



Indiabulls Housing Finance Limited

## INFORMATION MEMORANDUM

Dated: July 17, 2013

# INDIABULLS HOUSING FINANCE LIMITED

The Company, as an incorporated legal entity came into existence on May 10, 2005, under the Companies Act, 1956, having been registered on such date with the Registrar of Companies, NCT of Delhi and Haryana vide registration no. U65922DL2005PLC136029 and obtained the certificate for commencement of business on January 10, 2006, to enable it to carry on the business of housing finance, upon receipt of the license to do so from the National Housing Bank. Indiabulls Financial Services Limited (IBFSL), the erstwhile promoter of the Company, incorporated on January 10, 2000 and since March 30, 2001, had already been functioning, as a non banking finance company. The merger of IBFSL with the Company, on a going concern basis, therefore ensured a continuity of the Company's business, since March 30, 2001.

**Registered Office:** F-60, Malhotra Building, Second Floor, Connaught Place, New Delhi - 110 001  
Tel: +91-11-30476500; Fax: +91-11-41529071

**Corporate Office** 448-451, Udyog Vihar, Phase-V, Gurgaon, Haryana-122016  
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**Contact Person:** Mr. Amit Jain, Company Secretary and Compliance Officer  
Website: <http://www.indiabulls.com> Email: [ajain@indiabulls.com](mailto:ajain@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 31,25,11,167 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 2/- EACH AND 2,75,00,000 WARRANTS WITH A WARRANT ISSUE PRICE OF RS. 5/- 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.

#### ABSOLUTE RESPONSIBILITY OF INDIABULLS HOUSING FINANCE LIMITED

Indiabulls Housing Finance Limited, having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to Indiabulls Housing Finance 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 and Warrants 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 <http://www.indiabulls.com>. The Information Memorandum would also be made available on the website of BSE, [www.bseindia.com](http://www.bseindia.com) and NSE, [www.nseindia.com](http://www.nseindia.com).

#### 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: [delhi@sobhagyacap.com](mailto:delhi@sobhagyacap.com)  
Contact Person: Mr. Heemadri Mukerjea/ Ms. Archana Sharma

#### 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](mailto:einward.ris@karvy.com)  
Tel No: 040 - 44655000  
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Contact Person: Mr. S. D. Prabhakar

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## SECTION I- GENERAL

### DEFINITIONS / ABBREVIATIONS

#### ABBREVIATIONS & TECHNICAL TERMS

In this Information Memorandum, the terms "we", "us", "our", "the Company", "our Company" or "IBHFL", unless the context otherwise implies, refer to Indiabulls Housing Finance 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 Housing Finance Limited' or 'IBHFL' or 'The Company' or 'Our Company' or 'Issuer Company' or 'we' or 'us' or 'our' or 'Amalgamated Company'	Unless the context otherwise requires, refers to, Indiabulls Housing Finance Limited, a Public Limited Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at F-60 Malhotra Building, 2nd 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
Amalgamated Company	Indiabulls Housing Finance Limited
Amalgamating Company	Indiabulls Financial Services Limited
AS	Accounting Standards, as issued by the Institute of Chartered Accountants of India
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
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 Housing Finance Limited.
Financial Year/Fiscal/FY	Period of twelve months beginning April 1 of a particular calendar year and ending March 31 of the calendar year immediately following , unless otherwise stated
GOI	Government of India
Scheme or Scheme of Arrangement	Scheme of Arrangement among Indiabulls Financial Services Limited and their respective Shareholders and Creditors and Indiabulls Housing Finance Limited and

	their respective Shareholders and Creditors, as sanctioned by the Hon'ble High Court of Judicature at Delhi vide its order dated December 12, 2012.
SEBI	Securities and Exchange Board of India
Statutory Auditors	Deloitte Haskins & Sells, Indiabulls Finance Centre, Tower 3, 27th-32nd Floor, Elphinstone Mill Compound, Senapati Bapat Marg, Elphinstone (W), Mumbai - 400 013. India
Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended to date
Tax Auditors	A Sardana & Co., Chartered Accountants, having their office at D-118, Saket, New Delhi - 110017
Regulations/ ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date
Warrants	Means warrants of Indiabulls Housing Finance Limited issued in terms of the Scheme to the holders of 27,500,000 listed warrants of IBFSL

## 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
Cr	"Crore" or "10 million" or "100 lacs"
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 there under.
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
IBFSL	Indiabulls Financial Services Limited
ICAI	Institute of Chartered Accountants of India
IFSC	Indian Financial System Code
IPR	Intellectual Property Rights
ITA	Income Tax Act, 1961
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 $ROCE = (\text{Profit before interest and tax/capital employed}) * 100$
ROE	Return on Equity $ROE = (\text{Profit after tax/Equity Capital}) * 100$
RONW	Return on Networth $RONW = (\text{Profit after tax/Networth}) * 100$
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

Terms	Description
HFC	A Housing Finance Company registered with NHB.
HP	Hire Purchase Finance Company
IC	Investment Company
KYC	Know Your Customer
LAP	Loan against Property
LAS	Loan against Shares

LC	Loan Company
MBFC	Mutual Benefit Financial i.e., Nidhi Company
NBFC	A Non-Banking Financial Company (NBFC) registered with RBI.
NBFC – ND	Non Banking Financial Company – Non Deposit Taking
NBFC – ND - NSI	Non Banking Financial Company – Non Deposit Taking – Non Systemically Important
NHB	National Housing Bank
NOF	Net Owned Fund
NPA	Non Performing Assets
PDs	Primary Dealers
PLR	Prime Lending Rate
PPP	Purchasing Power Parity
RNBC	Residuary Non Banking Company
RRB	Regional Rural Bank
SCB	Scheduled Commercial Bank

## **SECTION II- RISK FACTORS**

### **FORWARD LOOKING STATEMENTS**

All statements contained in this Information Memorandum that are not statements of historical fact constitute "forward-looking statements." Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "contemplate", "continue", "could", "estimate", "expect", "future", "goal", "intend", "may", "objective", "plan", "potential", "project", "pursue", "seek to", "shall", "should", "will", "will continue", "will likely result", "will pursue", "would", or other words or phrases of similar import.

All statements regarding the Company's expected financial condition and results of operations and business plans and prospects are forward-looking statements. These forward-looking statements include statements as to the Company's business strategy, revenue and profitability and other matters discussed in this Information Memorandum that are not historical facts. These forward-looking statements and any other projections contained in this Information Memorandum (whether made by the Company or any third party) are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Risk Factors", "Business Overview" and "Management's Discussion and Analysis" beginning on page nos. 7, 90 and 264 respectively, of this Information Memorandum.

The forward-looking statements contained in this Information Memorandum are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of the Company's underlying assumptions prove to be incorrect, the Company's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Company are expressly qualified in their entirety by reference to these cautionary statements.

## **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 Housing Finance Limited.

The financial information of Indiabulls Housing Finance Limited are presented on a standalone basis for the financial years ended March 31, 2013, March 31, 2012, March 31, 2011, March 31, 2010 and March 31, 2009 and on a consolidated basis for the financial year ended March 31, 2013 as the consolidated accounts under Accounting Standard 21 were prepared for the first time for the year ended March 31, 2013.

The fiscal year of Indiabulls Housing Finance Limited commences on April 1 and ends on March 31 of the next year, so all references to a particular fiscal year of Indiabulls Housing Finance 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. 276 of this Information Memorandum, defined terms have the meaning given to such terms in the Articles of Association of the Company.

### **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. An investor 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 THE COMPANY'S BUSINESS

#### **1. The Company's financial performance is particularly vulnerable to interest rate risk.**

Our results of operations are substantially dependent upon the level of our net interest income. Interest rates are highly sensitive to many factors beyond our control, including the RBI's monetary policies and domestic and international economic and political conditions.

Changes in interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing liabilities.

There can be no assurance that we will be able to manage our interest rate risk adequately in the future. If we are unable to do so, this would have an adverse effect on our net interest income. Further, an increase in interest rates may adversely affect the demand for housing finance in India, which in turn may affect our interest income on housing loans and have a material adverse effect on our business, financial condition and results of operations.

#### **2. The Company's business could be adversely affected if it is not able to control or reduce the level of non-performing assets in its portfolio and/or if it experiences further deterioration of its non-performing asset portfolio and an inability to improve its provisioning coverage as a percentage of gross non-performing assets.**

A number of factors which are not within our control could affect our ability to control and reduce non-performing loans. These factors include developments in the Indian economy and the real estate scenario, movements in global markets, global competition, changes in interest rates and exchange rates and changes in regulations. If we continue to expand at our current rate, we may in the future reach a point where we cannot continue to grow at the same rate without causing our non-performing loans to increase and the overall quality of our loan portfolio to deteriorate. If our non-performing loans increase, we may be unable to execute our business plan as expected and that could adversely affect the price of the NCDs, the Warrants and the Shares.

There can be no assurance that our present provisions will be adequate to cover any further increase in the amount of non-performing loans or any deterioration in our non-performing loan portfolio.

**3. The Company depends on the accuracy and completeness of information provided by potential borrowers and reliance on any misleading information given may affect Company's judgment of credit worthiness of potential borrowers, which may in turn affect its business, results of operations and financial condition.**

In deciding whether to extend credit to customers, the Company relies on published credit information relating to such parties; financial and other relevant information furnished to the Company by customers, and the Company's business associates through whom it performs credit assessment. The Company is not certain that its management controls will continue to be sufficient or that additional risk management policies for individual borrowers will be required. If any of the aforesaid information, as obtained from customers and third parties, is misleading or inaccurate, the procedures that the Company follows may not be adequate or sufficient to provide accurate data as to the creditworthiness of Company's customers. In the event the Company does not accurately identify the risk of default, or if it relies on information that may not be true or may be materially misleading, its business, future financial performance and results of operations may be materially and adversely affected.

**4. The Company's business requires substantial fund raising, and any disruption in funding sources and access to capital markets would have a material adverse effect on its liquidity and financial condition.**

Since the Company is a "non-deposit accepting" Housing Finance Company (HFC) and does not have access to deposits, its liquidity and ongoing profitability are, in large part, dependent upon timely access to, and the costs associated with raising funds. The Company's funding requirements historically have been met from a combination of borrowings, bank borrowings; issuance of NCDs; sales of its loans to other lenders such as banks; and issuance of commercial paper and equity. Thus, the business of the Company depends on and will continue to depend on the Company's ability to access diversified funding sources.

**5. The Company's inability to effectively manage its growth or to successfully implement its business plan and growth strategies could have an adverse effect on the Company's business, 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 while 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.

Our results of operations depend on a number of internal and external factors, including the increase in demand for housing loans in India, competition, our ability to expand geographically and diversify our product offerings and also significantly on our net interest income. Further, we cannot assure that we will not experience issues such as capital constraints, difficulties in expanding our existing business and operations, and hiring and training of new personnel in order to manage and operate our expanded business.

**6. If the corporate undertakings provided by us in our assignment of receivables transactions are invoked, it may require outflow in respect of these undertakings and adversely affect our net income**

We have in the past, assigned/ securitised a portion of the receivables from our loan portfolio to banks and other institutions. The assignment/securitisation transactions were conducted on the basis of our internal estimates of our funding requirements. Any change in NHB/RBI or other government regulations in relation to assignments/securitisations by HFCs could have an adverse impact on our assignment/securitisation program.

In the event the relevant bank or institution does not realise the receivables due under such loans, the relevant bank or institution would have recourse to the corporate guarantee and/or cash collateral provided by the company and the underlying security, in the event such loans are secured.

**7. The Company's business is dependent on relationships with its clients established through its branches. Closure of branches or loss of its key branch personnel may lead to damage to these relationships and a decline in its revenue and profits.**

Our business is dependent on key branch personnel who directly manage client relationships. We encourage dedicated branch personnel to service clients since we believe that this leads to long-term client relationships. While no one branch manager or operating group of managers contributes a meaningful percentage of our business, our business may suffer materially if a substantial number of branch managers either become ineffective or leave the organization.

**8. The Company may be unable to foreclose or it may not be able to realize the expected value of collateral when borrowers default on their obligations to us, which may result in failure to recover the expected value of collateral security.**

The primary security for the loans disbursed by the Company is the underlying property. The value of this security is largely dependent on housing market conditions prevalent at that time. The value of the collateral on the loans disbursed by the Company may decline due to adverse market conditions, including an economic downturn or a downward movement in real estate prices. Failure to recover the expected value of collateral could expose the Company to losses and, in turn, result in a material adverse effect on our business, results of operations and financial condition.

**9. The Company has to comply with stricter regulations and guidelines issued by regulatory authorities in India, including the NHB.**

The Company is regulated principally by and has reporting obligations to the NHB and RBI. The Company is also subject to corporate, taxation and other laws in effect in India. The regulatory and legal framework governing the Company differs in certain material respects from that in effect in other countries and may continue to change as India's economy and commercial and financial markets evolve. In recent years, existing rules and regulations have been modified, new rules and regulations have been enacted and reforms have been implemented which are intended to provide tighter control and more transparency in India's housing finance sector. Moreover, NHB guidelines prescribe the provisioning required in respect of our outstanding loan portfolio. The level of our present provisions may not be adequate to cover further increases in the amount of our non-performing loans or the underlying collateral. If such provisions are not sufficient to provide adequate cover for loan losses that may occur, or if the Company is required to increase its provisions, this could have a material adverse effect on financial condition, liquidity and results of operations of the Company.

**10.A decline in its capital adequacy ratio could restrict the Company's future business growth**

If our Company continues to grow our loan portfolio and asset base, we will be required to raise additional Tier I and Tier II capital in order to continue to meet applicable capital adequacy ratios with respect to our principal business of housing finance.

NHB regulations require HFCs to maintain a capital adequacy ratio which the regulator may change from time to time as per their judgement. There can be no assurance that we will be able to raise adequate additional capital in the future on terms favourable to it. If this leads to our capital adequacy ratio declining, the growth of all our businesses, including our core housing finance business, could be materially restricted.

Furthermore, if risk weights used to calculate the risk weighted assets against which capital needs to be held, are increased, our capital adequacy ratio would be reduced and we may be required to raise additional capital to maintain our capital adequacy ratio.

**11.The Company is not permitted to have an aggregate exposure to capital markets in excess of 40% of our net worth.**

Pursuant to the NHB Directions, 2010, and directions thereunder, the Company, being an HFC, is not permitted to have an aggregate exposure to capital markets (both fund and non-fund based) in excess of 40% of our net worth as of March 31, of the previous year. Within the overall ceiling, direct investments in shares, convertible bonds/debentures, units of equity-oriented mutual funds and all exposures to venture capital funds should not exceed 20% of our net worth. If adverse circumstances, like but not limited to a diminution in our networth, leads to the risk of this cap being breached, our business plans may be impacted and the growth of all our businesses, including our core housing finance business, could be materially restricted.

**12.The Company’s ability to access funding sources also depends on its credit ratings.**

The cost and availability of capital is also dependent on the Company’s short-term and long-term credit ratings. The company’s long-term ratings are “CARE AA+” by CARE and “CRISIL AA” by CRISIL, reflect the rating agencies opinion of the Company’s financial strength, operating performance, strategic position, and ability to meet its obligations. Any downgrade of the Company’s credit ratings would increase borrowing costs and constrain its access to capital and lending markets and, as a result, would negatively affect its business. In addition, downgrades of the Company’s credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements.

**13.Amaprop Ltd (“Amaprop”) has certain rights under a share subscription and shareholders agreement (the “IFCPL Shareholders’ Agreement”) relating to its investment in IFCPL which rights may be detrimental to our interests as majority owner of IFCPL.**

We are party to the IFCPL Shareholders’ Agreement with Amaprop, dated May 31, 2005, pursuant to which Amaprop has subscribed for 42.5 percent of IFCPL’s share capital. The IFCPL Shareholders’ Agreement contains various restrictive covenants, including limiting our business activities and preventing us from investing in or establishing competitors of IFCPL. The IFCPL Shareholders’ Agreement also contains certain conditions which if not fulfilled, such as consummating the IPO or sale of IFCPL within 55 months of the date of the IFCPL Shareholders’ Agreement, give Amaprop the option to require us to purchase the shares of IFCPL subscribed by Amaprop. Amaprop has exercised the option requiring us to purchase the shares of IFCPL in terms of the aforesaid Shareholders Agreement which has resulted in an arbitration claim against our Company. A foreign arbitration award in excess of Rs. 192 crores has been passed against our Company which award is a subject matter of an appeal before the Hon’ble Delhi High Court. The proceedings for enforcement of the arbitral award are also pending before the Hon’ble Delhi High Court. Any payment by us pursuant to the arbitral award could negatively affect our financial position and results of operations.

**14.The Company faces intense competition in the businesses, which may limit its growth and prospects.**

The Company faces significant competition in the businesses that it is involved in. In particular, the Company competes with other housing finance companies; and public and private sector commercial banks operating in the markets in which the Company is present. In recent years, large international banks have also entered these markets. The Company competes on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price.

The company cannot assure that it will be able to compete effectively with new and existing lenders in the increasing competitive housing finance industry. Increasing competition may have an adverse effect on our net interest margin and other operating income and if we are unable to compete successfully, our market share will decline as origination of new loan decline.

**15.The Company’s ability to raise foreign capital may be constrained by Indian law.**

As an Indian company, we are subject to exchange controls that regulate raising of capital and borrowing in foreign currencies. Such regulatory restrictions and changes in guidelines may limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted without onerous conditions, or at all. This could have an adverse effect on our business growth, financial condition and results of operations.

