES OF ASSOCIATION OF INDIABULLS INFRASTRUCTURE AND POWER LIMITED

PRELIMINARY

1. Subject to the provisions contained in these Articles, the regulations contained in Table A shall apply to the Company, except insofar as they are embodied in the following Articles, which shall be the regulations for the management of the Company.

DEFINITIONS AND INTERPRETATIONS

2. (i) In these Regulations :-

(a) 'Auditor' means the statutory auditors of the Company appointed by the Company in accordance with the provisions of the Act.

(b) 'Board' means the Board of Directors for the time being of the Company.

(c) "Beneficial Owner" means a person whose name is recorded as such with a Depository;

(d) 'Chairman' means the Chairman of the Board for the time being of the Company

(e) 'Director' means a member of the Board for the time being of the Company and includes an alternate director.

(f) 'Debenture' includes debenture stocks.

(g) "Depository" means a company formed and registered under the Companies Act, 1956 (1 of 1956), and which has been granted a certificate of registration under sub-section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);

(h) 'Dividend' includes interim dividend.

(i) 'General Meeting' or 'Meeting' means a general meeting of the members.

(j) 'Managing Director' means the Managing Director(s) for the time being of the Company so appointed.

(k) 'Member' or 'Shareholder' means duly registered holder of the shares of the Company and whose name is entered in the Register and any other person whose name is entered as Beneficial Owner in the records of the Depository.

(l) 'Month' means calendar month.

(m) 'Office' means the Registered Office for the time being of the Company.

(n) 'Person' includes body corporate, firm, association of firms and society registered under the Societies Registration Act.

(o) 'Proxy' includes an Attorney duly constituted under a Power of attorney.

(p) 'Register' means the Register of members kept pursuant to Section 150 of the Act.

(q) 'Shares' mean voting shares in the capital of the Company and includes all rights and interests therein, bonus shares and any shares issued in exchange thereof by way of conversion or reclassification and any shares representing or deriving from such shares as a result of any increase in or reorganisation or variation of the capital of the Company.

(r) 'Seal' means the Common Seal for the time being of the Company.

(s) 'Table A' means the Table A of the First Schedule to the Act.

(t) 'The Company' means INDIABULLS INFRASTRUCTURE AND POWER LIMITED

(u) 'The Act' means the Companies Act, 1956 and includes any re-enactment or statutory modification thereof for the time being in force.

(v) 'These presents' means the Memorandum of Association and these Articles of Association of the Company for the time being in force.

(w) 'Whole time Director' means the Whole time Director for the time being of the Company.

(ii) (a) Unless the context otherwise requires, words or expression contained in these Regulations shall bear the same meaning as in the Act or any statutory modification thereof.

(b) 'In writing' and 'written' includes printing, lithography and any other modes of representing or reproducing words in a visible form.

(c) Words importing the singular number shall include the plural number and vice versa.

SHARES

3. Copies of Memorandum and Articles of Association of the Company shall be furnished to every member of the Company at his request on payment of Rs. 1 (One) each.
4. The authorised Share Capital of the Company is as mentioned in Clause V of the Memorandum of Association of the Company. The paid up capital of the company shall not be less than Rs. 5,00,000/- (Rupees Five Lac) or such higher sum as may be prescribed by the Act.
5. Subject to the provisions of Section 80 of the Companies Act, 1956, the Company may issue preference shares, which are or at the option of the Company are liable to be redeemed and/or converted into equity share capital, on such terms and in such manner and time, as the resolution authorising such issue shall prescribe.
6. Subject to the provisions of these Articles, the shares shall be under the control of the Board who may allot or otherwise dispose of the same to such person, on such terms and conditions, at such times, either at par or at a premium and for such consideration as the Board thinks fit.
7. The Directors may allot and issue shares in the Capital of the Company as partly or fully paid up in consideration of any property sold or goods transferred or machinery supplied or for services rendered to the Company in the conduct of its business.
8. Unless the shares of the Company are held with a Depository, the shares in the Capital shall be numbered progressively according to their several denominations.
9. Except as required by law, no person shall be recognised by the Company as holding any shares upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof), any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
10. The Company may pay commission to any person prescribed under Section 76 of Act and that such commission may be paid in cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares or debenture pay such brokerage as may be lawful.
11. Save as permitted by Section 77 of the Act, the funds of the Company shall not be employed in the purchase of or lent on the security of, shares of the Company. The Company shall not give, directly or indirectly, any financial assistance whether by way of loan, guarantee, security or otherwise any financial assistance for the purpose of or in connection with any purchase of or subscription for any shares in the Company.
12. Subject to the provisions of section 77A, 77AA and 77B and any statutory amendments or reenactments thereof and compliance of the provisions thereof by the Company, the Company is authorised to purchase its own shares or other specified securities.
13. Subject to the provisions of section 78 and section 79 of the Act, the Company may issue shares at a premium or at a discount.

14. The Company, subject to the provisions of section 79A of the Act, may issue sweat equity shares of a class of shares already issued. All the limitations, restrictions and provisions relating to equity shares shall apply to such sweat equity shares.
15. If, by the conditions of issue of any shares, the whole or part of amount of issue price thereof shall be payable in installments, every such installment shall, when due, be paid to the Company, by the person who, for the time being, shall be the registered holder of the share or by his executor or administrator as the case may be.
16. The Joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share.
17. Share(s) may be registered in the name of any person, company or other body corporate. Not more than three persons shall be registered as joint holders of any shares. Shares may be registered in the name of any minor through a guardian only as fully paid shares.

FURTHER ISSUE OF SHARES

18. Where at the time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, which ever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares either out of the un-issued capital or out of the increased share capital then:
 - (a) such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.
 - (b) such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted will be deemed to have been declined.
 - (c) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favor of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
 - (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose off them in such manner and to such person(s) as they may think, in their sole discretion, fit.
19. Notwithstanding anything contained in clause 18 thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (18) hereof) in any manner whatsoever.
 - (a) If a special resolution to that effect is passed by the Company in General Meeting, or
 - (b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board in this behalf that the proposal is most beneficial to the Company.
20. Nothing in sub-clause (c) of clause 18 hereof shall be deemed:
 - (a) to extend the time within which the offer should be accepted; or
 - (b) to authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
21. Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:
 - (i) to convert such debentures or loans into shares in the Company: or
 - (ii) to subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf: and
- (b) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any Institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

EMPLOYEE STOCK OPTIONS/STOCK PURCHASE

- 22. Subject to the provisions of Section 81 of the Act and other applicable law, the Company may issue options to the whole-time directors, officers or employees of the Company, its subsidiaries or its parent, which would give such directors, officers or employees, the benefit or right to purchase or subscribe at a future date, the securities offered by the Company at a pre-determined price, in term of schemes of employee stock options or employees share purchase or both.

