D & A FINANCIAL SERVICES (P) LIMITED

Merchant Banking & Corporate Advisory Services

To,
The Board of Directors
Indiabulls Real Estate Limited
M-62 & 63, First Floor, Connaught Place
New Delhi.

December 18, 2018

Subject: Fairness Opinion for the purpose of Proposed Scheme of Arrangement between India Land And Properties Limited ("Demerged Company"/Transferor Company), Indiabulls Infrastructure Limited ("Resulting Company") and Indiabulls Real Estate Limited ("Transferee Company") and their respective shareholders and creditors

Dear Sir/s,

In connection with the proposed Scheme of Arrangement between India Land And Properties Limited ("Demerged Company"/Transferor Company), Indiabulls Infrastructure Limited ("Resulting Company") and Indiabulls Real Estate Limited ("Transferee Company") and their respective shareholders and creditors for the proposed demerger of one of the business of India Land and Properties Limited to Indiabulls Infrastructure Limited and amalgamation of residual business of India Land and Properties Limited with Indiabulls Real Estate Limited, under the provisions of Sections 230 to 232 of the Companies Act 2013 (the **'Scheme'** or the **'Scheme of Arrangement'**).

We, M/s D & A Financial Services (P) Ltd, SEBI registered Merchant Banker, having license no. INM000011484, have been engaged by you to give our fairness opinion on the proposed scheme of arrangement.

The Scheme shall be subject to (i) Receipt of approval from the National Company Law Tribunal ("NCLT") and (ii) other statutory approval(s) as may be required in this regard.

1. Background and Rationale of the Scheme of Arrangement

Indiabulls Real Estate Limited ("IBREL") is one of India's leading real estate companies with its focus on construction and development of residential, commercial and SEZ projects across major Indian metro cities. IBREL is listed on the Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE").

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The arrangement is aimed to achieve the following objectives:

- Presently, India Land and Properties Limited has 2 (two) separate businesses which require specialized management focus.

- Demerger of Demerged Undertaking of India Land and Properties Limited (*as hereinafter defined*) into Indiabulls Infrastructure Limited to segregate the said business. The proposed demerger will enable direct ownership, better and more efficient management and control of the Demerged Undertaking and greater management focus on Demerged Undertaking.

- Post demerger, amalgamation of the Residual Transferor Company (*as hereinafter defined*) that is a subsidiary of IBREL (Transferee Company) will be amalgamated with IBREL resulting in reduction in the shareholding layers. Further, the amalgamation would create economies in administrative and managerial costs by consolidating operations and would reduce duplication of administrative responsibilities and multiplicity of records and legal and regulatory compliances.

- Accordingly, to achieve the above objectives, the Board of Directors of the Transferor Company, the Transferee Company and the Resulting Company have decided to make requisite applications and/or petitions before the National Company Law Tribunal ("NCLT") under Sections 230 to 232 of the 2013 Act (*hereinafter defined*) and other applicable provisions for the sanction of this Scheme.

2. Capital Structure of Companies involved in Scheme of Arrangements.

A. Indiabulls Real Estate Limited

IBREL is one of India's leading real estate companies. IBREL was incorporated under Companies Act, 1956 on April 4, 2006. IBREL is engaged in the business of real estate development with its focus on construction and development of residential, commercial and SEZ projects across major Indian metro cities. IBREL is listed on BSE and NSE.

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The registered office of IBREL is situated at M-62 & 63, First Floor, Connaught Place, New Delhi. The share capital of IBREL as at March 31, 2018 is as under:

Particulars	Amount (Rs.)
Authorized	
75,00,00,000 equity shares of Rs. 2 each	150,00,00,000
36,40,00,000 preference shares of Rs. 10 each	364,00,00,000
Total	**514,00,00,000**
Issued Subscribed and Paid Up	
47,46,74,139 equity shares of Rs. 2 each	94,93,48,278
Total	**94,93,48,278**

The latest share capital of IBREL as of October 1, 2018 is as under:

Particulars	Amount (Rs.)
Authorized	
750,000,000 Equity Shares of Rs. 2/- each	1,500,000,000
364,000,000 Preference Shares of Rs. 10/- each	3,640,000,000
Total	**5,140,000,000**
Issued Subscribed and Paid Up	
450,680,289 Equity Shares of face value Rs. 2/- each	901,360,578
Total	**901,360,578**

B. Indiabulls Infrastructure Limited

Indiabulls Infrastructure Limited ("**IIL**") was incorporated on November 21, 2005. IIL is a subsidiary of IBREL. IIL is currently engaged in the business of asset management.

The registered office of IIL is situated at Plot No. 14, 3rd Main Road, Ambattur Industrial Estate, Ambattur, Chennai.