**16.The Company is required to obtain and maintain certain governmental and regulatory licenses and permits and the failure to obtain and maintain such licenses and permits in a timely manner, or at all, may adversely affect its business and operations.**

The Company is required to obtain and maintain certain approvals, licenses, registrations and permits in connection with its business and operations. Currently there are no material statutory clearances or approvals pending with any department. However, there can be no assurance that the Company will be able to obtain and maintain such approvals, licenses, registrations and permits in the future. An inability to obtain or maintain such registrations and licenses in a timely manner, or at all, and compliance with the prescribed conditions in connection therewith, may adversely affect the Company’s ability to carry on the business and operations, and consequently the results of operations and financial condition. For further details regarding the various statutory approvals required for the Business, please see the chapter titled “Government Approvals or Licensing Arrangements” on page 270 of this Information Memorandum.

**17.The Company is subject to legal and regulatory risk which may adversely affect the Company’s business.**

We are subject to a wide variety of financial services laws and regulations and a large number of regulatory and enforcement authorities in India. The laws and regulations governing the banking and financial services industry in India are complex and cover a wide variety of issues, such as capital adequacy, exposure and other prudential norms, interest rates, liquidity, capital adequacy, securitisation, investments, ethical issues, money laundering and privacy, with sometimes overlapping enforcement authorities. Moreover, these laws and regulations can be amended, supplemented or changed at any time such that we may be required to restructure our activities and incur additional expenses in complying with such laws and regulations, which could materially and adversely affect our business.

Failure to comply with applicable Indian regulations, including unauthorised actions by employees, representatives, agents and third parties, suspected or perceived failures and media reports, and ensuing inquiries or investigations by regulatory and enforcement authorities, could result in regulatory action, including financial penalties and restrictions on or suspension of our business operations.

**18. Major fraud, lapses of internal control or system failures could adversely impact the Company's business.**

The Company's core growth strategy envisages an increase in asset size, resulting in significant increase in operational activities. Such growth strategy will place significant demands on Company's management, financial and other resources. The Company may not be able to manage its resources efficiently. The Company is vulnerable to risks arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect Company's operations and financial performance. The Company's reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

**19. The Company's business operations carry certain risks which, if materialized, could adversely affect its business and result in decline in the value of its loans and investments.**

The Company's business consists primarily of providing Housing Loans to its customers for fulfilling their housing requirements. Certain risks are generally out of Company's control, and include, but are not limited to:

- political, regulatory and legal actions that may adversely affect project viability;
- changes in government and regulatory policies;
- adverse changes in market demand or change in rate of interest
- the willingness and ability of consumers to repay their obligation;
- potential defaults under financing arrangements with borrowers and customers;
- adverse developments in the overall economic environment in India;
- interest rate or currency exchange rate fluctuations or changes in tax regulations;
- economic, political and social instability or occurrences such as natural disasters, armed conflict; and terrorist attacks, particularly where projects are located or in the markets they are intended to serve.

To the extent these or other risks relating to the projects financed by the Company materialize, the quality of the Company's loan portfolio and its profitability may be adversely affected.

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

Subsequent to the allotment of Equity Shares in terms of the Scheme, the Promoters own, approximately 37.75% of the Company's outstanding Equity Shares. Any sale of Company's Equity Shares by the Promoters, could adversely affect the market price of its Equity Shares. There are no existing agreements pursuant to which Equity Shares of the Company held by the Promoters may be sold in the future.

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

The amount of future dividend payments, if any, will depend upon Company's future earnings, financial condition, cash flows, working capital requirements, capital expenditures and any restrictive covenants in financing arrangements. Hence, there can be no assurance that we will be able to pay dividends in the future.

**22. The Company's business and operations are significantly dependent on senior management and key employees and may be adversely affected if we are unable to retain them.**

The Company's business and operations largely depend on the continued services and performance of our senior management and other key employees. The need and competition for skilled senior management in our industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of the services of senior members of our management team and other key employees could seriously impair our ability to continue to manage and expand our business efficiently and adversely affect our business, results of operations and financial condition.

**23. The Company, its Directors, its Promoters and its Group Companies, are involved in certain legal and other proceedings that if determined against the Company and its Promoters, could have a material adverse effect on Company's financial condition and results of operations.**

The Company, its Directors, its Promoters and its Group Companies are involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Should any new developments arise, such as any change in applicable Indian law or any rulings against us by appellate courts or tribunals, the Company may need to make provisions in its financial statements that could increase expenses and current liabilities. Any adverse decision may have an adverse effect on the business, results of operations and financial condition of the Company.

For details regarding these legal matters, please see the chapter titled "Outstanding Litigations & Material Developments" on page 267 of this Information Memorandum.

**24. Our rapid growth and expansion into new locations exposes us to increased risks, and our failure to manage and sustain this growth effectively may adversely impact our business.**

We have experienced rapid growth in our lending finance business. Our branch network also has expanded significantly, and it is entering into new, smaller towns and cities within India as part of our growth strategy. Our rapid growth exposes us to a wide range of increased risks within India, including business risks, such as operational risks, fraud risks, regulatory and legal risks and the possibility that our number of impaired loans may grow faster than anticipated. Moreover, our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key management personnel, maintaining effective risk management policies, continuing to offer products which are relevant to our target base of clients, developing managerial experience to address emerging challenges and ensuring a high standard of client service. Going forward, we may not have adequate processes and systems such as credit appraisal and risk management to sustain this growth.



**25. The Company's revenues, expenses and earnings are difficult to predict and can vary significantly from quarter to quarter.**

Our quarterly operating results may vary significantly from quarter-to-quarter. Therefore, period-to-period comparisons of our results of operations are not necessarily meaningful and should not be relied upon as an indication of our future performance. Moreover, it is possible that our future quarterly results of operations may be below the expectations of market analysts and investors, which could also lead to a decline in the market value of the Equity Shares and warrants.

**RISKS RELATING TO THE WARRANTS****1. Active market for the Warrants may not develop, which may cause the price of the Warrants to fall.**

No assurance can be given that an active trading market for the Warrants will develop, or as to the liquidity or sustainability of any such market. The price of the Warrants also depends on the supply and demand for the Warrants in the market and the price at which the Warrants are trading at any time may differ from the underlying valuation of the Warrants because of market inefficiencies. To the extent Warrants are exercised, the number of Warrants of such issue outstanding will decrease, resulting in a diminished liquidity for the remaining Warrants of such issue. Further, the Warrants can only be traded in a lot of Rs. 0.1 million. Therefore, to the extent the demand for the number of Warrants is lesser than the trading lot, such Warrants shall be illiquid.

**2. The Warrants can be volatile instruments and upon expiry are worthless.**

The Warrants are subject to a number of risks, including: (i) sudden and large falls in value; (ii) changes in the price or market value of the Equity Shares; and (iii) a complete or partial loss of any investment in the Warrants.

This Information Memorandum discloses the material risks and other significant aspects of the Warrants. However, no person should deal in the Warrants unless that person understands the terms and conditions of the Warrants and the extent of that person's exposure to potential loss. Each prospective purchaser of Warrants should consider carefully whether the Warrants are suitable in the light of our circumstances and financial position.

Prospective purchasers of Warrants should consult their own professional advisers to assist them in determining the suitability of the Warrants for them as an investment.

**EXTERNAL RISK FACTORS****1. Slowdown in economic growth in India could cause the Company's business to suffer.**

The Company's performance and the quality and growth of the business are dependent on the health of the Indian Economy. The Indian Economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the finance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact the business and financial performance of the Company.

**2. The Company's results of operations have been, and may continue to be, adversely affected by Indian and international financial market and economic conditions.**

Company's business has been, and in the future could continue to be, materially and adversely affected by Indian and international market and economic conditions. Such conditions in India include fluctuations in interest rates; changes in consumer spending; the level of consumer confidence; housing prices; corporate or other scandals that reduce confidence in the financial markets; and the rate of unemployment, among others. International market and economic conditions include the liquidity of global financial markets; the level and volatility of debt and equity prices and interest rates; investor sentiment; inflation; the availability and cost of capital and credit; sovereign defaults or the possibility thereof; and the degree to which international economies are expanding or experiencing recessionary pressures. The independent and/or collective fluctuation of these conditions can directly and indirectly affect demand for our lending finance and other financial products, or increase the cost to provide such products. In addition, adverse economic conditions, such as declines in housing values, could lead to an increase in mortgage and other home loan delinquencies and higher write-offs, which can adversely affect Company's earnings.

**3. The Company is subject to fluctuations in interest rates and other market risks, which may materially and adversely affect its financial condition and results of operations.**

The Company's revenues are substantially dependent upon interest from financing activities. Changes in interest rates may affect the Company's interest income and the volume of loans granted by the Company. Increases in short-term interest rates could increase the cost of borrowing and adversely affect profitability of the Company. Interest rate increases could result in adverse changes in the interest income, reducing the Company's growth rate and the value of its financial assets.

**4. Inflation in India could have a material adverse effect on our profitability, our business, financial condition and results of operations.**

India is experiencing high levels of inflation since 2008. The annual rate of inflation, based on monthly WPI, stood at 6.62% (Provisional) for the month of January 2013 (over January 2012) as compared to 7.18% (Provisional) for the previous month and 7.23% during the corresponding month of the previous year. Build up inflation in the financial year so far was 5.09% compared to a buildup of 6.15% in the corresponding period of the previous year. (Source: Office of the Economic Adviser to the Government of India, Ministry of Commerce and Industry). Continued high rates of inflation may result in increase costs, such as employment emoluments and benefits and administrative and other expenses. The measures adopted by the Government to curb inflation include increasing interest rates which could lead to decline in number of customers that wish to avail of home loans, which in turn could lead to decline in the business of the Company.

Further, a significant amount of funds are raised by the Company by way of loans from banks and financial institutions. Increase in interest rates would also result in increase in cost of funds. If, the company is unable to successfully pass such increase in funding and other costs to its customers, it would lead to decline in its NIMs and adversely affect the results of operations and financial condition. Further if the rate of inflation increases, the Company cannot assure that it will be able to continue to avail funds from the NHB and/or scheduled commercial banks and financial institutions at competitive rates or at all.

Accordingly, high rates of inflation in India could increase the costs and could have an adverse effect on the profitability and financial condition of the Company.

**5. Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.**

The Indian securities markets are smaller and may be more volatile than securities markets in more developed economies. The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the U.S. Indian Stock Exchanges have, in the past, experienced substantial fluctuations in the prices of listed securities. Indian Stock Exchanges have, in the past, experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian Stock Exchanges have from time to time restricted securities from trading, limited price movements and increased margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian Stock Exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. A closure of, or trading stoppage on, either the BSE or the NSE could adversely affect the trading price of the Equity Shares. Historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future.

**6. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact the Company's financial condition.**

According to the weekly statistical supplement released by the RBI, India's foreign exchange reserves totaled US\$ 294,981 million as of November 30, 2012. A decline in India's foreign exchange reserves could impact the valuation of the Rupee and could result in reduced liquidity and higher interest rates which could adversely affect the Company's future financial performance.

**7. Any downgrading of India's debt rating by an international rating agency could adversely affect the business, results of operations and financial condition of the Company.**

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect the Company's ability to raise funds in the domestic or international markets and thereby adversely impacting the business, results of operations and financial condition of the Company.

**8. Natural disasters and other disruptions could adversely affect the Indian economy and/or the regions from where the Company operates and could cause the business and operations to suffer and the trading price of the Equity Shares to decrease.**

The operations of Company may be disrupted as a result of natural disasters such as earthquakes, floods, heavy rainfall, epidemics, tsunamis and cyclones and other events such as protests, riots and labour unrest. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for the employees and/or the customers to reach Company's business locations. Damage or destruction that interrupts the provision of services could adversely affect Company's reputation, Company's relationships with its customers, Company's senior management team's ability to administer and supervise its business or it may cause the Company to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of the branch network. Any of the above factors may adversely affect the business and financial results, the quality of customer service and the price of Equity Shares of the Company.

**9. Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and the Company's business.**

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond the control of the Company, could have a material adverse effect on India's Economy and business of the Company. Terrorist attacks and other acts of violence may adversely affect the Indian Stock Markets, where the Equity Shares of the Company will trade and the global equity markets generally.

**10. Political instability or changes in the Government could adversely affect economic conditions in India generally and business of the Company in particular.**

The Government of India has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. The business of the Company, the market price and liquidity of the Equity Shares of the Company, may be affected by fluctuation in interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments affecting India. 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 in the future. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and adversely affect the business, financial condition and results of operations of the Company.

**11. 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.

**12. 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.**

The financial statements are prepared and presented in conformity with Indian GAAP/GAAS, consistently applied during the periods stated, 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/GAAS differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries.

**13. 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.

## **SECTION III- INTRODUCTION**

### **SUMMARY OF INDUSTRY OVERVIEW**

A decade of steady economic growth and the resultant socio-economic changes like increasing urbanization, increasing affordability, splitting of large households into smaller nuclear families have greatly increased demand for homes.

On the supply side, government clearances for housing projects have got simpler and quicker and the real estate industry has got more organized. Further, government incentives such as generous tax deductions in the affordable housing segment have made home purchase more attractive.

All these factors coupled with a pre-existing housing shortfall have triggered a boom in the housing market and has resulted in a robust housing loan market.

The housing loan industry in India mainly comprises of banks and Housing Finance Companies (HFC). As specialist finance companies HFC's have processes and procedures solely focused on home loan products and thus have an advantage while catering to the housing loan customers. As a result, HFCs have been witnessing a steady growth in home loans' market share.

**For further details, please see the section on "Industry Overview" beginning from page no. 87 of this Information Memorandum.**

## **SUMMARY OF BUSINESS OVERVIEW**

The Company, as an incorporated legal entity came into existence on May 10, 2005, under the Companies Act, 1956, having been registered on such date with the Registrar of Companies, NCT of Delhi and Haryana vide registration no. U65922DL2005PLC136029 and obtained the certificate for commencement of business on January 10, 2006, to enable it to carry on the business of housing finance, upon receipt of the license to do so from the National Housing Bank. Indiabulls Financial Services Limited (IBFSL), the erstwhile promoter of the Company, incorporated on January 10, 2000 and since March 30, 2001, had already been functioning, as a non banking finance company. The merger of IBFSL with the Company, on a going concern basis, therefore ensured a continuity of the Company's business, since March 30, 2001.

The Company is India's 3rd largest Housing Finance Company post the merger with its wholly owned erstwhile parent company, Indiabulls Financial Services Limited. The company manages loan assets of Rs 34,425 Cr as on March 31, 2013 (Consolidated basis).

In the year end March 31, 2013 the company clocked a PAT of Rs 1,266 Cr, an increase of 25.8% compared to FY 2011-12's PAT of erstwhile holding company IBFSL of Rs 1,006 Cr (Consolidated basis).

Indiabulls has nationwide presence through its network of 200 branches spread across 20 states and union territories. Over the last decade the company has expanded its branch network to effectively cover geographical areas relevant to its suite of products.

**For further details, please see the section on "Business Overview" beginning from page no. 89 of this Information Memorandum.**

## SCHEME OF ARRANGEMENT

The Hon'ble High Court of Delhi at New Delhi, vide its Order dated December 12, 2012, has approved the Scheme of Arrangement among Indiabulls Financial Services Limited, Indiabulls Housing Finance Limited and their respective Shareholders and Creditors, whereby the Amalgamating Company (IBFSL) has been amalgamated with the Amalgamated Company (IBHFL) with effect from April 01, 2012 (i.e. the Appointed Date under the Scheme) pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956, as contemplated under the Scheme.

The Scheme is operative from the Appointed Date i.e., April 01, 2012. However it came into effect from the date of filing of Form 21 with the Registrar of Companies, NCT of Delhi and Haryana, which was March 8, 2013.

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

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### PART I - GENERAL

#### 1. Introduction

- 1.1. Indiabulls Financial Services Limited (the "**Amalgamating Company**" as more particularly defined hereunder) is a public company incorporated under the provisions of the Act (as defined hereinafter). The Amalgamating Company is registered with the Reserve Bank of India as a non-deposit taking non-banking financial services company and is engaged in *inter alia* lending business particularly focussed on mortgaged loans with specific emphasis on home loans to the salaried segment, through Indiabulls Housing Finance Limited, its wholly owned subsidiary. The Amalgamating Company also provides construction finance for residential projects, loan against residential properties for the purpose of home improvement and small businesses, receivable discounting loans and is engaged in the business of holding investments in various step-down subsidiaries. The Amalgamating Company and its subsidiaries are also engaged in investing and finance activities. The Amalgamating Company is also engaged in selling life insurance policies, pension plans and other financial products in its capacity as corporate agent for insurance companies.
- 1.2. The equity shares and Warrants of the Amalgamating Company are listed on the Stock Exchanges (as defined hereinafter), the GDRs (as defined hereunder) of the Amalgamating Company are listed on the Luxembourg Stock Exchange and the NCDs of the Amalgamating Company are listed on the wholesale debt market segment of National Stock Exchange of India Limited.
- 1.3. Indiabulls Housing Finance Limited (the "**Amalgamated 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 Amalgamating Company. The Amalgamated Company is registered with the National Housing Bank as a housing finance institution (without accepting public deposits) and also as a financial institution under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
- 1.4. The Amalgamated Company is engaged in the business of housing finance activities which include *inter alia* providing finance to any person for purchase of residential property.
- 1.5. **Rationale for the Amalgamation**
  - 1.5.1 The Amalgamation contemplated in this Scheme is expected to result in availability of higher capital to the Amalgamated Company to pursue housing finance business activities and to steadily grow its mortgage loan business, which is expected to lead to better utilization of capital.