INCREASE AND REDUCTION OF CAPITAL

- 23. The Company in General Meeting may, from time to time, by ordinary resolution increase the share capital of the Company by the creation of new shares by such sum, to be divided into shares of such amount as may be deemed expedient.
- 24. Subject to any special rights or privileges for the time being attached to any shares in the capital of the Company when issued, the new shares may be issued upon such terms and conditions and with such preferential, qualified or such rights and privileges or conditions there to as general meeting resolving upon the creation thereof shall direct. If no direction be given, the Board shall determine in particular the manner in which such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company.
- 25. Before the issue of any new shares, the Company in General Meeting may make provisions as to the allotment and issue of the new shares and in particular may determine to whom the shares be offered in the first instance and whether at par or premium or at a discount. In case no such provision is made by the Company in General Meeting, the new shares may be dealt with according to the provisions of these Articles.
- 26. Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered part of the then existing capital of Company and shall be subject to the provisions herein contained with reference to the payment of dividends, calls and installments, transfer and transmission, forfeiture, lien, voting, surrender and otherwise.
- 27. If, owing to any inequality in the number of new shares to be issued and the number of shares held by members entitled to have the offer of such new shares, any difficulty arising in the allotment of such new shares or any of them amongst the members shall, in the absence of any direction in the resolution creating the shares or by the Company in general meeting, be determined by the Board.
- 28. Subject to the provisions of sections 100 to 103 of the Act, the Company may, from time to time in any manner, by special resolution and subject to any consent required under sections 100 to 103 of the Act, reduce:
 - a. its share capital
 - b. any capital redemption reserve
 - c. any share premium account.
- 29. Subject to provisions of sections 100 to 105 of the Act, the Board may accept from any member the surrender, on such terms and conditions as shall be agreed, of all or any of his shares.

ALTERATION OF SHARE CAPITAL

- 30. The Company, by ordinary resolution may, from time to time:
 - a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
 - b) sub-divide its share or any of them into shares of smaller amount than is fixed by the Memorandum of Association so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
 - c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of share so cancelled.

31. Where any share capital is sub-divided, the Company in General Meeting, subject to the provisions of Section 85, 87 and 106 of the Act, may determine that as between the holders of the shares resulting from sub-division, one or more of such shares shall have same preferential or special rights as regards dividend, payment of capital, voting or otherwise.

VARIATION OF SHARE HOLDER'S RIGHTS

32. If at any time the share capital is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise prohibited by the terms of issue of the shares of that class) may, subject to the provisions of sections 106 and 107 of the Act, whether or not the Company is being wound up, be modified, commuted, affected, abrogated, varied or dealt with by the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of three fourths of the issued shares of that class. To every such separate meeting the provisions of these regulations relating to general meeting shall mutatis mutandis apply but so that necessary quorum shall be five members or all the members holding or represented by proxy of the entire issued share of the class in the question.

SHARE CERTIFICATES

33. Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up there on and shall be in such form as the Directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder..

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

Nothing contained herein shall apply to transfer of a security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the records of a Depository

34. The certificate of shares registered in the name of two or more persons shall be delivered to the person first named in the Register.
35. If any certificate be worn out, defaced, mutilated or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, an & new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificate under the Article shall be issued without payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the each thereof for endorsement of transfer.

Provided that notwithstanding what is slated above the Board shall comply with such Rules or Regulation or requirement of any stock exchange or the Rules made under the Securities Contract Regulations Act, 1956 or the Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

36. If the securities of the Company are dealt with in a Depository, the Company shall intimate the details of allotment of securities to Depository immediately on allotment of such securities.

CALLS

37. The Board may, from time to time, subject to terms on which any shares may have been issued and subject to the provisions of Section 91 of the Act, make such calls as the Board thinks fit upon the members in respect of all moneys unpaid on shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times. Each member shall pay the amount of every call so made on him to the persons and the times and places appointed by the Board, provided that option or right to make call on shares shall not be given to any person except with the sanction of the Company in a General Meeting. A call may be made payable by installment and be deemed to have been made at the time when the resolution of the Board authorising such call was passed at a meeting of Board.
38. No call shall exceed one fourth of the nominal amount of a share or be made payable at less than one month from date fixed for the payment of the last preceding call. Not less than fourteen days' notice of any call shall be given specifying the time and place of payment and the person or persons to whom such call, shall be paid. Provided that, before the time for payment of such call the Board, may, by notice in writing to the members, revoke the same or extend the time for payment thereof.
39. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times, whether on account of the nominal amount of the share or by way of premium, every such amount or installment shall be payable as if it were call duly made by the Board and of which due notice has been given and all the provisions herein contained in respect of calls or otherwise shall relate to such amount or installment accordingly.
40. If the sum payable of any call or installment be not paid on or before the day appointed for payment, the holder for the time being of the shares in respect of which the call shall have been made or the installment shall be due, shall pay interest for the same at such rate not exceeding 18 % (Eighteen percent) per annum from the day appointed for the payment thereof to the time of the actual payment or at such other rate as the Directors may determine from time to time. The Directors may in their absolute discretion waive the payment of interest, wholly or in part in the case of any person liable to pay such call or installment.

PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

41. The Board may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares hold by him beyond the sums actually called for and upon the amount so paid or satisfied in advances, or so much thereof as from time to time exceeds the amount of the calls than made upon the shares in respect of which such advance has been made, the Company may pay interest provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The Company may pay interest at such rate not exceeding 18 % (Eighteen) or as determined by the Board from time to time unless the Company in General Meeting shall otherwise direct.
42. The members shall not be entitled to any voting rights in respect of the moneys so paid by them the same would but for such payment, become presently payable.
43. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.
44. Subject to the provisions of the law of Evidence and Procedure, on the trial or hearing or any action or suit brought by the Company against any share holder or his representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose on the Register of the Company as a holder or one of the holders, of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted, nor any other matter by the proof of the matters aforesaid shall be conclusive evidence of the debt.
45. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
46. A call may be revoked or postponed at the discretion of the Board.
47. The Directors may from time to time, at their discretion extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of residence at a distance or some other cause, may be deemed fairly entitled to such extension, but no member shall, as a matter of right, be entitled to such extension (save as a matter of grace and favour).

48. Every member, his executors or administrators shall pay to the Company the proportion of the Capital represented by his share or shares which may for the time being, remain unpaid thereon in such amount at such time or times and in such manner as the Directors shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereto.

SHARES AT THE DISPOSAL OF THE DIRECTORS

49. Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares. Provided that option or right to call on shares shall not be given to any person or persons without the sanction of the Company in a General Meeting.