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The share capital of IIL as at March 31, 2018 is as under:

Particulars	Amount (Rs.)
Authorized Capital	
8,000,000 equity shares of Rs. 10 each	8,00,00,000
3,60,00,000 preference shares of Rs. 10 each	36,00,00,000
Total	**44,00,00,000**
Issued, Subscribed and Paid Up	
76,09,093 equity shares of Rs. 10 each	7,60,90,930
Total	**7,60,90,930**

C. India Land and Properties Limited

India Land and Properties Limited ("**ILPL**") is a wholly owned subsidiary of IIL and a subsidiary of Indiabulls Real Estate Limited. ILPL was incorporated on January 20, 2000. ILPL was acquired by IIL on March 14, 2017. ILPL is engaged in the business of development and construction of real estate projects.

The registered office of ILPL is situated at Plot No. 14, 3rd Main Road, Ambattur Industrial Estate, Ambattur Chennai and Tamilnadu.

The share capital of ILPL on March 31, 2018 is as under:

Particulars	Amount (Rs.)
Authorized Capital	
1,40,00,000 equity share of Rs. 10 each	14,00,00,000
3,000,000, 12% non-cumulative redeemable preference shares of Rs. 10 each	3,00,00,000
30,00,000 13.5% non-cumulative compulsorily redeemable preference shares of Rs. 10 each	3,00,00,000
Total	**20,00,00,000**

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Issued, Subscribed and Paid Up	
11,435,001 equity shares of Rs. 10	11,43,50,010
3,000,000, 12% non-cumulative compulsorily redeemable preference shares of Rs. 10	3,00,00,000
Total	**14,43,50,070**

3. Scope and Purpose of the Opinion

The management of Indiabulls Real Estate Limited has engaged M/s D & A Financial Services (P) Ltd to submit fairness opinion to the Board of Directors on the proposed scheme of arrangement as defined above. The scope of this Fairness Opinion includes commenting on the fairness of the Scheme of Arrangement.

The Fairness Opinion is addressed to the Board of Directors of Indiabulls Real Estate Limited, Indiabulls Infrastructure Limited and India Land and Properties Limited. Further, this Fairness Opinion has been issued as per the requirements of SEBI circular no. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and subsequent amendments thereto.

Disclaimer: We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the authorized representatives of management of Indiabulls Real Estate Limited for the purpose of this Opinion. We have not carried out any independent verification of the accuracy and completeness of all information as stated above and in the Scheme of Arrangement. We have not reviewed any other documents of the Company other than those stated herein. We have not assumed any obligation to conduct, nor have we carried out any independent physical inspection or title verification of the property, investments etc. interests of Companies and accept no responsibility therefore.

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We have not reviewed any internal management information statements or any non-public reports and instead with your consent we have relied upon information that was publicly available or provided or otherwise made available to us by Indiabulls Real Estate Limited for the purpose of this opinion. We are not experts in the evaluation of litigation or other actual or threatened claims.

4. Sources of Information

For arriving at the opinion set forth below, we have relied upon following documents:

1. Perused the Draft Scheme of Arrangement.
2. Annual Report of Indiabulls Real Estate Limited for the Financial Year ended 31st March, 2018.
3. Annual Report of Indiabulls Infrastructure Limited for the Financial Year ended 31st March, 2018.
4. Annual Report of India Land and Properties Limited for the Financial Year ended 31st March, 2018.
5. Current Shareholding Pattern of Indiabulls Infrastructure Limited and India Land and Properties Limited.

5. Valuation Report.

As per proposed scheme of arrangement, The Demerged Company M/s India Land and Properties Limited is a wholly owned subsidiary of Resulting Company i.e M/s Indiabulls Infrastructure Limited and accordingly upon the scheme becoming effective, the Resultant Company is not required to issue any shares to demerged company.

Further Residual Transferor Company is subsidiary of Transferee Company i.e Indiabulls Real Estate Limited as Resulting Company is a subsidiary of Transferee Company and Residual Transferor Company is a wholly owned subsidiary of Resultant Company i.e Indiabulls Infrastructure Limited and upon scheme being effective, all the equity shares held by Indiabulls Infrastructure Limited in the Residual Transferor Company i.e India Land and Properties Limited shall stand cancelled and Transferee Company shall not be required to issue any shares in exchange for the shares so cancelled.

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Therefore in view of the above, we have been informed by the Management of Indiabulls Real Estate Limited that as per SEBI Circular no. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and subsequent amendments thereto, Valuation Report from Independent Chartered Accountant need not be required in our case, as there is no change in the shareholding pattern of the listed company.

6. Conclusion and Opinion

On the basis of our scope and limitations mentioned in the report and based on our examination of the draft of the Proposed Scheme of Arrangement and on consideration of all the relevant factors as described herein above, we are of the opinion that the proposed scheme of arrangement is fair.

Thanking You

For **D & A Financial Services (P) Ltd**

(M K Doogar)

Director

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Place: New Delhi