- 1.5.2 Following the Amalgamation, the Amalgamated Company will have an increased net-worth and consequently, is expected to be able to access lowcost long term financial resources and ensure more efficient asset liability management.
- 1.5.3 Majority of the existing and incremental business of the Amalgamating Company relates to housing finance and all other companies with similar assets profile and business are already licensed to HFCs.
- 1.5.4 The Amalgamation contemplated in this Scheme will help avoid duplication of resources, systems, skills and processes, 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 Amalgamated Company.
- 1.6. In furtherance of the aforesaid, this Scheme (as defined hereunder) provides for:
- (i) the amalgamation of the Amalgamating Company with the Amalgamated Company;
  - (ii) the consequent issue of shares, warrants, NCDs and GDRs by the Amalgamated Company to the shareholders, holders of Warrants, holders of NCDs and holder of IBFSL GDRs respectively; and
  - (iii) various other matters consequential or otherwise integrally connected therewith;
- pursuant to Sections 391 to 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(1B) thereof.
- 1.7. 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 amalgamation of the Amalgamating Company with the Amalgamated Company;
  - (iii) **Part III**, which deals with general terms and conditions applicable to this Scheme.
- 1.8. This 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:
- 2.1.1. **"Act"** shall mean the Companies Act, 1956 and includes any statutory re-enactment or modification thereof from time to time;
- 2.1.2. **"Amalgamating Company ESOP Schemes"** shall mean the IBFSL-ICSL Employees Stock Option Plan 2006, IBFSL-ICSL Employees Stock Option Plan II, 2006, Employee Stock Option Plan 2008, IBFSL Employee Stock Option Plan 2010 and IBFSL Employee Stock Option Plan 2011 and any other stock option scheme/plan, which may come into existence before the Effective Date;
- 2.1.3. **"Amalgamating Company"** shall mean Indiabulls Financial Services Limited, having its registered office at F-60, Malhotra Building, Connaught Place, New Delhi;
- 2.1.4. **"Amalgamating Company Employees"** shall mean all the permanent employees of the Amalgamating Company employed as on the Effective Date;

- 2.1.5. **"Amalgamating Company Funds"** shall have the meaning set forth in Clause 9.8 of this Scheme;
- 2.1.6. **"Amalgamating Company Liabilities"** shall have the meaning set forth in Clause 7.1 of this Scheme;
- 2.1.7. **"Amalgamating Undertaking"** shall mean all the undertakings and entire business of the Amalgamating Company as a going concern, including:
- (i) all assets wherever situated, whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal of whatsoever nature, wheresoever situated including shares or other investments held in any entity or person, buildings, offices, marketing offices, liaison offices, furniture, fixtures, office equipment, appliances, accessories, inventories together with all present and future liabilities (including contingent liabilities), 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, all cash balances with any person, including the Reserve Bank of India and other banks, money at call and short notice, loans, advances, contingent rights or benefit of any security interests, collateral, bank guarantees, performance guarantees and letters of credit, and all cash or cash equivalents appertaining or relating to the Amalgamating Company;
  - (ii) all permits, rights, entitlements, registrations for carrying on non-banking financial activities and other licences, approvals, permissions, consents from various authorities, including the Reserve Bank of India (whether granted or pending), goodwill, receivables, benefit of any deposits, assets, properties or other interests, financial assets including investments of all kinds, funds belonging to or utilized for the Amalgamating Company, bank accounts, privileges, all other rights and benefits including any tax, direct or indirect (including advance tax), paid or any tax deducted in respect of any income received, exemptions, tenancies in relation to office and/or residential properties for the employees, memberships, lease rights, 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, funds, benefits of all agreements (including agreements with clients and customers, employees and any other person), contracts and arrangements, letters of intent, memoranda of understanding, expressions of interest whether under agreement or otherwise and all other interests in connection with or relating to the Amalgamating Company;
  - (iii) all earnest moneys and/or security deposits paid by the Amalgamating Company;
  - (iv) all permanent employees engaged by the Amalgamating Company;
  - (v) 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;
  - (vi) 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 Amalgamating Company, including all intellectual property, trade marks, patents, copyrights, trade names, service names and brands containing the "Indiabulls" mark, whether registered or unregistered, designs, and other intellectual property rights;
  - (vii) all credits, advances, fixed deposits, provisions and commitments appertaining or relating to the Amalgamating Company;

- (viii) all investments of the Amalgamating Company in the companies listed in **Annexure A**, through which the Amalgamating Company conducts the businesses listed in **Annexure A**;
  - (ix) any other assets and liabilities of the Amalgamating Company; and
  - (x) all the present and future debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of the 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 Amalgamating Company Liabilities as they relate to the Amalgamating Company.
- 2.1.8. **"Amalgamation"** shall mean the amalgamation of the Amalgamating Company with the Amalgamated Company pursuant to Sections 391 to 394 and other relevant provisions of the Act, as contemplated under this Scheme;
- 2.1.9. **"Appointed Date"** shall mean April 1, 2012;
- 2.1.10. **"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;
- 2.1.11. **"Companies"** shall mean the Amalgamating Company and the Amalgamated Company and **"Company"** shall mean either of them;
- 2.1.12. **"Deposit Agreement"** shall have the meaning ascribed to it under Clause 30;
- 2.1.13. **"Depository"** shall mean Deutsche Bank Trust Company Americas, being the depository for the IBFSL GDRs;
- 2.1.14. **"Effective Date"** shall mean the last of the dates on which the conditions and matters referred to in Clause 44 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;
- 2.1.15. **"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;
- 2.1.16. **"Share Exchange Ratio"** shall have the meaning ascribed to it under Clause 20(i);
- 2.1.17. **"GDRs"** means global depository receipts issued pursuant to the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and other applicable laws and where relevant shall include the underlying equity shares related thereto;
- 2.1.18. **"IBFSL GDRs"** shall mean the GDRs issued by the Amalgamating Company pursuant to the deposit agreements executed by it with the Depository (as amended from time to time) and as are outstanding as of the Record Date;
- 2.1.19. **"NCDs"** shall mean all the non-convertible debentures issued by the Amalgamating Company each of which are listed on the wholesale debt market segment of National Stock Exchange of India Limited;

- 2.1.20. **"Record Date"** means the date to be fixed by the board of directors of the Amalgamating Company for the purpose of determining the equity shareholders, holders of Warrants, holders of New Warrants, holders of NCDs, of the Amalgamating Company to whom equity shares, warrants, and non-convertible debentures (as applicable) of the Amalgamated Company will be allotted, pursuant to this Scheme;
- 2.1.21. **"Scheme"** shall mean this scheme of arrangement including any modification or amendment hereto, made in accordance with the terms hereof; and
- 2.1.22. **"Stock Exchanges"** means the BSE Limited and the National Stock Exchange of India Limited.
- 2.2. All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, 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. Amalgamating Company

- (i) The share capital structure of the Amalgamating Company as on March 31, 2012 was as follows:

<b>Authorized Share Capital</b>	<b>Rupees</b>
2,000,000,000 equity shares of face value Rs. 2/- each	4,000,000,000/-
25,000,000 preference shares of face value Rs. 300/- each	7,500,000,000/-
25,000,000 preference shares of face value Rs. 157.39/- each	3,934,750,000/-
<b>Total</b>	15,434,750,000/-
<b>Issued, Subscribed and Paid-up Share Capital</b>	<b>Rupees</b>
311,804,571 equity shares of face value Rs. 2/- each*	623,609,142/-
<b>Total</b>	623,609,142/-

\* includes 3,238,415 equity shares represented by IBFSL GDRs.

- (ii) The Amalgamating Company has issued 27,500,000 (twenty seven million and five hundred thousand) warrants which, upon exercise, would entitle the holders thereof to 27,500,000 (twenty seven million and five hundred thousand) equity shares of the Amalgamating Company (“**Warrants**”). The exercise of such Warrants or their conversion in accordance with the terms thereof will result in an increase in the issued, subscribed and paid-up equity share capital of the Amalgamating Company.
- (iii) The Amalgamating Company may, in accordance with this Scheme and applicable law, issue warrants subject to receipt of necessary approvals. The exercise of such warrants or their conversion in accordance with the terms thereof will result in an increase in the issued, subscribed and paid-up equity share capital of the Amalgamating Company.
- (iv) The Amalgamating Company has issued 5,236,040 (five million two hundred and thirty six thousand and forty) stock options under the Amalgamating Company ESOP Schemes which, upon exercise, would entitle the holders thereof to 5,236,040 (five million two hundred and thirty six thousand and forty) equity shares of the Amalgamating Company. The exercise of such options will result in an increase in the issued, subscribed and paid-up equity share capital of the Amalgamating Company.
- (v) The equity shares and Warrants of the Amalgamating Company are listed on the Stock Exchanges. The IBFSL GDRs representing the underlying equity shares of the Amalgamating Company are listed on Luxembourg Stock Exchange. The NCDs are listed on the wholesale debt market segment of the National Stock Exchange of India Limited.

### 3.2. Amalgamated Company

- (i) The share capital structure of the Amalgamated Company as on March 31, 2012 was as follows:

<b>Authorized Share Capital</b>	<b>Rupees</b>
155,700,000 equity shares of face value Rs. 10/- each	1,557,000,000/-
<b>Total</b>	1,557,000,000/-
<b>Issued, Subscribed and Paid-up Share Capital</b>	<b>Rupees</b>
155,689,656 equity shares of face value Rs. 10/- each	1,556,896,560/-
<b>Total</b>	1,556,896,560/-

- (ii) The equity shares of the Amalgamated Company are not listed on any stock exchanges.

## **PART II - AMALGAMATION OF THE AMALGAMATING COMPANY WITH THE AMALGAMATED COMPANY**

### **SECTION 1 - TRANSFER AND VESTING OF THE AMALGAMATING UNDERTAKING**

4. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Amalgamating Company comprising the Amalgamating Undertaking shall, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in the Amalgamated Company, as a going concern, without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Amalgamated Company by virtue of and in the manner provided in this Scheme.
  
5. **Transfer of Assets**
  
- 5.1. Without prejudice to the generality of Clause 4 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:
  - (a) all the assets and properties of the Amalgamating Company 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 Amalgamating Company upon the coming into effect of this Scheme, and shall become the assets and property of the Amalgamated Company with effect from the Appointed Date pursuant to the provisions of Sections 391 to 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;
  
  - (b) in respect of such of the assets and properties belonging to the Amalgamating Company 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 5.1 (a) above, the same shall, as more particularly provided in Clause 5.1 (a) above, without any further act, instrument or deed, cost or charge and without any requirement for 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 Amalgamated Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act and all other provisions of applicable law, if any;
  
  - (c) all rights, title, interest, investments and properties of the Amalgamating Company and security interests, collateral, guarantees, bank guarantees, performance guarantees and letters of credit created for the benefit of the Amalgamating Company, whether or not included in the books of the Amalgamating Company and any assets, right, title, interest, investments and properties acquired by the Amalgamating Company after the Appointed Date but prior to the Effective Date 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 Amalgamated Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act and all other provisions of applicable law, if any; and

- (d) 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 Amalgamating Company and all rights and benefits that have accrued or which may accrue to the Amalgamating Company, whether on, before or after the Appointed Date, including income tax benefits and exemptions shall, under the provisions of Sections 391 to 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 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 Amalgamated Company and shall remain valid, effective and enforceable on the same terms and conditions.

## **6. Transfer of contracts, deeds, etc.**

- 6.1. 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 Amalgamating Company is a party or to the benefit of which the 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 Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto.
- 6.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Amalgamating Undertaking occurs by virtue of this Scheme itself, the 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 any or both of the Amalgamating Company is a party or any writings as may be necessary in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of Part II of this Scheme, be deemed to be authorised to execute any such documents on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company to be carried out or performed.
- 6.3. 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, and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Amalgamating Company shall stand transferred to the Amalgamated Company as if the same were originally given by, issued to or executed in favour of the Amalgamated Company, and the 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 Amalgamated Company. The Amalgamated Company shall make applications to any governmental authority as may be necessary in this behalf.

## **7. Transfer of Amalgamating Company Liabilities**

- 7.1. 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 Amalgamating Company ("**Amalgamating Company Liabilities**") shall, pursuant to the sanction of this Scheme by the High Court and under the provisions of Sections 391 to 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 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 the Amalgamated Company on the same terms and conditions as were applicable to the Amalgamating Company, and the 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 Amalgamating Company Liabilities have arisen in order to give effect to the provisions of this Clause.
- 7.2. All debts, liabilities, duties and obligations of the Amalgamating Company shall, as on the Appointed Date, whether or not provided in the books of the Amalgamating Company, and all debts and loans raised and used, and duties, liabilities and obligations incurred or which arise or accrue to the 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 Amalgamated Company by virtue of this Scheme.
- 7.3. Without prejudice to the foregoing provisions of this Clause, upon the coming into effect of the Scheme, all debentures, bonds, notes or other debt securities and other instruments of like nature (whether convertible into equity shares or not), including the NCDs shall, pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed, become the debt securities of the Amalgamated Company on the same terms and conditions except to the extent modified under the provisions of this Scheme and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Amalgamated Company as if it was the issuer of such debt securities, so transferred and vested. If the debt securities (including the NCDs) 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, subject to the requirements, if any, imposed by the Stock Exchanges, unless otherwise modified in accordance with applicable law.
- 7.4. Where any of the loans raised and used, debts, liabilities, duties and obligations of an Amalgamating Company as on the Appointed Date have been discharged by the Amalgamating Company prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Amalgamated Company.
- 7.5. All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the 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 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 Sections 391 to 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 Amalgamated Company and shall become the loans and liabilities, duties and obligations of the Amalgamated Company which shall meet, discharge and satisfy the same.



- 7.6. 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 Amalgamating Company and the 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 Amalgamated Company.
- 7.7. All Encumbrances, if any, existing prior to the Effective Date over the assets of the Amalgamating Company which secures or relate to the Amalgamating Company 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 Amalgamated Company. Provided that if any of the assets of the Amalgamating Company have not been Encumbered in respect of the Amalgamating Company 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 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.
- 7.8. The existing Encumbrances over the other assets and properties of the Amalgamated Company or any part thereof which relate to the liabilities and obligations of the 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 Amalgamated Company by virtue of this Scheme.
- 7.9. Without prejudice to the provisions of the foregoing Clauses and upon the effectiveness of this Scheme, the Amalgamating Company and the 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.
- 7.10. Upon the coming into effect of this Scheme, the Amalgamated Company alone shall be liable to perform all obligations in respect of the Amalgamating Company Liabilities, which have been transferred to it in terms of this Scheme.
- 7.11. It is expressly provided that, save as mentioned in this Clause 7, no other term or condition of the liabilities transferred to the Amalgamated Company as part of this Scheme is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- 7.12. Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause 7 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.

## **8. 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) by or against the Amalgamating Company whether pending and/ or arising on or before the Effective Date shall be continued and/ or enforced by or against the Amalgamated 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 Amalgamated Company.

## **9. Amalgamating Company Employees**

- 9.1. Upon the coming into effect of this Scheme, all Amalgamating Company Employees as on the Effective Date shall become the permanent employees of the Amalgamated Company, and, subject to the provisions hereof, on terms and conditions not less favourable than those on which they are engaged by the Amalgamating Company and without any interruption of, or break in service as a result of the Amalgamation. The Amalgamated Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Amalgamating Company Employees and such benefits to which the Amalgamating Company Employees are entitled in the Amalgamating Company, as the case may be, shall also be taken into account, and the Amalgamated Company agrees and undertakes to pay the same as and when payable.
- 9.2. In so far as the outstanding employee stock options granted by the Amalgamating Company to its employees under the Amalgamating Company ESOP Schemes are concerned, the Amalgamated Company shall, create an employee stock option scheme for the benefit of such employees of the Amalgamating Company whereunder stock options shall be issued to such employees taking into account the Share Exchange Ratio on the terms and conditions not less favourable than those provided under the Amalgamating Company ESOP Schemes.
- 9.3. The options granted by the Amalgamated Company to the employees of the Amalgamating Company in lieu of options granted to them under the Amalgamating Company ESOP Schemes would be granted on the basis of the Share Exchange Ratio i.e. for every 1 (one) option held by an employee of the Amalgamating Company which entitle such employee to acquire 1 (one) share in the Amalgamating Company, such employee shall be conferred 1 (one) option in the Amalgamated Company which shall entitle such employee to acquire 1 (one) equity share in the Amalgamated Company.
- 9.4. For the purposes of calculating the time period between the granting and the vesting of employee stock options issued by the Amalgamated Company to employees of the Amalgamating Company pursuant to this Scheme, the Amalgamated Company shall take into account the time period that has elapsed between the grant of the corresponding options by the Amalgamating Company to such employees.
- 9.5. The exercise consideration payable for options granted by the Amalgamated Company to the employees of the Amalgamated Company to the employees of the Amalgamating Company shall be equivalent to the exercise consideration payable by such employee for such option under the relevant Amalgamating Company ESOP Scheme.
- 9.6. The grant of options to the employees of the Amalgamating Company pursuant to this Scheme shall be effected as an integral part of the Scheme and the shareholders approval of this Scheme and the High Court sanctioning this Scheme shall be deemed approval of the shareholders under Section 81(1A) of the Companies Act and SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as applicable.
- 9.7. It is clarified that save as expressly provided for in this Scheme, the Amalgamating Company Employees who become the employees of the 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 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 Amalgamated Company), unless otherwise determined by the Amalgamated Company. The Amalgamated Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Amalgamating Company with any of their employees.