FORFEITURE OF SHARES

50. If a member fails to pay any sum payable in respect of any call or any installment of a call, on or before the day appointed for payment thereof, the Board may at any time there after during such time as any part of the said call or installment remains unpaid, serve a notice on such member requiring payment of so much of the call or installment as is unpaid together with any interest which may have accrued and all expenses that they may have been incurred by the Company by reason of such non-payment.
51. The notice aforesaid shall name a further day not being earlier than the expiry of thirty days from the date of service of notice, on or before which such call or payment required by notice, is to be made and a place at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall state that in the event of non-payment, on or before the date so named the shares in respect of which such call or installment was payable shall be liable to be forfeited.
52. If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may at any time thereafter, before the payment of calls or installment, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such Forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture, subject to section 205 A of the Act.
53. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof shall forthwith be made in the Register of Members but no forfeiture shall in any manner be invalidated by any omission or failure to give such notice or to make such entry as aforesaid.
54. Any share so forfeited shall be deemed to be property of the Company, and may be sold or otherwise disposed off on such terms and in such manner as the Board thinks fit.
55. The Board may at any time before any share so forfeited shall have been sold or otherwise disposed off, annul the forfeiture upon such terms and conditions, as it thinks fit.
56. i). A person whose shares have been forfeited shall cease to be member in respect of forfeited shares, but shall notwithstanding the forfeiture remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares.
ii). The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.
iii). The forfeiture of a share shall involve the extinction of all interest in and also for all claims and demands against the Company in respect of the shares and all other rights, incidental to the share except any such of those rights as by these Articles are expressly saved.

57. A duly verified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the shares on any sale or disposal thereof and may execute a transfer of share in favour of the person to whom the share is sold or disposed of. On receipt by the Company of the consideration, if any given for the shares on the sale or disposition thereof, the transferee shall be registered as the holder of such shares and the purchaser shall not be bound to see to the application of purchase money, nor shall his title to such shares be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.
58. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium as if the same has been payable by virtue of a call duly made and notified.
59. When any shares under the powers in that behalf herein contained are sold by the Directors and the certificate has not been delivered to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered.
60. Neither the receipt by the Company of a portion of any money which shall from time to time, be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Board from thereafter proceeding to enforce a forfeiture of such shares as provided in these regulations for non-payment of the whole or any balance due in respect of the shares.

CONVERSION OF SHARES INTO STOCK

61. The Company may, by ordinary resolution:
 - i) convert any paid-up shares into stock; and
 - ii) reconvert any stock into paid-up shares of any denomination.
62. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

COMPANY'S LIEN ON SHARES

63. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonus from time to time declared in respect of such shares subject to section 205A of the Act. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien if any on such shares. The Directors may, at any time declare any share wholly or in part to be exempt from the provisions of this clause.
64. For the purpose of enforcing such lien the Board may sell the shares in such manner as it thinks fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or other legal representative as the case may be and default shall have been made by him or them in payment of the sum payable as aforesaid in respect of such share for fourteen days after the date of such notice.
65. The net proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon share before the sale) be paid to the person entitled to the share at the date of the sale.

66. Upon any sale after forfeiture or surrender or for enforcing a lien purported in exercise of the powers herein conferred, the Board may appoint some person to execute the instrument of transfer of the share sold and cause the purchaser's name to be entered in the Register in respect of the share sold and the purchaser shall not be bound to see to the regularity of the proceedings nor to the application of the purchase money. After his name has been entered into the Register in respect of such share, the validity of the sale shall not be impeached by any person on any ground whatsoever and the remedy of any person aggrieved by such sale shall be in damages only and against the Company exclusively.

TERM OF ISSUE OF DEBENTURE

67. Any debentures, debentures stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

TRANSFER AND TRANSMISSION

68. Save as provided in Section 108 of the Act, no transfer of share shall be registered unless a proper instrument duly stamped and executed by or on behalf of the transferor and by or on behalf of transferee and specifying the name, address and occupation of the transferee has been delivered to the Company along with the certificate relating to the shares or if no such certificate is in existence along with the letter of allotment of the shares, in accordance with the provisions of Section 108 of the Act. The transferor shall be deemed to remain a member in respect of such share until the name of the transferee is entered in the Register in respect thereof. The signature of one credible witness who shall add his address shall duly attest each signature to such transfer. Provided, that, where on application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as the Board may think fit so as to indemnify the Company.
69. Application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that, where such application is made by the transferor, no registration shall, in the case of the partly paid share, be effected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.
70. Every instrument of transfer of shares shall be in the form prescribed under the Act or as near thereto as the circumstances may admit and shall be in accordance with the provisions of Section 108 of the Act, from time to time.
71. No fee shall be charged for transfer of shares/ debentures or for effecting transmission or for registering any letters of probate, letters of administration and similar other documents.
72. Nothing contained in Article 70 and 71 shall apply to transfer of a security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the records of a Depository.
73. No fee may be charged:
- For splitting up, sub-division and consolidation of shares and debenture certificates and for splitting up and sub-division of Letters of Allotment and splitting, consolidation, renewal into denomination corresponding to the market Units of trading as per Rules of Stock Exchange concerned.
 - For sub-division of right shares offered to share holders.
 - For issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilised.
 - For registration of any power of attorney, probate or will, Letter of Administration or similar other documents.

74. Subject to the provisions of Section 111A of the Act the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not as affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares, transfer of shares/debentures in whatever lot shall not be refused.
75. Every instrument of transfer shall be left at the office of the Company for registration, accompanied by the certificate, of the shares to be transferred or if there is no certificate, the letter of Allotment thereto and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the share. The Board may waive the production of any certificates upon production of evidence to them of its having been lost or destroyed. The Company shall retain every instrument of transfer, which shall be registered,, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.
76. Subject to the provisions of Section 154 of the Act, the registration of transfer may be suspended at such times and for such periods as the Board may from time to time determine. Provided that, such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
77. If the Board refuses to register the transfer of or the transmission by operation of law of the right to any share, the Company shall within two months from the date on which the instrument of transfer or the intimation of such transmission, as the case may be, give notice of such refusal.
78. The executor or administrators of a deceased member (not being one of several joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member. In case of the death of any one or more of the joint holders of any registered shares, the survivors shall be the only person recognised by the Company as having any title to or interest in such shares. But nothing herein contained shall be taken to release Board may require him to obtain a Grant of Probate or letters of Administration or other legal representation as the case may be from some competent court. Provided nevertheless that in any case where the Board in its absolute discretion think fit, it shall be lawful for the Board to dispense with the production of Probatory letters of Administration or such other legal representation upon such terms as to indemnify or otherwise as the Board in its absolute discretion may consider necessary.
79. Any committee or guardian of a lunatic or infant member or any person becoming entitled to transfer of shares in consequence of the death, bankruptcy, insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under the Articles or of the title as the Board thinks sufficient, may with consent of the Board (which it shall not be under any obligation to give) be registered as a member in respect of such shares or any subject to the regulations as to transfer herein before contained.(The Article is hereinafter referred to as 'The transmission Article).
80. Subject to Sec.205A of the Act, the Directors may retain the dividend payable upon the share to which any person becomes entitled to under Article 83 until such person shall become a member in respect of the shares.
81. a) If the person becoming entitled to shares under Article 83 shall elect to be registered as member in respect of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
b) If the person aforesaid shall elect to transfer the shares, he shall testify his election by execution of an instrument of transfer of shares.
c) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfer of share shall be applicable to any such notice or transfer as aforesaid as if the death, insanity, bankruptcy or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.
82. A person so becoming entitled under the transmission Articles to a share by reason of death, lunacy, bankruptcy or insolvency of a member shall, subject to the provision of the Articles or Section 206 of the Act, be entitled to the same dividend and other advantages to which he would be entitled if he was the member registered in respect of the share except that he shall not before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other money payable in respect of the share, until the requirements of the notice have been complied with.