- 9.8. Insofar as the provident fund, gratuity fund, trusts, retirement fund or benefits and any other funds or benefits created by the Amalgamating Company for its employees or to which the Amalgamating Company are contributing for the benefit of their employees and other such funds, trusts, the benefits of which the Amalgamating Company Employees enjoy (the "**Amalgamating Company Funds**"), all the contributions made to such Amalgamating Company Funds for the benefit of the Amalgamating Company Employees and the investments made by the Amalgamating Company Funds in relation to the Amalgamating Company Employees shall be transferred to the Amalgamated Company and shall be held for the benefit of the Amalgamating Company Employees. In the event the Amalgamated Company has its own funds in respect of any of the Amalgamating Company Funds, such contributions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Amalgamated Company, be transferred to the relevant funds of the Amalgamated Company. In the event that the Amalgamated Company does not have its own funds in respect of any of the above or if deemed appropriate by the Amalgamated Company, the Amalgamating Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Amalgamated Company creates its own funds, at which time the Amalgamating Company Funds and the investments and contributions pertaining to the Amalgamating Company Employees shall be transferred to the funds created by the Amalgamated Company.
- 9.9. In relation to those Amalgamating Company Employees for whom the Amalgamating Company are making contributions to the government provident fund, the Amalgamated Company shall stand substituted for such 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 Amalgamating Company Employees.

## **SECTION 2 – CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE**

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

- (i) the prior written consent of the board of directors of the Amalgamated Company or the Amalgamating Company, respectively, 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 on which the board of directors of each of the Companies approves the Scheme and upto the Effective Date, the Amalgamating Company may make any change in its capital structure in any manner whatsoever, including by the issuance of convertible warrants ("**New Warrants**") entitling the holders thereof to acquire shares in the Amalgamating Company.
13. All taxes (including, without limitation, income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Amalgamating Company in respect of the operations and/or the profits of the business before the Appointed Date, shall be on account of the Amalgamated Company and, insofar as it relates to the tax payment (including, without limitation, income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Amalgamating Company in respect of the profits or activities or operation of the business with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Amalgamated Company, and, shall, in all proceedings, be dealt with accordingly.
14. The transfer and vesting of the assets, liabilities and obligations of the Amalgamating Company and the continuance of the proceedings by or against the Amalgamated Company under this Scheme shall not affect any transaction or proceedings already completed by the Amalgamating Company on or before the Appointed Date to the end and intent that, subject to the provisions of Section 2, the Amalgamated Company accepts all acts, deeds and things done and executed by and/or on behalf of the Amalgamating Company as acts, deeds and things done and executed by and on behalf of the Amalgamated Company.

### **SECTION 3 – REORGANISATION OF CAPITAL**

15. The provisions of this Section 3 shall operate notwithstanding anything to the contrary in this Scheme.
16. In consideration of the transfer and vesting of the Amalgamating Undertaking in, and the amalgamation of the Amalgamating Company into, the Amalgamated Company in accordance with the provisions of this Scheme and as an integral part of this Scheme, the share capital of the Amalgamating Company and the Amalgamated Company shall be restructured and reorganised in the manner set out as below.
17. Pursuant to the Scheme and upon its effectiveness, without any further act or deed, the authorised share capital of the Amalgamated Company shall stand sub-divided into 5 (five) equity shares of face value Rs. 2/- (Rupees Two Only) each and the share capital of the Amalgamated Company shall be increased. The existing capital clause contained in the Memorandum of Association of the Amalgamated Company shall, upon the coming into effect of this Scheme, without any further act or deed be replaced in the following manner:
- "The Authorised Capital of the Company is Rs. 16,000,000,000 (Rupees Sixteen Billion only) divided into 3,000,000,000 (Three Billion) Equity Shares of Rs.2/- (Rupees Two only) each, and 1,000,000,000 (One Billion) Preference Shares of Rs. 10/- (Rupees Ten only) each."*
18. It is hereby clarified that for the purposes of this Clause 18, the consent of the shareholders of the Amalgamated Company to the Scheme shall be deemed to be sufficient for amendment of the memorandum of association of the Amalgamated 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.

19. The Amalgamated Company shall file the requisite forms with the Registrar of Companies with regard to alteration of its authorised share capital, pursuant to this Scheme.
20. In consideration of the transfer and vesting of the Amalgamating Undertaking in the Amalgamated Company, and the amalgamation of the Amalgamating Company into the Amalgamated Company, pursuant to Section 2 of this Scheme, the Amalgamated Company shall, upon the Scheme coming into effect without any further application, act or deed, issue and allot:
- (i) to the equity shareholders of the Amalgamating Company whose names are recorded in the register of members and the records of the depository of the Amalgamating Company, on the Record Date, equity shares of the Amalgamated Company, in the ratio (the "**Share Exchange Ratio**") of 1 (one) equity share in the Amalgamated Company of face value Rs. 2/- (Rupees Two Only) 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 Amalgamating Company on the Record Date;
  - (ii) to the holders of Warrants of the Amalgamating Company whose names are recorded in the records of the depository of the Amalgamating Company, on the Record Date, warrants of the Amalgamated Company, in the ratio of 1 (one) warrant in the Amalgamated Company for every 1 (one) Warrant held in the Amalgamating Company on the Record Date, such that the holders of Warrants, will have the option to apply for and be allotted 1 (one) equity share of the Amalgamated Company for each warrant held in the Amalgamated Company;
  - (iii) an appropriate number of warrants against the New Warrants outstanding on the Record Date, based on the Share Exchange Ratio and on the same terms and conditions as attached to the New Warrants.
21. The Amalgamated Company shall make commercially reasonable efforts, subject to applicable law, to issue and allot warrants to the holders of Warrants, pursuant to Clause 20(ii) of this Scheme, on same terms and conditions attached to the Warrants.
22. It is hereby clarified that if, on the date on which the Amalgamated Company shall issue warrants to holders of Warrants pursuant to Clause 20, any holder of Warrants has exercised the right to convert such Warrants to equity shares but has not paid the exercise price for such conversion, then such holder of Warrant shall be issued Warrants by the Amalgamated Company in the ratio provided in Clause 20 (ii) and the exercise price for conversion of such warrants shall be payable to the Amalgamated Company, which shall, on payment of such exercise price, issue shares in the Amalgamated Company in accordance with the Share Exchange Ratio. However, if the exercise price is paid by such holder of the Warrants on the date of issuance of equity shares by the Amalgamated Company pursuant to Clause 20(i) of this Scheme, such holder of the Warrants shall be issued shares in the Amalgamated Company based on the Share Exchange Ratio.
23. Upon this Scheme becoming effective, the issued, subscribed and paid-up share capital of the Amalgamated Company shall stand suitably increased consequent upon the issuance of new equity shares in accordance with Clause 20 above. It is clarified that no special resolution under Section 81(1A) or under Section 94 of the Act shall be required to be passed by the Amalgamated Company separately in a general meeting for issue of shares to the members of the Amalgamating Company under this Scheme and for the increase in the authorized share capital of the Amalgamated Company and upon the shareholders of the Amalgamated Company approving this Scheme, it shall be deemed that they have given their consent to the issue of equity shares of the Amalgamating Company to the members of the Amalgamated Company in the Share Exchange Ratio.

24. The shares issued to the members of the Amalgamating Company pursuant to the above Clause 20 above shall be issued in dematerialized form by the Amalgamated Company, unless otherwise notified in writing by the shareholders of the Amalgamating Company to the Amalgamated Company on or before such date as may be determined by the board of directors of the Amalgamated Company or a committee thereof. In the event that such notice has not been received by the Amalgamated Company in respect of any of the members of the Amalgamating Company, the shares shall be issued to such members in dematerialized form, provided that the members of the 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 Amalgamated Company shall issue and directly credit the dematerialized securities to the account of such member with the shares of the Amalgamated Company. In the event that the 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 Amalgamated Company shall issue shares in certificate form to such member.
25. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Amalgamating Company, the board of directors of the 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 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 shares in the Amalgamating Company and in relation to the shares issued by the Amalgamating Company after the effectiveness of this Scheme. The board of directors of the 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 Amalgamated Company on account of difficulties faced in the transaction period.
26. The equity shares of the Amalgamated Company, if any, held by the Amalgamating Company on the Effective Date shall be cancelled upon the date of allotment of shares pursuant to Clause 20, without any further act or deed, and no shares of the Amalgamated Company shall be issued in lieu thereof. Any difference arising out of cancellation of the amount of investment held by the amalgamating company in the amalgamated company and the cancellation of face value of share capital in the amalgamated company shall be adjusted against the share premium account . The order of the High Court sanctioning the Scheme will be deemed to be an order under section 102 of the Act.
27. Equity Shares and Warrants of the Amalgamated 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 and the Warrants allotted pursuant to Section 3 of this Scheme shall remain frozen in the depositories system until listing/trading permission is given by the Stock Exchanges. Further, except as provided in the Scheme, there shall be no change in the shareholding pattern or control of the Amalgamated Company between the Record Date and the listing of the shares of the Amalgamated Company on the relevant stock exchanges.
28. Unless otherwise determined by the board of directors or any committee thereof of the Amalgamated Company and the board of directors or any committee thereof of the Amalgamating Company, issuance of shares, Warrants and New Warrants in terms of Clause 20 of this Scheme shall be undertaken within 90 (ninety) days from the Effective Date.
29. It is clarified that the lock-in in relation to the equity shares of the Amalgamating Company held by its promoters, if any, shall *mutatis mutandis* apply for the remaining period of such lock-in to the equity shares of the Amalgamated Company issued pursuant to Clause 20 hereof in lieu of such equity shares of the Amalgamating Company. If any equity shares issued by the Amalgamated Company pursuant to this Scheme are required to be locked-in under applicable Law, such equity shares shall be placed under lock-in for the period prescribed under applicable Law.

30. Upon the coming into effect of this Scheme and the issuance of shares in the Share Exchange Ratio by the Amalgamated Company pursuant to the provisions of Clause 20 above, the Amalgamated Company shall issue, as promptly as practicable, an appropriate number of underlying shares, in accordance with the Share Exchange Ratio, to the Depository. The Amalgamated Company shall, prior to the Effective Date, enter into appropriate arrangements with a depository (the "**Amalgamated Company Depository**") appointed by the Amalgamated Company pursuant to a deposit agreement entered into between the Amalgamated Company and the Amalgamated Company Depository (the "**Amalgamated Company Deposit Agreement**"), for either (a) the issuance of GDRs representing such shares (the "**Amalgamated Company GDRs**") to holders of IBFSL GDRs in the ratio of 1 (one) Amalgamated Company GDR for every 1 (one) IBFSL GDR, in accordance with the deposit agreement entered into between the Amalgamating Company and the Depository (the "**Deposit Agreement**"), or (b) the transfer of IBFSL GDRs to the Amalgamated Company.

31. The Amalgamated Company, the Amalgamated Company Depository, the Amalgamating 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 Amalgamated Company and/or the Amalgamating Company and the Amalgamated Company Depository, including, but not limited to, amending the Deposit Agreement, disseminating to existing IBFSL GDR holders certain notices, certifications and information containing details of the Scheme, the issuance of the Amalgamated Company GDRs or the transfer of IBFSL GDRs to the Amalgamated Company (as the case may be) and/or certain information relating to the Amalgamated Company and obtaining from the existing IBFSL GDR holders, and providing to the Amalgamated Company and the Amalgamated Company Depository, certain information relating to the existing IBFSL GDR holders.

32. Except in the case of transfer of IBFSL GDRs to the Amalgamated Company, the Amalgamated Company GDRs issued pursuant to Clause 30 above shall not be listed unless required by any binding contract, regulations or laws, in which event the same may be listed on the Luxembourg Stock Exchange and the Amalgamated Company shall take such additional steps and do all such acts, deeds and things as may be necessary for purposes of listing the Amalgamated Company GDRs.

33. Notwithstanding anything to the contrary in Clause 30 to 32 above, the Amalgamated Company may elect, in its sole discretion, to cash out existing IBFSL GDR holders in lieu of issuing the Amalgamated Company GDRs. If the Amalgamated Company elects to cash out IBFSL GDR holders, then the shares issued by the Amalgamated Company to the Depository which represent the entitlement of the IBFSL GDR holders shall be sold by the Depository or the Amalgamated Company Depository as applicable, in the open market and the net sales proceeds (after the deduction of taxes and expenses incurred) shall be distributed to the Depository for further distribution to the IBFSL GDR holders in the same proportion as their entitlements. The Amalgamated Company, the Amalgamated Company Depository, the Amalgamating Company and/or the Depository shall enter into such further documents and take such further actions as may be necessary or appropriate in this behalf and to enable the actions contemplated herein.

34. The Amalgamated Company GDRs and the equity shares underlying the Amalgamated Company GDRs and the shares of the Amalgamated Company issued pursuant to the Scheme will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") , in reliance upon the exemption from registration contained in Section 3(a)(10) of the Securities Act. In order to avail of this exemption, the Amalgamated Company will rely on the approval of the Scheme by the High Court of Delhi following the hearing by the High Court on the fairness of the terms and conditions of the Scheme as required by Section 3(a)(10) of the Securities Act. The Amalgamated Company may elect, in its sole discretion, to also rely upon any other applicable exemption from the registration requirements of the Securities Act - or any other exemption under applicable law that the Amalgamated Company may elect to rely upon.

### **35. Accounting treatment in the books of the Amalgamated Company**

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

- 35.1 All the assets and liabilities of the Amalgamating Company transferred to the Amalgamated Company shall become the assets and liabilities of the Amalgamated Company and shall be recorded at their book values as appearing in the books of the Amalgamating Company.
- 35.2 All the reserves of the Amalgamating Company shall be recorded in the books of the Amalgamated Company in the same form in which they appeared in the books of the Amalgamating Company.
- 35.3 The Amalgamated Company shall credit to its share capital account, the aggregate face value of the equity shares issued by it pursuant to this Scheme.
- 35.4 The difference between the amount recorded as share capital issued by the Amalgamated Company (plus any additional consideration in the form of cash or other assets) and the amount of share capital of the Amalgamating Company shall be adjusted in reserves in the books of the Amalgamated Company.
- 35.5 In case of any differences in accounting policies between the Amalgamated Company and the 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 Amalgamated Company.

### **PART III – GENERAL TERMS AND CONDITIONS**

36. The Companies shall make necessary applications before the High Court for the sanction of this Scheme under Sections 391 to 394 of the Act.

37. 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 this Scheme 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 Amalgamating Company, on the basis of any evidence that they may deem relevant for this purpose.

38. The Amalgamating Company shall stand dissolved without winding-up, with effect from the Effective Date.

39. Upon the coming in to effect of this Scheme, the following objects shall be added to Clause III of the Memorandum of Association of the Amalgamated Company (relating to the main objects for which the company has established) pursuant to Section 17 of the Act:



- “5. To advance money to any person or persons, company or corporation, society or association, for long term, either at interest or without, and / or with or without any security for the purpose of enabling such borrower to construct or purchase a house or flat for residential purposes and on such terms and conditions as the Company may deem fit and also to provide long term finance to the persons, engaged in the business of constructions of houses or flats for residential purpose to be sold by them by way of hire purchase or on deferred payment or other similar basis, upon such terms and conditions, as the Company may deem fit.
6. To receive loans of every description from the public, Government agencies, financial institutions and corporate bodies.
7. To hold investments in various step-down subsidiaries.
8. To carry on the business of making loans and advances, financing and investment advisory services, upon such terms and conditions, as the Company may deem fit.”

40. It is hereby clarified that for the purposes of this Clause, the consent of the shareholders of the Amalgamated Company to the Scheme shall be deemed to be sufficient for amendment of the memorandum of association and the articles of association of the Amalgamated Company and no further resolutions under Section 16, Section 31 and Section 94 or any applicable provisions of the Act would be required to be separately passed.

41. Pursuant to this Scheme, the Amalgamated Company shall file the requisite forms with the Registrar of Companies for alteration of its memorandum of association and the articles of association.

#### **42. 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.

#### **43. Resolutions**

Upon the coming into effect of this Scheme, the resolutions, if any, of the Amalgamating Company subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Amalgamated Company 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 Amalgamated Company shall constitute the aggregate of the said limits in the Amalgamated Company

44. 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 Court being obtained;
  - (ii) the certified copies of the orders of the High Court approving this Scheme being filed with the jurisdictional Registrar of Companies;
  - (iii) such approvals and sanctions and approvals including sanction of any governmental authority as may be required by law in respect of this Scheme being obtained.

45. In the event of this Scheme does not come into effect by September 30, 2013, 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.

46. 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.

#### 47. Annexure A

<b>Investment held in:</b>	<b>Conducting the business of:</b>
Indiabulls Finance Company Pvt Ltd	Non - banking financial activities
Indiabulls Capital Services Limited	Providing financial services
Indiabulls Life Insurance Company Limited	Life insurance business
Indiabulls Infrastructure Credit Limited	Non - banking financial activities
Ibulls Sales Limited	Providing consultancy services in relation to finance and loans
Indiabulls Advisory Services Limited	Providing consultancy services in relation to finance and loans
Indiabulls Collection Agency Ltd	Debt collection and acting as recovery agents
Indiabulls Asset Holding Company Limited	Financing, borrowing, lending, holding investments
Indiabulls Asset Management Company Limited	Management of mutual funds, venture capital funds, etc., acquisition of funds therefor and acting as financial advisors and investment advisors
Indiabulls Trustee Company Limited	Acting as trustees for mutual funds, offshore funds, etc.
Indiabulls Alternative Asset Management Private Limited	Asset/portfolio management
Indiabulls Insurance Advisors Ltd	Consultancy services in relation to finance
Indiabulls Holdings Limited	Providing investment and fund management services
Indiabulls Asset Reconstruction Company Limited	Business of Asset Reconstruction

## SUMMARY FINANCIAL AND OPERATING INFORMATION

The following summary financial information is derived from our audited financial statements for the financial years ended March 31, 2013, 2012, 2011, 2010 and 2009, which have been prepared in accordance with the Indian GAAP/GAAS and the applicable provision of the Companies Act, 1956, as described in the Auditor's Report in the section titled "Financial Information of our Company" beginning on page 119 of this Information Memorandum.

The summary financial information presented below should be read in conjunction with the financial informations, the notes thereto included in the section titled "Financial Information of our Company" beginning on page 119 of this Information Memorandum.

<b>Restated Standalone Summary Statement of Assets and Liabilities</b>						
Particulars	Note No	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>I. EQUITY AND LIABILITIES</b>						
(1) Shareholder's Funds						
Share Capital	3	62,50,22,334	1,55,68,96,560	1,55,68,96,560	1,35,00,00,000	1,35,00,00,000
Reserves and Surplus	4	47,63,71,90,332	7,99,40,46,332	5,77,80,89,939	2,20,34,51,659	2,01,28,62,316
Money received against share warrants	5	1,12,81,50,000	-	-	-	-
(2) Non-Current Liabilities						
Long-term borrowings	6	1,82,34,45,98,867	44,96,25,77,777	22,81,94,44,444	6,11,04,33,366	2,49,35,25,969
Deferred tax liabilities (Net)	7	-	-	-	7,50,47,188	14,20,74,002
Other Long-term liabilities	8	7,83,79,523	2,32,548	2,21,998	-	-
Long-term provisions	9	3,66,95,33,718	37,57,08,478	11,18,40,747	4,60,46,506	4,16,37,581
(3) Current Liabilities						
Short-term borrowings	10	63,81,01,39,094	13,12,58,27,156	1,26,16,17,511	1,02,96,57,530	1,46,82,84,306
Trade payables	11	2,85,29,227	10,63,764	12,76,947	22,66,382	5,73,332
Other current liabilities	12	77,94,70,55,331	6,13,88,39,587	4,37,25,80,721	3,41,86,93,852	2,10,83,35,006
Short-term provisions	13	8,21,52,69,504	20,81,72,052	28,97,49,614	3,63,07,347	3,99,91,155
<b>Total</b>		<b>3,85,48,38,67,930</b>	<b>74,36,33,64,254</b>	<b>36,19,17,18,481</b>	<b>14,27,19,03,830</b>	<b>9,65,72,83,667</b>
<b>II. ASSETS</b>						
(1) Non-current assets						
Fixed assets	14(a to e)					
(i) Tangible assets		44,07,40,721	5,89,28,602	5,67,81,962	3,40,16,740	2,92,22,361

(ii) Intangible assets		85,19,726	8,54,265	13,16,249	47,48,802	87,58,623
Non-current investments	15	3,24,92,50,000	-	-	-	-
Deferred tax assets (net)	16	1,63,16,88,292	10,65,03,091	3,29,39,174	-	-
Long-term loans and advances	17	2,63,16,98,92,344	67,96,35,81,997	32,89,05,26,787	7,57,53,83,283	6,78,45,10,886
Other non-current assets	18	4,83,72,87,544	1,83,93,699	15,45,54,930	14,49,12,934	-
(2) Current assets						
Current investments	19	21,68,61,77,570	43,00,00,000	1,31,46,45,888	3,73,05,17,256	58,01,07,025
Trade receivables	20	1,80,72,196	-	-	-	-
Cash and bank balances	21	48,45,52,68,974	82,30,41,463	6,85,37,351	1,70,30,98,758	32,18,66,217
Short-term loans and advances	22	38,46,64,66,458	4,14,54,38,621	1,38,51,65,653	94,90,00,333	1,45,98,61,640
Other current assets	23	3,52,05,04,105	81,66,22,516	28,72,50,487	13,02,25,724	47,29,56,915
Total		3,85,48,38,67,930	74,36,33,64,254	36,19,17,18,481	14,27,19,03,830	9,65,72,83,667
Note:		-	-	-	-	-

The above statement should be read with the Notes to the Restated Standalone Summary Statement of Assets and Liabilities, Summary Statement of Profit and Loss and Summary Statement of Cash Flows as appearing in Annexure – IV.

Restated Standalone Summary Statement of Profit and Loss						
Particulars	Note No	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010	Year ended March 31, 2009
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(1) Revenue from operations	24	46,58,06,30,195	7,85,50,67,529	3,10,23,90,068	1,77,17,47,331	1,80,82,99,021
(2) Other income	25	48,13,73,265	3,44,46,504	7,14,44,816	79,274	1,06,635
(3) Total revenue (1+2)		47,06,20,03,460	7,88,95,14,033	3,17,38,34,884	1,77,18,26,605	1,80,84,05,656
(4) Expenses						
Employee benefit expense	26	2,03,62,24,930	12,03,16,575	20,47,62,901	24,39,76,655	25,09,46,919
Interest and Finance charges	27	26,03,58,24,918	3,80,69,28,096	1,35,25,81,188	80,74,61,149	72,71,57,389
Depreciation and amortisation expense	14(a to e)	9,21,10,194	1,05,51,594	1,61,91,680	1,04,81,849	98,66,717
Other expenses	28	2,85,66,76,868	49,90,56,859	50,88,33,196	45,57,47,914	53,82,07,778
Total expenses		31,02,08,36,910	4,43,68,53,124	2,08,23,68,965	1,51,76,67,567	1,52,61,78,803
(5) Profit before tax (3-4)		16,04,11,66,550	3,45,26,60,909	1,09,14,65,919	25,41,59,038	28,22,26,853
(6) Tax expense						
Current tax						

expense		3,61,94,80,524	1,02,63,51,468	41,11,78,091	13,71,21,680	23,51,54,140
Deferred tax charge/(credit) (Net)		14,26,16,472	(7,35,63,917)	(10,79,86,362)	(6,70,26,814)	(17,65,13,351)
Total Tax Expense		3,76,20,96,996	95,27,87,551	30,31,91,729	7,00,94,866	5,86,40,789
(7) Profit after tax (5-6)		12,27,90,69,554	2,49,98,73,358	78,82,74,190	18,40,64,172	22,35,86,064
(8) Restated Adjustments <sup>(Refer Note 42)</sup>		1,00,353	(1,55,876)	67,39,470	(65,25,171)	(25,39,780)
(9) Adjusted Profit after tax (7-8)		12,27,89,69,201	2,50,00,29,234	78,15,34,720	19,05,89,343	22,61,25,844
(10) Earnings per Equity share as restated:	34					
Basic		39.34	16.06	5.71	1.41	1.68
Diluted		38.12	16.06	5.71	1.41	1.68
Face value per Equity share		2.00	10.00	10.00	10.00	10.00
Note:						

The above statement should be read with the Notes to the Restated Standalone Summary Statement of Assets and Liabilities, Summary Statement of Profit and Loss and Summary Statement of Cash Flows as appearing in Annexure – IV.

<b>Restated Standalone Summary Statement of Cash Flows</b>						
		For the Year ended March 31, 2013	For the Year ended March 31, 2012	For the Year ended March 31, 2011	For the Year ended March 31, 2010	For the Year ended March 31, 2009
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
A	Cash flows from operating activities :					
	Profit before tax as restated	16,04,11,66,550	3,45,26,60,909	1,09,14,65,919	25,41,59,038	28,22,26,853
	Adjustments for:					
	Employee Stock Compensation	75,63,100	-	-	-	-
	Provision for Gratuity	84,01,930	(53,80,115)	25,85,126	10,97,109	30,90,814
	Provision for Compensated Absences	31,40,745	(22,00,582)	5,88,567	6,55,914	16,05,692
	Provision for Superannuation	9,79,72,503	-	-	-	-

Provision for Loan Assets	32,35,12,490	3,83,33,310	2,26,09,943	(7,64,92,963)	2,07,78,809
Contingent Provisions against Standard Assets	22,36,68,551	7,06,88,886	6,32,35,736	-	-
Depreciation / Amortisation	9,21,10,194	1,05,51,594	1,61,91,680	1,04,81,849	98,66,717
Bad debts /Advances written off	66,81,54,038	8,53,62,258	5,87,39,299	-	-
Investment written off (Net)	73,94,643	-	-	-	-
Loss on sale of Fixed Assets	41,58,906	9,92,001	10,945	12,38,246	2,41,162
(Unrealised) / Realised gains on appreciation of Mutual Fund Investments (Current Investments)	(15,13,896)	18,16,070	(15,73,444)	-	-
Operating Profit before working capital changes	17,47,57,29,754	3,65,28,24,331	1,25,38,53,771	19,11,39,193	31,78,10,047
Adjustments for:					
Trade and Other Receivables	1,18,29,77,653	(44,28,83,210)	(15,82,941)	42,96,20,309	50,36,48,820
Loans and Advances	(49,91,72,57,844)	(37,91,26,57,732)	(26,01,20,18,924)	(41,08,94,617)	(81,34,65,823)
Trade Payables and other liabilities <small>(Refer Note 2 below)</small>	4,39,60,73,556	1,72,67,45,122	1,04,39,55,877	55,40,88,325	(1,09,07,81,256)
Cash used in operations	(26,86,24,76,881)	(32,97,59,71,489)	(23,71,57,92,217)	76,39,53,210	(1,08,27,88,212)
Income taxes paid (Net)	(2,92,11,27,383)	(1,08,90,19,031)	(16,34,07,961)	(15,67,32,732)	(24,34,63,605)
Net cash (used in) /generated from operating activities	(29,78,36,04,264)	(34,06,49,90,520)	(23,87,92,00,178)	60,72,20,478	(1,32,62,51,817)

B	Cash flows from investing activities					
	Purchase of Fixed Assets	(11,27,20,777)	(1,37,21,207)	(3,60,54,108)	(1,26,79,703)	(6,39,674)
	Sale of Fixed Assets	51,70,553	4,92,956	5,18,814	1,75,050	4,44,676
	Capital Advances	2,44,677	68,89,537	(64,90,962)	6,82,756	(911,506)
	Proceeds from deposit accounts	-	-	19,01,31,903	-	-
	Investment in deposit accounts	(2,82,98,31,814)	(47,22,23,080)	1,91,24,000	-	-
	Investments in Subsidiaries/Long term Investments	(2,02,50,00,000)	-	-	-	-
	Proceeds from long term Investment written off <sup>(Refer Note 15(7))</sup>	2,96,157	-	-	-	-
	Proceeds from Investments in Mutual Funds / Other Current Investments (Net)	2,32,81,21,441	(43,00,00,000)	-	-	-
	Net cash (used in) / generated from investing activities	(2,63,37,19,763)	(90,85,61,794)	16,72,29,647	(1,18,21,897)	(11,06,504)
C	Cash flows from financing activities					
	Proceeds from Issue of Equity Share through ESOPs (Including Securities Premium)	6,81,87,021	-	3,00,00,00,120	-	-
	Proceeds from Issue of Share Warrants	1,12,81,50,000	-	-	-	-
	Distribution of Equity Dividends	(7,43,10,26,841)	-	-	-	-

	(including Corporate Dividend Tax thereon)					
	Debt issue expenses	(96,29,62,366)	(10,36,50,561)	-	-	-
	Short term Loans to Subsidiary	(1,40,00,00,000)	-	-	-	-
	Proceeds from Short term Loans (Net)	-	(28,00,00,000)	-	(60,50,48,000)	23,50,48,000
	Proceeds from Term loans-(Net)	17,14,76,90,906	21,80,74,44,444	16,54,35,74,470	1,72,48,70,967	2,48,20,65,098
	(Repayment of) / Proceeds from issue of Commercial Papers (Net)	(2,96,50,00,000)	6,87,50,00,000	(50,00,00,000)	50,00,00,000	-
	Net proceeds from Issue of Secured Redeemable Non-Convertible Debentures	23,45,39,18,000	2,12,50,00,000	7,50,00,000	2,65,00,00,000	-
	Proceeds from issue of Unsecured Non Convertible Debentures	-	3,00,00,00,000	-	-	-
	Net proceeds from issue of Subordinated Debt	5,33,38,00,000	1,25,00,00,000	-	-	-
	Proceeds from issue of Perpetual Debt	1,00,00,00,000	-	-	-	-
	Net proceeds from Working capital loans	13,50,00,00,000	(73,07,90,355)	73,15,21,625	(33,35,78,776)	(90,69,24,129)
	Net cash generated from financing activities	48,87,27,56,720	33,94,30,03,528	19,85,00,96,215	3,93,62,44,191	1,81,01,88,969
D	Net Increase/ Decrease in cash and cash	16,45,54,32,693	(1,03,05,48,786)	(3,86,18,74,316)	4,53,16,42,772	48,28,30,648



	equivalents (A+B+C )					
E	Cash and cash equivalents at the beginning of the year	35,08,18,383	1,38,13,67,169	5,24,32,41,485	71,18,41,339	22,90,10,691
	Cash and cash equivalents received on merger under Scheme of Arrangement	48,83,99,28,555				
F	Cash and cash equivalents at the end of the year (D + E) (Refer Note 5 below)	65,64,61,79,631	35,08,18,383	1,38,13,67,169	5,24,34,84,111	71,18,41,339

Notes:						
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.	Trade payables and other liabilities include Rs. 2,10,84,02,244 (2011-12 Rs. 6,34,59,837, 2010-11 Rs. 11,91,46,077, 2009-10 Rs. 24,75,90,202, 2008-09 Rs.12,13,36,022) being amount payable on assigned loans.					
3.	Margin Deposits of Rs. 4,72,95,85,347 (2011-12 Rs. 19,05,48,758, 2010-11 Rs. Nil, 2009-10 Rs. Nil, 2008-09 Rs. 19,01,31,903) have been placed as collateral for Assignment deals on which assignees have a paramount lien.					
4.	Deposits of Rs. 39,77,205 (Previous Year Rs. Nil) are under lien with Bank.					
5.	Cash and cash equivalents at the end of the year include:					
	Cash and Bank Balances (Refer Note 21)	48,45,52,68,974	82,30,41,463	6,85,37,351	1,70,30,98,758	32,18,66,217
	Current Investments in Units of Mutual Funds / Other Current Investments considered as temporary deployment of funds <sup>(Refer Note 19)</sup>	17,55,61,77,570	-	1,31,46,45,888	3,73,05,17,256	58,01,07,025
		66,01,14,46,544	82,30,41,463	1,38,31,83,239	5,43,36,16,014	90,19,73,242
	Less: In deposit accounts having maturity of more than 3 months	36,34,57,207	47,22,23,080	-	19,01,31,903	19,01,31,903
	Less: Unrealised gains on appreciation of Mutual Fund Investments (Current Investments)	18,09,706	-	18,16,070	-	-
	Cash and cash equivalents as restated	65,64,61,79,631	35,08,18,383	1,38,13,67,169	5,24,34,84,111	71,18,41,339
6.	Unclaimed Dividend account balance in designated bank accounts are not available for use by the Company. <sup>(Refer Note 21)</sup>					

7.	Previous Year's figures are regrouped wherever considered necessary to conform with Current Year's groupings and classification
8.	Figures from the year ended March 31, 2009 to March 31, 2012 are not comparable with figures for the period ended March 31, 2013 due to the Scheme of Arrangement between the Company and the erstwhile Holding company <sup>(Refer Note 39)</sup>
Note:	
The above statement should be read with the Notes to the Restated Standalone Summary Statement of Assets and Liabilities, Summary Statement of Profit and Loss and Summary Statement of Cash Flows as appearing in Annexure – IV.	

**Restated Consolidated Summary Statement of Assets and Liabilities**

Particulars	Note No.	As at March 31, 2013
		Amount (Rs.)
<b>I. EQUITY AND LIABILITIES</b>		
<b>(1) Shareholders' funds</b>		
Share capital	3	62,50,22,334
Reserves and surplus	4	49,93,26,06,625
Money received against share warrants	5	1,12,81,50,000
<b>(2) Minority Interest</b>		
	3(viii)	1,44,87,11,226
<b>(3) Non-current liabilities</b>		
Long-term borrowings	6	1,82,34,45,98,867
Other long-term liabilities	7	7,83,79,523
Long-term provisions	8	3,69,98,98,484
<b>(4) Current liabilities</b>		
Short-term borrowings	9	65,81,01,39,094
Trade payables	10	2,85,29,227
Other current liabilities	11	77,94,34,71,270
Short-term provisions	12	8,24,86,67,870
<b>Total</b>		<b>3,91,28,81,74,520</b>
<b>II. ASSETS</b>		
<b>(1) Non-current assets</b>		
Fixed assets	13	
(i) Tangible assets		44,43,42,423
(ii) Intangible assets		1,13,33,882
(iii) Capital work-in-progress		4,00,000
Non-current investments	14	15,15,55,854
Deferred tax assets (net)	15	1,64,12,86,277
Long-term loans and advances	16	2,71,54,75,48,721
Other non-current assets	17	4,83,72,87,544
<b>(2) Current assets</b>		
Current investments	18	22,92,73,39,063
Trade receivables	19	2,24,47,293
Cash and bank balances	20	48,88,18,06,215
Short-term loans and advances	21	37,26,04,59,122
Other current assets	22	3,56,23,68,126
<b>Total</b>		<b>3,91,28,81,74,520</b>

Note: The above statement should be read with the Notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Summary Statement of Profit and Loss and Summary Statement of Cash Flows as appearing in Annexure – VIII.

**Restated Consolidated Summary Statement of Profit and Loss**

Particulars	Note No.	For the Year ended March 31, 2013 Amount (Rs.)
(1) Revenue from operations	23	47,29,41,57,642
(2) Other income	24	48,53,53,542
(3) Total revenue (1+2)		<b>47,77,95,11,184</b>
(4) Expenses		
Employee benefits expense	25	2,24,54,72,772
Finance costs	26	25,99,08,79,085
Depreciation and amortisation expense	13	9,38,45,876
Other expenses	27	2,89,79,41,515
Total expenses		<b>31,22,81,39,248</b>
(5) Profit before tax (3-4)		16,55,13,71,936
(6) Tax expense		
Current tax expense		3,75,29,34,475
Current tax expense relating to prior years		16,55,042
Deferred tax charge (Net)	15	13,61,33,548
Total Tax Expense		<b>3,89,07,23,065</b>
(7) Restated Adjustments(Refer Note 37)		(16,55,042)
(8) Profit after tax (5-6-7)		<b>12,66,23,03,913</b>
(9) Minority Interest		7,62,42,468
(10) Profit after Minority interest (8-9)		<b>12,58,60,61,445</b>
(11) Earnings Per Equity share:		
Basic	33	40.20
Diluted		38.95
Face value per Equity share		2.00

Note: The above statement should be read with the Notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Summary Statement of Profit and Loss and Summary Statement of Cash Flows as appearing in Annexure – VIII.