83. The Company shall incur no liability or responsibility in consequence of its registering to give effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to be prejudice or persons having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard or attend to any such notice and give effect thereto.

BORROWING POWERS

84. The Board may from time to time subject to the sections 58A, 292 and 293 of the Act, at their discretion raise or borrow any sum or sums of money for the purpose of the Company and subject to the applicable provisions of the Act may secure payment or repayment of same in such manner and upon such terms and conditions in all respect as may be prescribed by the Board, in particular by the creation of any mortgage or charge or other encumbrances on any of the immovable properties of the company or hypothecation, pledge or charge on and over the Company's stocks, book debts and other movable properties.
85. The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions as they think fit and in particular, by the issue of bonds, perpetual or redeemable debentures or debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the property (both movable and immovable) of the Company both present and future including its uncalled capital for the time being or by giving, accepting or endorsing on behalf of the Company any promissory notes, bills of exchange or other negotiable instruments and no debenture shall carry any voting right whether generally or in respect of any particular class or classes of business.
86. If any uncalled capital is included in or charged by any mortgage or other security, the Directors may, by instrument under the Seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the member in respect of such uncalled capital, and the provisions herein before contained in regard to calls shall, mutatis mutandis apply to calls, made under such authority and may be made exercisable either conditionally and either presently or contingently and either, to the exclusion of the Director's powers or otherwise, and shall be assignable if expressed so to do.
87. Any debenture-stock or other securities may be issued at a discount premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges such as warrants etc. and conditions as to redemption, surrender, drawing, allotment of shares, attending at General Meeting, appointment of Directors and otherwise. The power to issue debenture stock or other securities with a right to allotment of or conversion into shares of any denomination shall only be exercised by the Company in the General Meeting.
88. Save as provided in Section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificates of the debentures.
89. If the Board refuses to register the transfer of any debentures of the Company, it shall within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal.
90. Subject to section 201 of the Act, if any Director or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security cover for effecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or any person so becoming liable, as aforesaid, from any loss in respect of such liability.
91. Subject to Section-58A, 292 and 293 of the Act and the Companies (Acceptance of Deposits) Rules, 1975 the Company may receive deposits on such terms and conditions and bearing interest at such rates as the Board may decide and fix and which may be made payable monthly, quarterly, half yearly or yearly. .

92. The Company may subject to the provisions of Section 208 of the Act, pay interest on so much of the share capital as is for the time being paid up and was issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant, which can not be made profitable for a lengthy period.
93. Debentures/debenture stock, loan/loan stock, bonds or other securities conferring the right to allotment or conversion into shares or the option or right to call for allotment of shares shall not be issued except with the sanction of the Company in General Meeting.

PROCEEDINGS AT GENERAL MEETING

94. In addition to any other meetings, a general meeting of the Company shall be held within such interval as specified in Section 166(1) of the Act, and subject to the provisions of Section 166(2) of the Act, at such times and places as may be determined by the Board. Each such general meeting shall be called an 'Annual General Meeting' and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called an Extra Ordinary General Meeting.
95. The Board may, whenever it thinks fit, call an Extra Ordinary General Meeting. If at any time there are not within India Directors capable of acting who are sufficient in number to form a quorum, the Directors present in India may call an Extra Ordinary General Meeting, in the same manner and as nearly as possible as that in which such a meeting may be called by the Board.
96. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members or other persons entitled to receive such notice shall not invalidate any resolution passed at any such meeting.
97. No business shall be transacted at General Meeting of the Company unless a quorum of members is present at the time when the meeting proceeds to commence business. Five members present in person shall be the quorum for the meeting of the Company. No business shall be transacted at any General Meeting unless the requisite quorum shall be present throughout the meeting.
98. Any act or resolution which, under these Articles or the Act is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently so done or passed if effected by an ordinary resolution as defined in Section 189(1) of the Act unless either the Act or the Articles specifically require such act to be done or resolution to be passed by a special resolution as defined in Section 189(2) of the Act.
99. The Chairman of the Board shall take the chair at every General Meeting. If there be no such Chairman or if at any meeting he shall not be present within fifteen minutes, or is unwilling to act, or if any of the Directors present decline to take the chair, then the members present shall choose one of their members being a member entitled to vote to be the Chairman of the meeting.
100. If at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the Meeting if convened by or upon the requisition of Members shall stand dissolved. In any other case the Meeting shall stand adjourned in the same day in the next week or if that day is public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day and at such other time and place in the city or town in which the office of Company is for the time being situate, as the Board may determine, and if at such adjourned Meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present, shall be a quorum and may transact the business for which the Meeting was called.
101.
 - a) Every question submitted to a meeting shall be decided, in the first instance by a show of hands and in the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote in addition to the vote to which he may be entitled as a member.
 - b) A declaration by the Chairman that a resolution has on a show of hands been carried unanimously or by a particular majority or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without further proof.
102. The Chairman of a General Meeting may adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

103. At any General Meeting unless a poll is demanded before or on the declaration of the result of the voting on any resolution and on the show of hands demanded by the Chairman or by members holding not less than one-tenth of the total voting power in respect of the resolution or by members holding shares on which an aggregate sum of not less than fifty thousand rupees has been paid up, a declaration by the Chairman that a resolution has been carried unanimously or by a particular majority or lost or not carried by a particular majority and an entry to that effect in the book containing the minutes to the proceedings of the meeting of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against the resolution.
104. a) If a poll is demanded as aforesaid it shall be taken forthwith on a question of adjournment or election of a Chairman of the meeting.
b) The person or persons who made the demand may withdraw the demand for a poll at any time before the poll is taken.
c) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers, at least one of whom shall be a member (not being an officer /employee of the Company) present at the meeting, provided such a member is available and willing to be appointed, to scrutinise the votes given on the poll and to report thereon to him.
d) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken. On poll a member entitled to more than one vote or his proxy or other persons entitled to vote for him, as the case may be need not, if he votes, use all his votes or casting the same way all the votes he uses.
e) The demand for poll shall not prevent the meeting from transacting any business other than the business in respect of which a poll has been demanded.