## Restated Consolidated Summary Statement of Cash Flows

	For the Year ended March 31, 2013	
	Amount (Rs.)	Amount (Rs.)
<b>A Cash flows from operating activities :</b>		
Profit before tax		16,55,13,71,936
Adjustments for :		
Share of (Profit) in Associate	(7,77,845)	
Employee Stock Compensation	75,63,100	
Provision for Gratuity	1,28,50,578	
Provision for Compensated Absences	60,76,184	
Provision for Superannuation	9,79,72,503	
Provision for Loan Assets	32,35,12,490	
Contingent Provisions against Standard Assets	23,95,88,041	
Depreciation / Amortisation	9,38,45,876	
Bad Loans / Advances written off	66,90,07,097	
Loss on sale on Fixed Assets	41,58,906	
(Unrealised) gains on appreciation of Mutual Fund Investments (Current Investments)	(10,58,801)	
	1,45,27,38,129	18,00,41,10,065
Operating Profit before working capital changes		
Adjustments for:		
Trade and Other Receivables	90,53,75,180	
Loans and Advances	(56,28,65,90,971)	
Trade Payables and other liabilities (Refer Note No. 2 below)	4,37,17,26,098	
	(51,00,94,89,693)	(33,00,53,79,628)
Cash used in operations		(3,08,21,17,434)
Income taxes paid (Net)		(36,08,74,97,062)
<b>Net cash used in operating activities</b>		<b>(36,08,74,97,062)</b>
<b>B Cash flows from investing activities :</b>		
Purchase of Fixed Assets		(11,41,25,143)
Sale of Fixed Assets		51,70,554
Capital Advances		2,44,677
Net receipts from Investment in deposit accounts		(2,84,45,31,813)
Proceeds from Investments in Mutual Funds / Other Current Investments (Net)		1,91,81,21,441
Aggregate cash flows consequent to conversion of Associate to Subsidiary (Net)		4,23,69,007
		(99,27,51,277)
<b>C Cash flows from financing activities :</b>		
Proceeds from Issue of Equity Share through ESOPs (Including Securities Premium)		6,81,87,021
Proceeds from Issue of Share Warrants		1,12,81,50,000
Distribution of Equity Dividends (including Corporate Dividend Tax thereon)		(7,43,10,26,841)
Debenture issue expenses		(96,29,62,366)
Proceeds from Term loans-(Net)		17,14,76,90,906
Repayment of Commercial Papers (Net)		(96,50,00,000)
Net proceeds from issue of Secured Redeemable Non-Convertible Debentures		23,45,39,18,000
Net proceeds from issue of Subordinated Debt		5,33,38,00,000
Proceeds from issue of Perpetual Debt		1,00,00,00,000
Net proceeds from Working capital loans		13,50,00,00,000
		52,27,27,56,720
<b>D Exchange difference on translation of balances denominated in foreign currency</b>		(64,341)
<b>E Net increase in cash and cash equivalents (A+B+C+D)</b>		15,19,24,44,040
<b>F Cash and cash equivalents received under Scheme of Arrangement</b>		51,14,16,72,832
<b>G Cash and cash equivalents at the end of the year (E + F) (Refer Note 5 below)</b>		66,33,41,16,872

**Notes:**

- 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 Trade payables and other liabilities include Rs. 2,06,35,68,150 being amount payable (net) on assigned loans.
- 3 Margin Deposits of Rs. 4,72,56,08,142 have been placed as collateral for Assignment deals on which assignees have a paramount lien.
- 4 Deposits of Rs. 39,77,205 are under lien with Bank.
- 5 Cash and cash equivalents at the end of the year include:
 

Cash and Bank Balances <sup>(Refer Note 20)</sup>	48,88,18,06,215
Current Investments in Units of Mutual Funds / Other Current Investments considered as temporary deployment of funds <sup>(Refer Note 18)</sup>	17,83,23,39,063
	<b>66,71,41,45,278</b>
Less: In deposit accounts having maturity of more than 3 months	37,81,57,207
Less : Unrealised gains on appreciation of Mutual Fund Investments (Current Investments)	18,71,199
Cash and cash equivalents as restated	<b>66,33,41,16,872</b>

6 Unclaimed Dividend account balances in designated bank accounts are not available for use by the Company. <sup>(Refer Note 20)</sup>

7 The above Cash Flow Statement has been presented after giving effect to the Scheme of Arrangement. <sup>(Refer Note 36)</sup>

8 Since this is the first year of preparation of Consolidated Financial Statements of the Company, previous year figures have not been presented.

Note: The above statement should be read with the Notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Summary Statement of Profit and Loss and Summary Statement of Cash Flows as appearing in Annexure – VIII.

## GENERAL INFORMATION

### INDIABULLS HOUSING FINANCE LIMITED

#### Incorporation

The Company, as an incorporated legal entity came into existence on May 10, 2005, under the Companies Act, 1956, having been registered on such date with the Registrar of Companies, NCT of Delhi and Haryana vide registration no. U65922DL2005PLC136029 and obtained the certificate for commencement of business on January 10, 2006, to enable it to carry on the business of housing finance, upon receipt of the license to do so from the National Housing Bank. Indiabulls Financial Services Limited (IBFSL), the erstwhile promoter of the Company, incorporated on January 10, 2000 and since March 30, 2001, had already been functioning, as a non banking finance company. The merger of IBFSL with the Company, on a going concern basis, therefore ensured a continuity of the Company's business, since March 30, 2001.

**CIN:** U65922DL2005PLC136029

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

Tel: +91-11-30476500 ;

Fax: +91-11-41529071

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

Tel: +91-124-3989555;

Fax: +91-124-6681111

#### 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

There has been no change in the Registered Office of the Company since the date of its incorporation.

#### Board of Directors

Name, Fathers' name Designation, Status, Experience, Occupation, Address	Age (In Years)	Qualifications	DIN	Details of directorships in other companies
<p><b>Mr. Sameer Gehlaut</b></p> <p>S/o: Shri. Balwan Singh</p> <p><b>Designation:</b> Chairman &amp; Executive Director</p> <p><b>Status:</b> Promoter Director</p> <p><b>Experience:</b> 18 years</p> <p><b>Occupation:</b> Entrepreneur</p>	39 years	B.Tech., IIT Delhi	00060783	<ol style="list-style-type: none"> <li>1. Indiabulls Finance Company Private Limited</li> <li>2. Indiabulls Real Estate Limited</li> <li>3. Indiabulls Power Limited.</li> <li>4. Karanbhumi Estates Private Limited</li> <li>5. Meru Minerals Private Limited</li> <li>6. Ceres Real Estate Private</li> </ol>

<p><b>Address:</b> Indiabulls Finance Centre, Tower 1, 18th Floor, Elphinstone Road, Mumbai, 400013, Maharashtra, India</p>			<p>Limited</p> <ol style="list-style-type: none"> <li>7. Indiabulls Mining Private Limited</li> <li>8. Ceres Power Transmission Private Limited</li> <li>9. Ceres Electricity Distribution Private Limited</li> <li>10. Indiabulls Electricity Distribution Private Limited</li> <li>11. Inuus Infrastructure Private Limited</li> <li>12. Galax Minerals Private Limited</li> <li>13. Inuus Land Development Private Limited</li> <li>14. Inuus Real Estate Private Limited</li> <li>15. Inuus Developers Private Limited</li> <li>16. Inuus Properties Private Limited</li> <li>17. Orthia Real Estate Private Limited</li> <li>18. Orthia Properties Private Limited</li> <li>19. Ceres Energy Private Limited</li> <li>20. Mugwort Real Estate Private Limited</li> <li>21. Valerian Real Estate Private Limited</li> <li>22. Calleis Real Estate Private Limited</li> <li>23. Indiabulls Infrastructure And Power Limited</li> <li>24. Cleta Infracon Private Limited</li> </ol>
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					25. Indiabulls Property Management Trustee Pte. Ltd.
<p><b>Mr. Rajiv Rattan</b></p> <p>S/o : Shri Ram Rattan</p> <p><b>Designation:</b> Non - Executive Director</p> <p><b>Status:</b> Promoter Director</p> <p><b>Experience:</b> 19 years</p> <p><b>Occupation:</b> Entrepreneur</p> <p><b>Address:</b> 60, 2nd Floor, Vasant Marg, Vasant Vihar, New Delhi - 110057, India</p>	40 years	B.Tech., Delhi	IIT	00010849	<ol style="list-style-type: none"> <li>1. Indiabulls Real Estate Limited</li> <li>2. Indiabulls Life Insurance Company Limited</li> <li>3. Indiabulls CSEB Bhaiyathan Power Limited</li> <li>4. Indiabulls Power Limited.</li> <li>5. Indiabulls Realtech Limited</li> <li>6. Spire Constructions Private Limited</li> <li>7. Ceres Real Estate Private Limited</li> <li>8. Indiabulls Mining Private Limited</li> <li>9. Ceres Power Transmission Private Limited</li> <li>10. Ceres Electricity Distribution Private Limited</li> <li>11. Indiabulls Electricity Distribution Private Limited</li> <li>12. Priapus Developers Private Limited</li> <li>13. Nettle Constructions Private Limited</li> <li>14. Priapus Land Development Private Limited</li> <li>15. Priapus Constructions Private Limited</li> <li>16. Arcelormittal Indiabulls Mining Private Limited</li> <li>17. Ceres Energy Private Limited</li> <li>18. Heliotrope Real Estate Private Limited</li> </ol>

				19. Antheia Infrastructure Private Limited 20. Antheia Constructions /Private Limited 21. Indiabulls Infrastructure And Power Limited 22. Cleta Land Development Private Limited 23. Antheia Buildcon Private Limited 24. Tupelo Properties Private Limited 25. Indiabulls Property Management Trustee Pte. Ltd.
<p><b>Mr. Saurabh Kumar Mittal</b></p> <p><b>S/o :</b> Dr. Santosh Kumar Mittal</p> <p><b>Designation:</b> Non - Executive Director</p> <p><b>Status:</b> Promoter Director</p> <p><b>Experience:</b> 18 years</p> <p><b>Occupation:</b> Entrepreneur</p> <p><b>Address:</b> 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	1. Indiabulls Real Estate Limited 2. Indiabulls Power Limited. 3. Ceres Trading Services Private Limited 4. Ceres Real Estate Private Limited 5. Indiabulls Mining Private Limited 6. Ceres Power Transmission Private Limited 7. Ceres Electricity Distribution Private Limited 8. Indiabulls Electricity Distribution Private Limited 9. Hespera Realty Private Limited 10. Lucerne Trading Services Private Limited 11. Hespera Land Development Private Limited 12. Hespera Realcon Private

				<p>Limited</p> <p>13. Ceres Energy Private Limited</p> <p>14. Alona Builders And Developers Private Limited</p> <p>15. Cleta Infrastructure Private Limited</p> <p>16. Cleta Buildcon Private Limited</p> <p>17. Indiabulls Infrastructure And Power Limited</p> <p>18. Reyna Infracon Private Limited</p>
<p><b>Mr. Gagan Banga</b> S/o: Shri. Pramendra Kumar Banga</p> <p><b>Designation:</b> CEO &amp; Managing Director</p> <p><b>Status:</b> Executive Director</p> <p><b>Experience:</b> 14 years</p> <p><b>Occupation:</b> Service</p> <p><b>Address:</b> 243, Maker Tower B, Cuffe Parade, Mumbai 400005, Maharashtra, India</p>	38 years	MBA	00010894	<p>1. Indiabulls Insurance Advisors Limited</p> <p>2. Indiabulls Commodities Limited</p> <p>3. Cloacina Insurance Agents Private Limited</p> <p>4. Indiabulls Capital Services Limited</p> <p>5. Nilgiri Financial Consultants Limited</p> <p>6. Indiabulls Life Insurance Company Limited</p>
<p><b>Mr. Ajit Kumar Mittal</b> S/o Shri. Rattan Lal Mittal</p> <p><b>Designation:</b> Executive Director</p> <p><b>Status:</b> Executive Director</p> <p><b>Experience:</b> 25 years</p> <p><b>Occupation:</b> Service</p> <p><b>Address:</b> 65, 6th Floor, Geetanjali Apartment, Minu Desai Road, Near Radio Club, Colaba, Mumbai</p>	54 years	Master's in Economics and an MBA with Academic Excellence from University of Illinois, U.S.A.	02698115	<p>1. Indian Commodity Exchange Limited</p> <p>2. Indiabulls Venture Capital Trustee Company Limited</p> <p>3. Indiabulls Trustee Company Limited</p>

400005, Maharashtra, India				
<p><b>Mr. Ashwini Omprakash Kumar</b> S/o: Shri. OmPrakash Bhagwan Prakash</p> <p><b>Designation:</b> Deputy Managing Director</p> <p><b>Status:</b> Executive Director</p> <p><b>Experience:</b> 14 years</p> <p><b>Occupation:</b> Service</p> <p><b>Address:</b> 1701 &amp; 1702 17<sup>th</sup> Floor, Ashoka Tower D-Wing, Dr. SS Rao Road Parel, Mumbai 400012, Maharashtra, India</p>	37 years	Mechanical Engineer from IIT Roorkee, MBA - Finance from Jamnalal Bajaj Institute of Management Studies, Mumbai and advance Studies in International Housing Finance from Wharton School, University of Pennsylvania, U.S.A.	03341114	Nil
<p><b>Mr. Karan Singh Khera</b> S/o: Shri. Dal Singh Khera</p> <p><b>Designation:</b> Director</p> <p><b>Status:</b> Independent Director</p> <p><b>Experience:</b> 33 years</p> <p><b>Occupation:</b> Retired Professor</p> <p><b>Address:</b> 1408, Urban Estate, JIND 124413, Haryana, India</p>	67 years	MA (English)	00017236	<ol style="list-style-type: none"> <li>1. Indiabulls Real Estate limited</li> <li>2. Store One Retail India Limited</li> <li>3. Indiabulls Securities Limited</li> <li>4. Poena Power Solutions Limited</li> <li>5. Indiabulls Commodities Limited</li> <li>6. Hasta Infrastructure Private Limited</li> <li>7. Indiabulls Wholesale Services Limited</li> <li>8. Indiabulls Technology Solutions Limited</li> </ol>
<p><b>Mr. Aishwarya Katoch</b> S/o: Shri. Aditya Katoch</p> <p><b>Designation:</b> Director</p>	43 Years	Bachelor's degree in business administration and merchandising from American College of	00557488	<ol style="list-style-type: none"> <li>1. Royal Expeditions Private Limited</li> <li>2. Kangra Hotels Private Limited</li> </ol>

<p><b>Status:</b> Independent Director</p> <p><b>Experience:</b> 23 years</p> <p><b>Occupation:</b> Business</p> <p><b>Address:</b> S-43, Greater Kailash Part 1, New Delhi - 110048</p>		<p>Applied Arts, London</p>		<ol style="list-style-type: none"> <li>3. Indiabulls Securities Limited</li> <li>4. Indiabulls Real Estate Limited</li> <li>5. Store One Retail India Limited</li> <li>6. Royal Kangra Consultants Private Limited</li> <li>7. Indiabulls Distribution Services Limited</li> </ol>
<p><b>Mr. Shamsheer Singh Ahlawat</b></p> <p>S/o: Shri. Ran Singh Ahlawat</p> <p><b>Designation:</b> Director</p> <p><b>Status:</b> Independent Director</p> <p><b>Experience:</b> 20 years in Banking Industry</p> <p><b>Occupation:</b> Ex-banker</p> <p><b>Address:</b> 96A, Eastern Avenue, Sainik Farm, Khanpur, New Delhi - 110062</p>	<p>64 Years</p>	<p>Post graduate degree in history from St. Stephens College, New Delhi</p>	<p>00017480</p>	<ol style="list-style-type: none"> <li>1. Indiabulls Real Estate Limited</li> <li>2. Store One Retail India Limited</li> <li>3. Indiabulls Power Limited.</li> <li>4. Indiabulls Constructions Limited</li> <li>5. Indiabulls Wholesale Services Limited</li> <li>6. Elena Power and Infrastructure Limited</li> <li>7. Indiabulls Realtech Limited</li> </ol>
<p><b>Mr. Prem Prakash Mirdha</b></p> <p>S/o: Shri. Hari RamJI Mirdha</p> <p><b>Designation:</b> Director</p> <p><b>Status:</b> Independent Director</p> <p><b>Experience:</b> 35 years</p> <p><b>Occupation:</b> Business</p> <p><b>Address:</b> Mirdha Farm, Sirsi Road, Jaipur - 302012, Rajasthan</p>	<p>57 Years</p>	<p>Second mate foreign going in merchant navy</p>	<p>01352748</p>	<ol style="list-style-type: none"> <li>1. Indiabulls Real Estate Limited</li> <li>2. Store One Retail India Limited</li> <li>3. Indiabulls Securities Limited</li> <li>4. Indiabulls Power Limited.</li> <li>5. Happy Tummy Kitchens Private Limited</li> </ol>

<p><b>Mr. Joginder Singh Kataria</b></p> <p>S/o: Shri. Charan Singh</p> <p><b>Designation:</b> Director</p> <p><b>Status:</b> Independent Director</p> <p><b>Experience:</b> 33 years</p> <p><b>Occupation:</b> Ex-Commandant (ITBP)</p> <p><b>Address:</b> H.No. 949, Sector-4, Distt - Gurgaon, Gurgaon - 122001, Haryana</p>	72 Years	M.A. (Political Science)	05202673	1. Indiabulls Infrastructure and Power Limited
<p><b>Mr. Ram Kumar Sheokand</b></p> <p>S/o: Shri. Chandgi Ram Sheokand</p> <p><b>Designation:</b> Director</p> <p><b>Status:</b> Independent Director</p> <p><b>Experience:</b> 37 years</p> <p><b>Occupation:</b> Business</p> <p><b>Address:</b> H. No. 1197, Urban Estate, JIND 126102, Haryana</p>	59 Years	M.A. (History)	00183200	<ol style="list-style-type: none"> <li>1. Kandy Finlease Limited</li> <li>2. Lira Promoters Private Limited</li> <li>3. R C S Softech Private Limited</li> <li>4. OMS Chits Private Limited</li> <li>5. Kandy Promoters Private Limited</li> <li>6. Pineapple Infra Project Private Limited</li> <li>7. Indiabulls Infrastructure and Power Limited</li> <li>8. Aldis Real Estate Private Limited</li> </ol>

### Profile of Managing Director and Whole-time Directors

#### **Mr. Sameer Gehlaut – Chairman and Executive Director**

Mr. Sameer Gehlaut is 39 years old and is the founder and Chairman of Indiabulls Group. Mr. Gehlaut, a first generation entrepreneur, has been spearheading the Group since its inception. Under his leadership, within a span of 13 years, Indiabulls Group has emerged as a leading business conglomerate with business interests across sectors. Mr. Gehlaut holds a degree in mechanical engineering from the Indian Institute of Technology, Delhi.