VOTES OF MEMBERS

105. Subject to any rights or restrictions for the time being attached to any class or classes of shares:
a) on a show of hands, every member present in person, shall have one vote, and
b) on a poll, the voting rights of Members shall be as laid down in Section 87 of the Act.
106. Except as conferred by Section 87 of the Act the holders of preference shares shall have no voting right. Where the holder of any preference share has a right to vote on any resolution in accordance with the provisions of Sub-Section 2 of Section 87 of the Act, his voting right on a poll as the holder of such share shall subject to the provision of Section 89 and sub-section (2) of Section 92 of the Act be in the same proportion as the Capital paid in respect of the preference share bears to the total paid up equity capital of the Company.
107. Where a Company or body-corporate (hereinafter called "Member Company") is a member of the Company a person duly appointed by resolution in accordance with Section 187 of the Act to represent such member Company at a meeting of the Company shall not by reason of such appointment, be deemed to be a proxy and the production at the meeting of the copy of such resolution duly signed by one director of such member company and certified by him as true copy of the resolution shall, on production thereof at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy on behalf of the same member company or body-corporate which he represents, as that member Company or body corporate could exercise if it were an individual member.
108. Where there are joint registered holders of any shares any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of the said persons so present whose name stands first in the Register in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint-holders thereof.
109. If any Member were unsound mind he may vote whether on show of hands or at a poll by his committee curator bonis or other legal curator and such last mentioned persons may give their vote by proxy on a poll. If any Member is a minor, his guardian may give the vote in respect of his share. If more than one person claim to exercise the right of vote under this clause, the Chairman of the Meeting may select in his absolute discretion any one person and will accept his vote.
110. No Member not present in person shall be entitled to vote on a show of hands, unless such member is a company or corporation present by a representative who may vote on the resolution as if he were a member of the Company.
111. On a poll, votes may be given either personally or by proxy or in the case of a Company, by a representative duly authorised as aforesaid.

112. Any Member of a Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person whether a member or not, as his proxy to attend and vote instead of himself but the proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll.
113. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if such appointer is a body corporate under its common seal or under the hand of its attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called a special proxy. Any other proxy shall be called a general proxy.
114. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power or authority shall be deposited at the office not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.
115. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the instrument of proxy or of the authority under which the proxy was executed or transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Chairman at the office before the commencement of the Meeting provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.
116. Every instrument appointing a special proxy shall, as nearly as circumstances admit, be in any of the forms as set out in Schedule IX to the Act or a form as near thereto as circumstances admit.
117. No Member shall be entitled to exercise any voting rights, either personally or by proxy, at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
118. i). Any objection as to the admission or rejection of a vote, on a show of hands or on a poll made in due time shall be referred to the Chairman of the meeting who shall forthwith determine the same and such decisions shall be final and conclusive.
ii). No objection shall be raised to the qualification of any voter except at meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.

DIRECTORS

119. a) The number of Directors of the Company shall not be less than three and not more than twelve (maximum).
b) The following shall be the first Directors of the Company: -
1. Mr. Anil Lepps
2. Mr. Abhimanyu Mehlawat
3. Mr. Rajender Nagpal
120. The management of the Company shall vest in the Board of Directors.
121. Not less than two-thirds of total number of Directors of the Company shall:
(a) be persons whose period of office is liable to determination by retirement of Directors by rotation; and
(b) save as otherwise expressly provided in the Act or these presents be appointed by the Company in General Meeting.
122. The Company in the General Meeting may, subject to provision of these presents and Section 259 of the Act, by special resolution, increase or reduce the number of its Directors.
123. The Directors shall have powers at any time and from time to time to appoint any other person as a Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only up to the date of the next following Annual General Meeting of the Company but shall be eligible for re-election at such meeting.

124. Subject to the provisions of Section 313 of the Act or any statutory modification thereof, the Board shall have power to appoint any person to act as alternate director for a director during the latter's absence for a period of not less than three months from the State in which meetings of the Directors are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate director, shall be entitled to notice of meetings of the Board and to attend and vote there at accordingly but he shall not be required to hold any qualification shares, if any, and shall 'ipso facto' vacate his office if and when the original Director returns to the State in which meetings of the Board are ordinarily held or if the original director vacates his office as director.
125. A director need not hold any share in the Company in his name as his qualification, but nevertheless shall be entitled to attend, speak and preside at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.
126. Each Director, other than the whole time paid Directors, may be paid such fee as may be notified by the Central Government from time to time pursuant to Section 310 of the Act and as approved by the Board, for each meeting of the Board of Directors or a Committee thereof attended by him. The Directors may also be paid the expenses as decided by Board, from time to time, in attending the meeting of the Board or a Committee of Board.
127. In addition to the fee payable to the Directors under Article 126 hereof, the Directors may be paid reasonable traveling, hotel and other expenses in attending and returning from the meetings of the Board of Directors or any Committee thereof or in connection with the business of the Company as decided by the Board.
128. Subject to Section 198, 309, 310 and 314 of the Act, if any Director or Directors being willing shall be called upon to undertake and /or perform extra professional or other services or to make any special exertion in going or residing outside the office for any of the purposes of the Company or in giving special attention to the whole of or any part of the Business of the Company, the Board may remunerate such Director.
129. The continuing Directors may act notwithstanding any vacancy in the Board but, if and so long as their number is reduced below the quorum fixed by these presents for a meeting of the Board, the continuing Directors or Director may act for the purposes of increasing the number of Directors to that fixed for the quorum or of summoning of general meeting of the Company, but for no other purpose.
130. Subject to the approval of the Board of Directors, a Director of the Company may be or become a Director of any company promoted by this Company or in which it may be interested as vendor, shareholder or otherwise and no such directors shall be accountable for any benefits received as a Director or member of such company.
131. Subject to the fulfillment of the requirements of the provisions of Sections 297 to 301 of the Act, a Director shall be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company and any such contract or arrangement entered into by or on behalf of the Company with a relative of such Director or a firm in which such Director or relative is a partner or with any other partner in such firm or with a private company of which such Director is a member or Director be void, and any Director so contracting or being such member so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason of such Director holding this office or of the fiduciary relation thereby established.
132. The Company may, subject to the provisions of Sec.284 of the Act by ordinary resolution of which special notice according to Section 190 of the Act has been given, remove any Director before the expiry of his period of office and may by ordinary resolution of which special notice has been given, appoint another person instead of the removed Director. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been so removed. If the vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed, the Board may at any time thereafter fill such vacancy under the provisions of these Articles.
133. If the office of any Director appointed by the Company in General Meeting is vacated before his term of office will expire, in the normal course, the resulting vacancy may be filled by the Board at a meeting of the Board, but any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been so vacated, provided that the Board shall not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under these Articles.

134. Subject to Section 259 of the Act the Company may by special resolution from time to time, increase or reduce the number of Directors, and may either alter their qualification and the Company may (subject to the provision of requirement Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

PROCEEDINGS OF DIRECTORS' MEETINGS

135. a) The Directors may meet together for the despatch of business and may adjourn and otherwise regulate their meetings and proceedings as they may think fit, subject to the provision of Section 285 of the Act.

b) The Chairman, Director or any officer authorised by the Directors may call a meeting of the Board of Directors.

c) Subject to the provisions of Section 316, 372A(2) and 386 of the Act, questions arising at any meeting of the Directors shall be decided by a majority of votes and in case of any equality of votes the Chairman shall have a second or casting vote.

136. Notice of every meeting of the Board or a Committee thereof shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director.

137. Subject to Section 287 of the Act, the quorum for the meeting of the Board shall be one third of its total strength or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength in number, the remaining Directors, that is to say, the number of Directors who are not interested, present at the Meeting being not less than two, shall be the quorum during such meeting.

138. a) The Board shall appoint from amongst its members a Chairman.

b) If at any meeting of the Board the Chairman shall not be present within thirty minutes of the time appointed for holding the same or if he is unable or unwilling to take the Chair then the Board may elect one of their other members to act as the Chairman of that meeting.

139. A meeting of Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles or the Act for the time being vested in or exercisable by the Board.

140. Subject to the provisions of Section 292 and 293 of the Act, the Board may from time to time delegate any of its powers to a committee consisting of such member or members of their body, managers and other officer(s) of the Company as it may think fit and may revoke such delegation. Any Committee so formed shall, in exercise of the power so delegated, conform to any regulation that may from time to time be imposed upon it by the Board. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereof and are not superseded by any regulations made by the Directors under this Clause.

141. All acts done at any meetings of the Directors or of a Committee or by any person acting as a Director, shall notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such Director or person had been duly appointed and was qualified to be a Director or a member of a Committee.

142. Save for the purpose of Sections 262, 292, 297, 316, 372A and 386 of the Act, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Directors or of the Committee thereof duly called and constituted if it is circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or members at their usual address in India and has been approved by such of the Directors or members as are then in India or by a majority of such of them as are entitled to vote on the resolution.

POWERS OF THE BOARD

143. Subject to the provisions of the Act, the Board shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other statute or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in General Meeting. Provided further, that in exercising any such powers or doing any such Act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles or in any regulations made by the Company in General Meeting but no regulations, made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.
144. The Company may exercise the powers conferred on it by Sections 157 and 158 of the Act with regard to keeping of a foreign Register and the Board may (Subject to the provisions of these sections) make and vary such regulations as it may think fit in respect of the keeping of any such register.
145. Every debenture or other instrument issued by the Company for securing the payment of the money may be so framed that the moneys thereby secured shall be assigned free from any equities between the Company and the person to whom the same may be issued. Any debentures, debenture-stock, bonds or other instruments or securities may be issued at a discount, premium or otherwise and may be issued on a condition that they shall be convertible into any shares of any denomination and with any special privileges as to redemption surrender, drawing and allotment of shares or otherwise, provided that the debentures with right to conversion into or allotment of shares shall not be issued without consent of the Company in General Meeting.
146. Every Director present at any meeting of the Board or of a Committee thereof shall sign his name in a book kept for that purpose.
147. The following powers shall be exercised by the Board or any Committee of the Board, or otherwise by the Company as may be so required:
- a) To voluntarily liquidate the Company.
 - b) To increase or reduce the Company's capital.
 - c) To issue and allot new shares.
 - d) To make any Rights Issue of shares.
 - e) To adopt any resolution to alter the Memorandum and Articles of Association.
 - f) To join any other company or to invest in any other company.
 - g) To Issue Debentures.
 - h) To undertake or permit any merger, consolidation or reorganisation of the Company.
 - i) To decide on the declaration of dividends and appropriation of profits.
 - j) Subject to the provisions of Section 372-A of the Act, to give to make any loan to any person or other body corporate or give guarantee or provide security in connection with a loan made by any other person to or to any other person by any body corporate.

MANAGING / WHOLE TIME DIRECTORS

148. The Company by ordinary resolution or the Board of Directors may, subject to the provisions of sections 268, 269 and 314 and schedule XIII of the Act, from time to time appoint one or more of the Directors to be Managing Director(s) or other Whole time Director(s) of the Company, for a term not exceeding five years at a time and may from time to time (subject to the provisions of any contract between him or them and the Company) remove him or them from office by following the statutory procedures and appoint another or others in his or their place or places.
149. Subject to the provisions of Sections 198, 309, 310 and 311 of the Act, a Managing Director or whole-time Director shall in addition to the usual remuneration payable to him as a director of the Company under these Articles, receive such additional remuneration as may from time to time be sanctioned by the Company and may be by way of fixed salary or at a specified percentage of the net profits of the Company or both, or in any other manner and extent otherwise determined. The Remuneration of Managing Director / whole time Director shall be deemed to accrue from day to day.

MANAGER

150. Subject to the provisions of section 197 A and 388 of the Act, the Board shall have power to appoint or employ any person to be the Manager of the Company upon such terms and conditions as the Board thinks fit and the Board may, subject to the provisions of Section 292 of the Act, vest in such manager such of powers, vested in the Board, as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to restrictions as it may determine and at such remuneration as it may think fit.
151. A Director may be appointed as General Manager/ Manager subject to Section 197 A, 314 and 388 of the Act.

SECRETARY

152. Subject to the section 383A of the Act, the Board may from time to time appoint or employ any person to be secretary of the Company upon such terms, conditions and remuneration as it thinks fit to perform any functions which by the Act or the Article for the time being of the Company are to be performed by the secretary and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the secretary by the Board. The Board may, subject to the provisions of the Act, also at any time appoint some person (who need not be the secretary) to keep the registers required to be kept by the Company.
153. Subject to the provisions of the Act, a Director may be appointed as a secretary.

THE SEAL

154. a) The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy and substitute a new seal in lieu thereof and provide for its safe custody.
b) The seal shall not be affixed to any instrument except in the presence of a Director or an officer duly authorised who shall sign every instrument to which the seal shall be affixed. Provided, nevertheless, that any instrument other than a share certificate bearing the seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same. Provided further that in respect of issue of share certificates the provisions of the Companies (Issue of Shares Certificates) Rules, 1960 shall apply.
c) Subject to the provisions of Sections 50 of the Act the Directors may provide for use of an official seal in any territory outside India.