#### **Mr. Gagan Banga – CEO and Managing Director**

Mr. Gagan Banga, holds a Masters degree in Business Administration and has 14 years of industry experience. He has been in the financial segment of Indiabulls Group for more than 13 years and was one of the founding members of the lending business. Gagan has been instrumental in growing the company to one of the largest HFCs in the country. Under Gagan's leadership the company today is a lender of considerable size, repute and presence in asset classes such as Home Loans, loans against home for small businesses, Commercial Vehicle Loans and Corporate Loans. The company, under his aegis, has a net worth of over Rs 5,300 Cr and is a AA+ (long-term rating) rated company. For FY 2012-13 the company had total revenues of Rs. 4,777.87 Cr and clocked a Profit after Tax of Rs.1,265.99 Cr. As at the end of March 31 2013, IBHFL, at a consolidated level, has an asset book of over Rs. 34,000 Cr.

#### **Mr. Ajit Kumar Mittal –Executive Director**

Mr. Ajit Kumar Mittal has rich and varied experience by virtue of his close involvement with the growth and evolution of India's financial sector. A Master's in Economics and an MBA with Academic Excellence from University of Illinois, U.S.A., Mr. Mittal worked for more than twenty years at the Reserve Bank of India (RBI) in middle and senior management positions and has been at the forefront of macroeconomic and financial sector issues. As General Manager of the Banking Supervision in RBI, he was responsible for monitoring and surveillance of country's banking system for five years. Mr. Mittal was closely involved in coordination with various financial markets, e.g. debt, money, forex and capital market. Mr. Mittal also worked as Financial Sector Advisor to Qatar Central Bank during the 2006-07.

From September 2007 till now, Mr. Mittal has been working as a Director with Indiabulls flagship company in the financial services segment. Mr. Mittal is responsible for risk management, regulatory, governance and compliance issues in the financial services business, besides being involved in the overall business strategy. He has been instrumental in expanding Indiabulls' international footprint by setting up group's real estate and home loan businesses in the GCC & UK.

#### **Ashwini Omprakash Kumar – Deputy Managing Director**

Mr. Ashwini Kumar has more than 14 years experience in Retail Mortgage Finance and Corporate Lending to the Real Estate sector. Prior to joining Indiabulls he worked with HDFC Ltd for over 10 years leading the Corporate Mortgage Business. Ashwini is a Mechanical Engineer from IIT Roorkee and MBA - Finance from Jamnalal Bajaj Institute of Management Studies, Mumbai. Ashwini has completed advance Studies in International Housing Finance from Wharton School, University of Pennsylvania, U.S.A. Ashwini also has over 7 years of academia experience and is a Visiting Professor of Finance at Jamnalal Bajaj Institute of Management Studies, Mumbai.

### **Company Secretary and Compliance Officer**

#### **Mr. Amit Jain**

Indiabulls Housing Finance Limited  
Address: 448-451, Udyog Vihar,  
Phase-V, Gurgaon, Haryana-122016  
Tel: +91-124-3989555;  
E-mail: ajain@indiabulls.com

Fax: +91-124-6681111

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

### **Bankers to the Company**

#### **ABN Amro Bank (Now RBS)**

Hansalaya Building, 15, Barakhamba Road  
New Delhi-110001.  
Tel: 0124-4181683 Fax: 011-23755470  
Email: maneesh.chaturvedi@rbs.com  
Contact Person: Mr. Maneesh Chaturvedi

**Allahabad Bank**

Industrial Finance Branch, 37, Mumbai Samachar Marg  
Fort, Mumbai – 400 023.  
Tel: 022-22702747 Fax: 022-22702733  
Email: br.mumifb@allahabadbank.in  
Contact Person: Ms Gunjan

**Andhra Bank**

16th Floor, Earnest House, NCPA Marg  
Nariman Point, Mumbai 400 021.  
Tel: 9004558722 Fax: 022-22885841  
Email: bmmum1128@andhrabank.co.in  
Contact Person: Mr. Uttkarsh

**Axis Bank**

7th Floor, Axis House, Bombay Dyeing Mill Compound  
Worli, Mumbai - 400 025.  
Tel: 011-47396607 Fax: 011-47396601  
Email: Priyanka.Luthra@axisbank.com  
Contact Person: Ms. Priyanka Luthra

**Bank of Baroda**

Post Box No. 347, 10/12, Mumbai Samachar Marg  
Fort, Mumbai - 400 001.  
Tel: 022-40468212 Fax: 022-22040494  
Email: Credit.fortap@bankofbaroda.com  
Contact Person: Ms Ruchi Mehta

**Bank of India**

Mumbai Large Corporate Branch, Oriental Building, Ground Floor,  
364, D.N. RoadFort, Mumbai - 400 001.  
Tel: 022-61870406 Fax: 022-22884475  
Email: Milind.Tilgulkar@bankofindia.co.in  
Contact Person: Mr. Milind.Tilgulkar

**Bank of Maharashtra**

IFB, 1, Dr. VB Gandhi Marg  
Fort, Mumbai - 400 001.  
Tel: 022-22844882 Fax: 022-22850750  
Email: bom972@mahabank.co.in venkatachalam.shakthivel@mahabank.co.in  
Contact Person: Mr. Venkatachalam Shakthivel

**Barclays Bank**

Ground Floor, Eros Corporate Tower  
Nehru Place, New Delhi-110019  
Tel: 011-4657900 Fax: 011-46579098  
Email: harish.madanani@barclays.com  
Contact Person: Mr. Harish Madanani

**Canara Bank**

Maker Tower, "F" Wing, 20th Floor, 85,  
Cuffe Parade, Mumbai - 400 005.  
Tel: 9833352611 Fax: 022-22156021  
Email: saxenadk@canarabank.com  
Contact Person: Mr. DK Saxena

**Central Bank of India**



1<sup>st</sup> Floor, MMO Building  
Fort, Mumbai - 400 023.  
Tel: 022-40785817 Fax: 022-40785840  
Email: cfbcbi@rediffmail.com  
Contact Person: Mr. Shivjit

**Citi Bank**

FIG, Citigroup Centre, 7<sup>th</sup> Floor  
BKC, Bandra (E), Mumbai - 400 051.  
Tel: 022-40015192 Fax: 022-40065859  
Email: satish1.chandra@citi.com  
Contact Person: Mr. Satish Chandra

**Corporation Bank**

104, Bharat House, Corporate Banking Branch  
Mumbai Samachar Marg, Fort, Mumbai - 400 023.  
Tel: 9867267552 Fax: 022-22675309  
Email: cb0443@corpbank.co.in  
Contact Person: Mr Sivaramakrishna

**DBS Bank**

3rd Floor, Fort House, 221, Dr D.N. Road  
Fort Mumbai-400001.  
Tel: 022-66388888 Fax: 022-67528430  
Email: chirag@db.com  
Contact Person: Mr. Chirag

**Dena Bank**

1st Floor, Dena Bank Building, 17, Horniman Circle  
Fort, Mumbai - 400 023.  
Tel: 022-22631686 Fax: 022-22692178  
Email: ifbmumbai@denabank.co.in  
Contact Person: Mr. Natraj S.

**Deutsche Bank**

4th Floor, DLF Square, DLF Phase II  
Gurgaon 122 002.  
Tel: 0124- 7138100 Fax: 0124-7138181  
Email: parag.upadhyay@db.com  
Contact Person: Mr. Parag Upadhyay

**HDFC Bank**

B-7/3, Asaf Ali Road  
New Delhi - 110 002.  
Tel: 011-43584332 Fax:011-23241930  
Email: csd-asafali@hdfcbank.com  
Contact Person: Mr. Sameer Bhel

**HSBC Bank**

Shop no. 25B , 3<sup>rd</sup> Floor Birla Towers , Ashoka Estate Barakhamba Road New Delhi-110001  
Tel: 011-41592201 Fax: 011-23315068  
Email: info@hsbc.co.in  
Contact Person: Mr. Samita Mehra

**ICICI Bank**

9A, Connaught Place  
New Delhi-110001.  
Tel: 011-66310424 Fax: 011-66310410  
Email: anuj.miglani@icicibank.com

Contact Person: Ms. Anuj Miglani

**IDBI Bank**

224, A-Wing, Mittal Court  
Nariman Point, Mumbai - 400 021.  
Tel: 022-66588205 Fax: 022-66588111  
Email: kunal.mathur@idbi.co.in  
Contact Person: Mr. Kunal Mathur

**Indian Bank**

New Delhi Main Branch, G-41, Connaught Circus  
New Delhi - 110 001.  
Tel: 011-47340972 Fax: 011-23718418  
Email: vardan.shastri@indianbank.co.in  
Contact Person: Mr. Vardan Shastri

**Indian Overseas Bank**

Ground Floor, New Marine Lines  
Mumbai - 400 020.  
Tel: 022-22057686 Fax: 022-22035571  
Email: marinbr@mummsco.iobnet.co.in  
Contact Person: Ms Gayatri

**IndusInd Bank**

Ravissance House, 1<sup>st</sup> Ring Road, Lajpat Nagar IV, New Delhi-110024  
Tel: 011-43394108 Fax: 011-43394115  
Email: corporatcare@indusind.com  
Contact Person: Ms. Swati

**ING Vysya Bank**

Plot No C-12, 'G' Block, 8th Floor, BKC  
Bandra (E), Mumbai - 400 051.  
Tel: 9833124134 Fax: 022-26522812  
Email: Parthsanghani@ingvysyabank.com  
Contact Person: Mr. Parth Sanghani

**Karur Vysya Bank, New Delhi**

882, East Park Road, Karol Bagh  
New Delhi-110005.  
Tel: 011-23535016 Fax: 011-23535020  
Email: karolbagh@kvbmail.com  
Contact Person: Mr. Hari Das

**Kotak Mahindra Bank**

Sco-16, Ground Floor  
Sector-14, Gurgaon, Haryana  
Tel: 0124-4283275 Fax: 0124-4283270  
Email: anurag.garg@kotak.com  
Contact Person: Mr. Anurag Garg

**Oriental Bank of Commerce**

Harsha Bhavan, E Block, Connaught Place  
New Delhi - 110 001.  
Tel: 011-23411229 Fax: 011-23413531  
Email: bm0007@obc.co.in  
Contact Person: Mr. Sanjeevan

**Punjab National Bank**

Large Corporate Branch, Tolstoy House

Tolstoy Marg, New Delhi - 110 001.  
Tel: 011-22658721 Fax: 011-41522135  
Email: sakshi.tuteja@pnb.co.in  
Contact Person: Ms. Sakshi Tuteja

**Ratnakar Bank Ltd**

Unit 2, Ground Floor, ABW Tower, IFFCO Chok, Gurgaon-122002  
Tel: 0124-4414450 Fax: 0124-4414455  
Email: sanjaynayak@ratnakarbank.com  
Contact Person: Mr. Pawan Parik

**State Bank of Bikaner and Jaipur**

United India Life Building, Sir P M Road  
Fort, Mumbai - 400 023.  
Tel: 022-22632706 Fax: 022-22660875  
Email: sbbj10282@sbbj.co.in  
Contact Person: Mr. Gautam Prakash

**State Bank of Hyderabad**

1204, Ashok Mahal, Tulloch Road  
Colaba, Mumbai - 400 039.  
Tel: 8080444600 Fax: 022-22851321  
Email: sbhosbmumbai@yahoo.co.in  
Contact Person: Mr. Shekhar

**Standard Chartered Bank**

Narayan Manzil , 23 Barakhamba Road New Delhi- 110091  
Tel: 011-49861779 Fax: 011-23743044  
Email: megha.rawat@sc.com  
Contact Person: Ms. Megha Rawat

**State Bank of India**

Corporate Accounts Group-Mumbai, Neville House, 3rd Floor  
J N Heredia Marg, Ballard Estate  
Mumbai - 400 001.  
Tel: 022-61542913 Fax: 022-61542912  
Email: punit.parikh@sbi.co.in  
Contact Person: Mr. Punit Parikh

**State Bank of Patiala**

Commercial Branch, Atlanta, 1st Floor  
Nariman Point, Mumbai - 400 021.  
Tel: 022-22844029 Fax: 022-66375703  
Email: sbop313@gmail.com  
Contact Person: Mr. Ritesh

**State Bank of Travancore**

18/4, Arya Samaj Road  
New Delhi - 110 005.  
Tel: 011-28751618 Fax: 011-28756599  
Email: newdelhi@sbt.co.in  
Contact Person: Mr. Abhilash K

**Syndicate Bank**

3rd Floor, 10, Homji Street, Fort  
Mumbai - 400 023.  
Tel: 9702392950 Fax: 022-22634328  
Email: mh.5063mumifb@syndicatebank.co.in  
Contact Person: Mr. S.K Gupta

**UCO Bank**

Flagship Corporate Centre, 5, Parliament Street  
New Delhi - 110 001.  
Tel: 011-23710014 Fax: 011-23510015  
Email: ndlfcc@ucobank.co.in  
Contact Person: Mr. Kapil Bisnoi

**Union Bank of India**

66/80, Mumbai Samachar Marg, Post Bag No-253, 518, Fort Mumbai  
Tel: 022-22888060 Fax: 022-22892050  
Email: ifbcp@unionbank.com  
Contact Person: Yash Bothra

**United Bank of India**

United Bank of India Building, 25, Sir P. M. Road, Fort, Mumbai - 400 001.  
Tel: 022-22020432 Fax: 022-22810440  
Email: anupoms@unitedbank.co.in  
Contact Person: Mr. Anupom Saha

**Vijaya Bank**

Corporate Banking Branch, Maker Chamber IV  
Nariman Point, Mumbai - 400 021  
Tel: 022-22814898 Fax: 022-22814181  
Email: mumbaicorpbanking@vijayabank.co.in  
Contact Person: Mr. Amber

**Yes Bank**

Plot no. 11/48, Shopping Centre , Diplomatic Enclave, Malcha Market , Chanakyapuri , New Delhi-110021.  
Tel: 011-30259033 Fax: 011-41680311  
Email: pooja.sharma2@yesbank.in  
Contact Person: Ms. Pooja Sharma

**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: delhi@sobhagyacap.com,  
Contact Person: Mr. Heemadri Mukerjea/ Ms. Archana Sharma

**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. S.D. Prabhakar

**Statutory Auditors****M/s Deloitte Haskins & Sells, Chartered Accountants**

Indiabulls Finance Centre,  
Tower 3, 27th-32nd Floor,  
Elphinstone Mill Compound,  
Senapati Bapat Marg,  
Elphinstone (W),

Mumbai – 400 013. India  
Tel: +91 22 6185 4000  
Fax: +91 22 6185 4601  
Contact Person: Mr. A. Siddharth, Partner

## CAPITAL STRUCTURE OF THE COMPANY

The Capital Structure of the Company is as under:

*(Rs. in lacs, except share data)*

Particulars as on the date of this Information Memorandum	Aggregate Value at Face Value
<b>(A) Authorized Share Capital</b>	
Comprising of 300,00,00,000 (Three Hundred Crore) Equity Shares of Rs.2/- (Rupees Two only) each, and 100,00,00,000 (One Hundred Crore) Preference Shares of Rs. 10/- (Rupees Ten only) each.	160,000.00
<b>(B) Issued, Subscribed and Paid-Up Capital before the Scheme*</b>	
15,56,89,656 (Fifteen Crore Fifty Six Lakhs Eighty Nine Thousand Six Hundred Fifty Six only) Equity Shares of Rs. 10/- (Rupees Ten Only) each fully paid up	15,568.97
<b>(C) Issued in terms of the Scheme*</b>	6,250.22
31,25,11,167 (Thirty One Crore Twenty Five Lac Eleven Thousand One Hundred Sixty Seven only) Fully Paid up equity shares of Rs. 2/- (Rupees Two Only) each	
<b>(D) Paid up Capital after the Scheme*</b>	6,250.22
31,25,11,167 (Thirty One Crore Twenty Five Lac Eleven Thousand One Hundred Sixty Seven only) Fully Paid up equity shares of Rs. 2/- (Rupees Two Only) each	
<b>(E) Securities Premium Account</b>	
Before the Scheme	33,653.48
After the Scheme	319,806.88
<p>*Upon effectiveness of the Scheme, in terms of clause 20(i) of the Scheme, the Amalgamated Company had, at a meeting of its Board of Directors held on March 25<sup>th</sup>, 2013 issued and allotted, inter-alia an aggregate of 31,25,11,167 Equity shares of face value Rs. 2/- each credited as fully paid-up, to the shareholders of fully paid-up shares of the Amalgamating Company, whose names appeared on its Register of members/ records of the depositories as the holders/beneficial holders of the shares of the Amalgamating Company as of March 20, 2013, the Record Date fixed by the Board of Directors of the Amalgamating Company for the purpose. Upon the issuance and allotment of the said shares in the Company, the pre scheme issued and paid up capital of the Company stood cancelled.</p> <p><b>Note 1:</b> The Board of Directors of the Amalgamated Company in their meeting held on March 25, 2013 has, pursuant to and in terms of clause 20(ii) of the Scheme, also issued and allotted 2,75,00,000 Warrants to the holders of listed warrants of the Amalgamating Company, whose names appeared on the records of the depositories as the holders/beneficial holders of such listed warrants of the Amalgamating Company as of March 20, 2013, the Record Date fixed by the Board of Directors of the Amalgamating Company for the purpose.</p> <p><b>Note 2:</b> The Board of Directors of the Amalgamated Company in their meeting held on March 25, 2013 has, pursuant to and in terms of clause 20(iii) of the Scheme, also issued</p>	

and allotted 2,07,00,000 warrants to the holders of unlisted warrants of the Amalgamating Company, whose names appeared on the records of the Amalgamating Company as the holders of such unlisted warrants of the Amalgamating Company as of March 20, 2013, the Record Date fixed by the Board of Directors of the Amalgamating Company for the purpose.