ANNUAL RETURN

155. The Company shall make the requisite Annual Return in accordance with Section 159 and 161 of the Act.

RESERVE

156. The Board may subject to Section 205 (2A) of the Act from time to time, before recommending any dividend set apart any portion of the profits of the Company as it thinks fit as reserves to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company or for equalisation of dividends or for repairing, improving or maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company and may, subject to the provisions of Sections 372A of the Act, invest the several sums so set aside upon such investments (other than shares in the Company) as it may think fit and may from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may divide the reserves into such special funds as it thinks fit, with full power to employ the reserve or any part thereof in the business of the Company and that without being bound to keep the same separated from the other assets. The Board may also carry forward any profits, which it may think prudent not to divide without setting them aside as a reserve.
157. All moneys carried to the reserves shall nevertheless remain and be the profits of the Company available. Subject to due provisions being made for actual loss or depreciation, for the payment of dividends and such moneys and all other moneys of the Company not immediately required for the purpose of the Company may, subject to the provisions of Section 372A of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or be kept at any Bank or deposit or otherwise as the Board may from time to time think proper.

CAPITALISATION OF PROFITS / RESERVES

158. (1) The Company in General Meeting may, upon the recommendation of Board, resolve:
- a) To capitalise whole or any part of the amount for the time being standing to the credit of any of the Company's reserve account, or to the credit of the profit and loss account or otherwise available for distribution and
 - b) That such sum be accordingly set free for distribution in the manner specified in sub-clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (3) below, either in or towards:
- a) Paying up any amounts for the time being unpaid on any shares held by such members respectively.
 - b) Paying up in full, un-issued shares of the Company to be allotted and distributed, credited as fully paid up, to and among such members in the proportion aforesaid or,
 - c) Partly in the way specified in (i) and partly in that specified in (ii) above.
- (3) A share premium account and a capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of un-issued shares to be issued to members of the Company as fully paid bonus shares or for any other purpose specified in Section 78 of the Act.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
159. 1) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- a) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any; and
 - b) Generally do all acts and things required to give effect thereto.
- 2) The Board shall have full power:
- a) To make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fractions and,
 - b) To authorise any person to enter, on behalf of the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares.
- 3) Any agreement made under such authority shall be effective and binding on all such members.

DIVIDENDS

160. Subject to the rights of members entitled to a share (if any) with preferential or special rights attached thereto the profits of the Company which shall from time to time be determined to be divided in respect of any year or other period shall be applied in the payment of dividend on the Equity Shares of the Company, but so that the holder of a partly paid up share shall be only entitled to such proportion of the distribution upon a fully paid up share proportionately to the amount paid or credited thereon during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly. Where capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.
161. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles shall be divisible among the Members in the proportion of the amount of capital paid or credited as paid up on the shares held by them respectively.
162. The Company in Annual General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may, subject to the provisions of Section 207 of the Act, fix the time for payment.
163. No larger dividend shall be declared than that recommended by the Board, but the Company in general meeting may declare a smaller dividend.
164. No dividend shall be payable except out of profits of the Company or out of moneys provided by the Central or State Government for the payment of Dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company.

165. The Directors, if in their opinion the position of the Company justifies, may from time to time, without the sanction of a general meeting pay interim dividend to one or more classes of shares to the exclusion of others at rates, which may be differing from class to class. When declaring such dividend they should satisfy themselves that the preference shares, which have a prior claim in respect of payment of dividend, should have their entire rated dividend at the time of final preparation of the accounts of the period
166. No members shall be entitled to receive payment of any dividend or interest in respect of his share or shares whilst any money be due or owing from him as is presently payable to the Company in respect of such share or shares otherwise on account of any debts, liabilities or engagements of the members of the Company either alone or jointly with any other person or persons and the Directors may deduct from the dividend or interest payable to any member all sums of money so due from him to the Company Subject to Section 205 A of the Act.
167. Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may if so arranged between the Company and the member, be set off against the call Subject to Section 205 A of the Act. The making of a call under this Article shall be deemed ordinary business of an annual general ordinary meeting which declares dividend.
168. A transfer of share shall not pass the right to any dividend declared thereto before the registration of the transfer by the Company.
169. Subject to Section 205 A of the Act the Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Article entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.
170. The Directors may retain any dividend on which the Company has lien and may apply the same in or towards satisfaction of the debts, liabilities or engagement in respect of which the lien exists subject to Section 205 A of the Act.
171. Anyone of several persons who are members registered jointly in respect of any share may give effectual receipts for all dividends, bonuses and other payments in respect of such shares.
172. Notice of any dividends, whether interim or otherwise, shall be given to the person entitled to share therein in the prescribed manner, if any.
173. Unless otherwise directed in accordance with Section 206 of the Act, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto or in the case of joint holders to the registered address of that one whose name stands first on the register in respect of the joint holding or to such person and at such address as the member or person entitled or sub joint-holders as the case may be, direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint holders as the case may be, may direct.
- UNPAID OR UNCLAIMED DIVIDEND**
174. Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.
175. Subject to the provisions of Section 205B of the Act any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund ("Fund") and that no claim by any person to any money transferred to the Fund shall lie on or after the commencement of the Companies (Amendment) Act, 1999.
176. No unclaimed or unpaid dividend shall be forfeited by the Board and all unclaimed and unpaid dividends shall be dealt with as per Section 205 A and 205 B of the Act and the rules made there under.
177. The Company shall not be responsible for the loss of any cheque, dividend warrant or postal order sent by post in respect of dividends, whether by request or otherwise, at the registered address or the address communicated to the office before hand by the member or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.

BOOKS AND DOCUMENTS

178. The Directors shall cause to be kept in accordance with Section 209 of Act, proper books of account with respect to:
- a) All sums of money received and spent by the Company and the matters in respect of which the receipts and expenditures take place including the Profit & Loss Account and cash flow statement.
 - b) All sales and purchase of goods by the Company.
 - c) The Balance Sheet depicting the assets and liabilities of the Company.
179. The books of accounts shall be kept at the Registered office or at such other place as the Board thinks fit and shall be open to inspection by the Directors during business hours.
180. The Directors shall from time to time, subject to the provisions of sections 163, 209 and 209 A of the Act, determine whether and to what extent and at what time and places and under what conditions, the documents and registers or any of them maintained by the Company of which inspection allowed by the Act, shall be kept open for the inspection of the members. Till decided otherwise by the Board, such documents and registers shall be kept open for inspection to the persons entitled thereto between 11 A.M. and 1 P.M. on all working days. No member (not being a Director) shall have any right to inspection of any account or book or document of the Company except as conferred by law or by Act or authorised by the Directors or by resolution of the Company in General Meeting and no member, not being a director shall be entitled to require or receive any information concerning the business, trading or customers of the Company or any trade secret or secret process used by the Company.

AUDIT

181. Once at least in every year the books of accounts of the Company shall be examined and audited by one or more Auditor or Auditors.
182. The Company at each annual general meeting shall appoint an auditor or auditors to hold office until the next annual general meeting and their appointment, remuneration, rights and duties shall be regulated by sections 224 to 227 of the Act.
183. Where the Company has a branch office, the provision of section 228 of the Act shall apply.
184. All notices of and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have been sent to him shall also be forwarded to the Auditor of the Company and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor.
185. The Auditors' Report shall be read before the Company in Annual General Meeting and shall be open to inspection for any member of the Company.
186. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in Annual General Meeting shall be conclusive, in respect of transactions of the Company for the relevant year.

SERVICE OF NOTICE AND DOCUMENTS

187. The Company shall comply with the provisions of Section 53, 172 and 190 of the Act as to the service of notices.
188. The accidental omission to give notice to or the non-receipt of notice, by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
189. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share, shall be bound by every notice in respect of such share which previous to his name and address being entered in the register, shall have been duly given to the person from whom he derives his titles to such share.
190. The Signature to any notice to be given by the Company may be written, printed or lithographed.

191. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding such member then deceased and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any share whether registered solely or jointly with other persons, until some other person be registered in his stead as the member in respect thereof and such service for all purposes of the Articles be deemed a sufficient service of such notice or document on his/her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such share.
192. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these Articles or by the Act shall be sufficiently given if given by the advertisement.
193. Any notice required to be or which may be given by the advertisement shall be advertised once in vernacular newspapers circulating in the neighborhood of the registered office and once in English newspaper.

RECONSTRUCTION

194. On any sale of the whole or any part of the undertaking of the Company, the Board or the Liquidators on a winding up may, if authorised by special resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not either then existing or to be formed for the purchase in the whole or in part of the property of the Company and the Board (if the profits of the Company permit) or the Liquidators (in winding up) may distribute such shares or securities or any other property of the company amongst the members without realisation or vest the same in trustees for them and any special resolution may provide for the distribution or appropriation of cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the member, contributors of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall subject to the provisions of Section 395 of the Act be bound to accept as shall be bound by any valuation or distribution so authorised and waive all rights in relation thereto save only in case the Company is proposed to be or is in course of being wound up and subject to the provisions of Section 494 of the Act as are incapable of being varied or excluded by these Articles.

WINDING UP

195. On winding up preference shares rank as regards capital in priority to equity shares to the extent of the paid up value of the said shares but to no other rights or participating in its assets.
196. Subject to law of the land for the time being in force, if the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of said paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively, and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of winding up then the excess shall be distributed amongst the members in proportion to the paid up capital at the commencement of the winding up held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions, if any.
197. 1) In the event of the Company being wound up the holders of preference share, if any, shall be entitled to have the surplus assets available for distribution amongst members as such applied in the first place in repayment to them the amount paid up on the preference shares held by them respectively and any arrears of dividend upto the commencement of the winding up, whether declared or not. If the surplus assets available as aforesaid shall be insufficient to repay the whole of the amount paid up on the preference shares and any arrears of dividend, such assets shall be distributed amongst the holders of preference shares so that the losses shall be borne by the holders of preference shares as nearly as may be in proportion to the capital paid up or which ought to have been paid up on the shares held by them at the commencement of the winding up and the arrears of Dividend as aforesaid.
- 2). The assets, if any, available for distribution after payment to the preference share holders as aforesaid shall be distributed amongst the holders of equity shares in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the shares in respect of which they were respectively registered.
- 3) The Article is to be without prejudice to the rights and privileges amongst the holders of preference shares of different series.

SECURITY CLAUSE

198. Subject to the provisions of the Act, every Director, Manager, Auditor, trustee, Member of the Committee, Officer, servant, agent, accountant or other person employed in the business of the Company shall if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of account with individuals and in matter relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any meeting or by a Court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

199. No member or other person (not being a Director) shall be entitled to visit or inspect any works of the Company or to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Board or subject to Article 195 require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of trade secret mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will not be in the interest of the Company to communicate.

INDEMNITY

200. Subject to Section 201 of the Act, Every Director, Manager, Secretary or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed Auditor shall be indemnified out of the funds of the Company, against all bonafied liability incurred by him as such Director, Manager, Secretary, Officer, employee or Auditor in defending any bonafied proceedings, whether civil or criminal or in which judgment is given in his favour or in which he is acquitted, or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.

SECTION X- OTHER INFORMATION**MATERIAL DOCUMENTS FOR INSPECTION**

Following documents have been delivered to the Stock Exchanges along with this Information Memorandum.

1. Memorandum and Articles of Association of Indiabulls Infrastructure and Power Limited.
2. Certificate of Incorporation of Indiabulls Infrastructure and Power Limited.
3. Copy of Form No. 21 filed by the Company with Registrar of Companies, NCT of Delhi & Haryana, along with the order of the Hon'ble High Court of Delhi dated October 17, 2011 sanctioning the Scheme of Arrangement.
4. NOC on the Scheme of Arrangement/ De-merger granted by BSE vide their letter no. DCS/AMAL/NTP/24(f)/405/2011-12 dated September 16, 2011.
5. NOC on the Scheme of Arrangement/ De-merger granted by NSE vide their letter no. NSE/LIST/144517-B dated September 13, 2011.
6. Approval letter of SEBI granting exemption from applicability of Rule 19(2)(b) of the Securities Contract Regulations Rule vide letter no. CFD/DIL2/SK/MS/15575/2012 dated July 12, 2012.
7. Certificate of Statutory Auditors to the Statement of Possible Tax Benefit dated February 16, 2012 as mentioned in this Information Memorandum.
8. Copies of Audited Annual Accounts of our Company for the period from November 09, 2010 to March 31, 2011 and for the year ended March 31, 2012.
9. Copies of tripartite agreement dated December 08, 2011 entered into between the Company, RTA and NSDL.
10. Copies of tripartite agreement dated December 15, 2011 entered into between the Company, RTA and CDSL.
11. Return of Allotment filed by the Company for allotment of Shares pursuant to the Scheme.
12. Letter from BSE granting its in-principle approval to the listing of shares issued pursuant to and in terms of the Scheme vide its letter no. DCS/AMAL/BS/IP/066/2012-13 dated May 04, 2012.
13. Letter from NSE granting its in-principle approval to the listing of shares issued pursuant to and in terms of the Scheme vide its letter no. NSE/LIST/168204-B dated May 11, 2012.

Any of the contracts or documents mentioned in this Information Memorandum may be amended or modified at any time if so required in the interest of the Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

All the relevant provisions of the Companies Act, 1956, and the Guidelines issued by the Government of India or the Regulations, Guidelines, circulars and notifications issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules or Regulations made there under or guidelines, circulars and notifications issued, as the case may be. We further certify that all the disclosures made in this Information Memorandum are true and correct.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS OF THE COMPANY

Sd/-

(RAJIV RATTAN)
Whole-time Director

Place: New Delhi

Date: July 19, 2012