**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 Number of Shares	Cumulative authorized Share Capital
10-May-05	Incorporation	Equity	20,00,000	10	20,00,000	2,00,00,000
13-May-05	Increase in Authorised Capital	Equity	80,00,000	10	1,00,00,000	10,00,00,000
4-Jan-06	Increase in Authorised Capital	Equity	13,00,00,000	10	14,00,00,000	140,00,00,000
7-Feb-11	Increase in Authorised Capital	Equity	88,00,000	10	14,88,00,000	148,80,00,000
25-Mar-11	Increase in Authorised Capital	Equity	69,00,000	10	15,57,00,000	155,70,00,000
8-Mar-13	Reorganization of Share Capital pursuant to the Scheme of Arrangement	Equity	300,00,00,000	2	300,00,00,000 <sup>##</sup>	600,00,00,000
		Preference	100,00,00,000	10	100,00,00,000 <sup>##</sup>	1000,00,00,000

<sup>##</sup>Pursuant to Clause 17 of the Scheme of Arrangement, the Authorised Share Capital of the Company stands sub-divided and increased, upon the effectiveness of the scheme.

#### 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 IBFSL as subscriber to Memorandum	50,000	5,00,000	-
May 24, 2005	99,50,000	10	10	Cash	Allotment to IBFSL	1,00,00,000	10,00,00,000	-
February 8, 2006	4,50,00,000	10	25	Cash	Allotment to FCM SPV I Limited <sup>\$</sup>	5,50,00,000	55,00,00,000	67,50,00,000
February 8, 2006	8,00,00,000	10	10	Cash	Allotment to IBFSL	13,50,00,000	135,00,00,000	67,50,00,000
February 11, 2011	1,37,93,104	10	145	Cash	Allotment to IBFSL	14,87,93,104	148,79,31,040	2,53,70,69,040
March 25, 2011	68,96,552	10	145	Cash	Allotment to IBFSL	15,56,89,656 <sup>##</sup>	155,68,96,560	3,46,81,03,560

March 25, 2013	31,25,11,167	Nil	Nil, Pursuant to the Scheme	Pursuant to the Scheme	Allotment pursuant to the Scheme	31,25,11,167*	62,50,22,334	
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**Note:**

\*Upon effectiveness of the Scheme, in terms of clause 20(i) of the Scheme, the Amalgamated Company had, at a meeting of its Board of Directors held on March 25<sup>th</sup>, 2013 issued and allotted, inter-alia an aggregate of 31,25,11,167 Equity shares of face value Rs. 2/- each credited as fully paid-up, to the shareholders of fully paid-up shares of the Amalgamating Company, whose names appeared on its Register of members/ records of the depositories as the holders/beneficial holders of the shares of the Amalgamating Company as of March 20, 2013, the Record Date fixed by the Board of Directors of the Amalgamated Company for the purpose.

##The Pre-Scheme paid-up capital of Amalgamated Company stands cancelled pursuant to Scheme of Arrangement.

\$ These shares were transferred to erstwhile Indiabulls Financial Services Limited on March 28, 2007.

**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	March 25, 2013	Allotment pursuant to the Scheme	3,76,01,278	2	N.A.	Allotted as fully paid up	N.A.	12.03
Mr. Rajiv Rattan	March 25, 2013	Allotment pursuant to the Scheme	1,87,80,253	2	N.A.	Allotted as fully paid up	N.A.	6.01
Mr. Saurabh Kumar Mittal	March 25, 2013	Allotment pursuant to the Scheme	1,89,87,083	2	N.A.	Allotted as fully paid up	N.A.	6.08
<b>Total</b>			<b>7,53,68,614</b>					<b>24.12</b>

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

S.No	Name	Shareholding in Indiabulls Housing Finance Limited (In Nos.)	Percentage of total Shareholding
1.	Mr. Sameer Gehlaut	3,76,01,278	12.03



2.	Mr. Rajiv Rattan	1,87,80,253	6.01
3.	Mr. Saurabh Kumar Mittal	1,89,87,083	6.08
4.	Orthia Land Development Private Limited	1,57,17,165	5.03
5.	Orthia Developers Private Limited	1,26,81,557	4.06
6.	Priapus Properties Private Limited	70,39,926	2.25
7.	Hespera Infrastructure Private Limited	36,04,112	1.15
8.	Hespera Properties Private Limited	25,60,909	0.82
9.	Hespera Real Estate Private Limited	10,00,000	0.32
	<b>Total</b>	<b>11,79,72,283</b>	<b>37.75</b>

The other constituents of the promoter group comprising of Cleta Properties Private Limited, Cleta Buildtech Private Limited, Priapus Real Estate Private Limited, Priapus Developers Private Limited, Inuus Infrastructure Private Limited, Inuus Land Development Private Limited, Hespera Realty Private Limited, Hespera Realcon Private Limited and Priapus Constructions 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 the Designated Stock Exchange.

**Nil**

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

**Nil**

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

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)	<b>Promoter and Promoter Group</b>						
(1)	<b>Indian</b>						

(a)	Individuals/Hindu Undivided family	6*	6	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*	15,56,89,650	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
	<b>Sub-Total (A) (1)</b>	<b>7</b>	<b>15,56,89,656</b>	<b>100.00</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>
<b>(2)</b>	<b>Foreign</b>						
(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)	Qualified Foreign Investor	0	0	0.00	0.00	0	0.00
(e)	Any other (specify)	0	0	0.00	0.00	0	0.00
	<b>Sub-Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>7*</b>	<b>15,56,89,656</b>	<b>100.00</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>
<b>(B)</b>	<b>Public shareholding</b>					<b>N.A.</b>	<b>N.A.</b>
<b>(1)</b>	<b>Institutions</b>					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)	Qualified Foreign Investor	0	0	0.00	0.00	0	0.00
(i)	Any other (specify)						
	<b>Sub-Total (B) (1)</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>		
<b>(2)</b>	<b>Non-institutions</b>					<b>N.A.</b>	<b>N.A.</b>
(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)	Qualified Foreign	0	0	0.00	0.00	0	0.00

	Investor						
(d)	Any other (specify)						
(i)	Non-Resident Indians	0	0	0.00	0.00		
(ii)	Clearing Members	0	0	0.00	0.00		
	<b>Sub-Total (B) (2)</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>N.A.</b>	<b>N.A.</b>
	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>N.A.</b>	<b>N.A.</b>
	<b>Total (A)+(B)</b>	<b>7*</b>	<b>15,56,89,656</b>	<b>100.00</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>
<b>(C)</b>	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		
	<b>Grand Total (A) + (B) + (C)</b>	<b>7*</b>	<b>15,56,89,656</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>

\* Indiabulls Financial Services Limited was holding the entire share capital in its own name and through 6 individuals as its nominees.

#### 12. Details of Shareholders holding more than one percent of the share capital of Indiabulls Housing Finance Limited. (Pre Merger)

Name of the Shareholder	Number of Shares	Percentage of total Shareholding
Indiabulls Financial Services Limited*	15,56,89,656	100.00%
<b>Total</b>	<b>15,56,89,656</b>	<b>100.00%</b>

\*Includes six shares held through Nominees

#### 13. Details of Lock-in of shares of Promoter and Promoter group (Post Merger)

An aggregate of 6,25,02,234 Equity Shares constituting 20% of the post merger paid up capital of the IBHFL i.e. 31,25,11,167 Equity Shares of Rs. 2/- each, will be placed under lock-in, out of the shareholding of Promoters and Promoter Group, for a period of three years with effect from the date on which the shares issued in the Company pursuant to the Scheme of Arrangement, get listed on the Exchanges.

The pre merger capital of IBHFL was held entirely by IBFSL. As an integral part of the Scheme and pursuant to clause 26 thereof, upon allotment of shares under the Scheme by IBHFL, the entire pre merger shareholding of IBFSL in IBHFL has been cancelled. Accordingly, the requirement as to lock-in of pre merger capital of IBHFL does not apply in the instant case.

**14. Shareholding Pattern of our Company After Implementation of the Scheme as on March 31, 2013 (Post Merger)**

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)/(I V)*100
<b>A</b>	<b>Promoter and Promoter Group</b>							
<b>1</b>	<b>Indian</b>							
(a)	Individual/Hindu Undivided family	3	75368614	75368614	24.56	24.12	0	0.00
(b)	Central Government/state government(s)	0	0	0	0.00	0.00		
(c)	Bodies corporate	6	42603669	42603669	13.88	13.63	0	0.00
(d)	Financial Institutions/Banks	0	0	0	0.00	0.00	0	0.00
(e)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
(f)	Any other (specify)	0	0	0	0.00	0.00	0	0.00
	<b>Sub Total (A) (1)</b>	<b>9</b>	<b>117972283</b>	<b>117972283</b>	<b>38.44</b>	<b>37.75</b>	<b>0</b>	<b>0.00</b>
<b>2</b>	<b>Foreign</b>							
(a)	Individuals (Non resident individuals / Foreign individuals)	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
	<b>Sub Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter and Promoter Group A=A(1)+A(2)</b>	<b>9</b>	<b>117972283</b>	<b>117972283</b>	<b>38.44</b>	<b>37.75</b>	<b>0</b>	<b>0.00</b>
<b>(B)</b>	<b>Public shareholding</b>							
<b>1</b>	<b>Institutions</b>							
(a)	Mutual Funds / UTI	4	8176634	8176634	2.66	2.62	N.A	N.A
(b)	Financial Institutions / Banks	5	3038765	3038765	0.99	0.97	N.A	N.A
(c)	Central Government / State Government(s)	0	0	0	0.00	0.00	N.A	N.A
(d)	Venture Capital Funds	0	0	0	0.00	0.00	N.A	N.A
(e)	Insurance Companies	0	0	0	0.00	0.00	N.A	N.A
(f)	Foreign institutional investors	184	135164112	135164112	44.04	43.25	N.A	N.A
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	N.A	N.A

(h)	Qualified Foreign Investors	0	0	0	0.00	0.00	N.A	N.A
(i)	Any other (specify)	0	0	0	0.00	0.00	N.A	N.A
	<b>Sub Total (B) (1)</b>	<b>193</b>	<b>146379511</b>	<b>146379511</b>	<b>47.70</b>	<b>46.84</b>	<b>NA</b>	<b>NA</b>
<b>2</b>	<b>Non Instituions</b>							
(a)	Bodies Corporate	1040	15799778	15799778	5.15	5.06	N.A	N.A
(b)(I)	Individual shareholders holding nominal share capital up to Rs. 1 lakh	71923	10578573	10555840	3.45	3.39	N.A	N.A
(b)(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	35	10137738	9864338	3.30	3.24	N.A	N.A
(C)	Qualified Foreign Investors	0	0	0	0.00	0.00	N.A	N.A
(D)	Any other (specify)						N.A	N.A
	Non-Resident Indians	637	368995	368995	0.12	0.12	N.A	N.A
	Clearing Members	16	14679	14679	0.00	0.00	N.A	N.A
	Overseas Corporate Bodies	1	5651479	5651479	1.84	1.81	N.A	N.A
	<b>Sub Total (B) (2)</b>	<b>73652</b>	<b>42551242</b>	<b>42255109</b>	<b>13.86</b>	<b>13.62</b>	<b>NA</b>	<b>NA</b>
	<b>Total Public shareholding (B) = (B1) +(B2)</b>	<b>73845</b>	<b>188930753</b>	<b>188634620</b>	<b>61.56</b>	<b>60.46</b>		
	<b>Total (A)+(B)</b>	<b>73854</b>	<b>306903036</b>	<b>306606903</b>	<b>100.00</b>	<b>98.21</b>		
<b>(C)</b>	<b>Shares held by custodians and against which Depository Receipts have been issued</b>							
1	promoter and promoter group	0	0	0	0.00	0.00	0	0.00
2	Public	1	5608131	5608131	0.00	1.79	0	0.00
	<b>Grand Total (A) +(B)+( C)</b>	<b>73855</b>	<b>312511167</b>	<b>312215034</b>		<b>100.00</b>	<b>0</b>	<b>0.00</b>

**15. Details of Shareholders holding more than one percent of the share capital of Indiabulls Housing Finance Limited. (Post Merger)**

Name of the Shareholder	Number of Shares	Percentage of total Shareholding
SAMEER GEHLAUT	37601278	12.03
COPTHALL MAURITIUS INVESTMENT LIMITED	21848131	6.99
SAURABH KUMAR MITTAL	18987083	6.08
HSBC GLOBAL INVESTMENT FUNDS A/C HSBC GLOBAL INVESTMENT FUNDS MAURITIUS LIMITED	18962353	6.07
RAJIV RATTAN	18780253	6.01
ORTHIA LAND DEVELOPMENT PRIVATE LIMITED	15717165	5.03
HSBC BANK (MAURITIUS) LIMITED A/C CINNAMON CAPITAL LIMITED	15396580	4.93
ORTHIA DEVELOPERS PRIVATE LIMITED	12681557	4.06
MORGAN STANLEY ASIA (SINGAPORE) PTE.	7742820	2.48
PRIAPUS PROPERTIES PRIVATE LIMITED	7039926	2.25

LNM INDIA INTERNET VENTURES LIMITED	5651479	1.81
DEUTSCHE BANK TRUST COMPANY AMERICAS	5608131	1.79
CLSA (MAURITIUS) LIMITED	4028087	1.29
VANGUARD EMERGING MARKETS STOCK INDEX FUND, ASERIES OF VANGUARD INTERNATIONAL EQUITY INDE X FUND	4024329	1.29
HESPERA INFRASTRUCTURE PRIVATE LIMITED	3604112	1.15
<b>TOTAL</b>	<b>19,76,73,284</b>	<b>63.25</b>

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

	Pre Merger		Post Merger	
	No. of Equity Shares	Percentage of Equity capital Share	No. of Equity Shares	Percentage of Equity Share capital
<b>Promoters</b>				
Mr. Sameer Gehlaut	0.00	0.00	3,76,01,278	12.03
Mr. Rajiv Rattan	0.00	0.00	1,87,80,253	6.01
Mr. Saurabh Kumar Mittal	0.00	0.00	1,89,87,083	6.08
<b>Total Holding of Promoters</b>	<b>0.00</b>	<b>0.00</b>	<b>7,53,68,614</b>	<b>24.12</b>
<b>Promoters Group</b>				
Orthia Land Development Private Limited	0.00	0.00	1,57,17,165	5.03
Orthia Developers Private Limited	0.00	0.00	1,26,81,557	4.06
Priapus Properties Private Limited	0.00	0.00	70,39,926	2.25
Hespera Infrastructure Private Limited	0.00	0.00	36,04,112	1.15
Hespera Properties Private Limited	0.00	0.00	25,60,909	0.82
Hespera Real Estate Private Limited	0.00	0.00	10,00,000	0.32
Cleta Properties Private Limited	0.00	0.00	0.00	0.00
Cleta Buildtech Private Limited	0.00	0.00	0.00	0.00
Priapus Real Estate Private Limited	0.00	0.00	0.00	0.00
Priapus Developers Private Limited	0.00	0.00	0.00	0.00
Inuus Infrastructure Private Limited	0.00	0.00	0.00	0.00
Inuus Land Development Private Limited	0.00	0.00	0.00	0.00
Hespera Realty Private Limited	0.00	0.00	0.00	0.00
Hespera Realcon Private Limited	0.00	0.00	0.00	0.00
Priapus Constructions Private Limited	0.00	0.00	0.00	0.00
<b>Total Holding of Promoters Group</b>	<b>0.00</b>	<b>0.00</b>	<b>4,26,03,669</b>	<b>13.63</b>
<b>Total Holding of Promoters and Promoters Group</b>	<b>0.00</b>	<b>0.00</b>	<b>11,79,72,283</b>	<b>37.75</b>

**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 MERGER)

<b>Name of Shareholders</b>	<b>Number of shares held</b>	<b>% of Total number of shares of the Company</b>
SAMEER GEHLAUT	3,76,01,278	12.03
COPTHALL MAURITIUS INVESTMENT LIMITED	2,18,48,131	6.99
SAURABH KUMAR MITTAL	1,89,87,083	6.08
HSBC GLOBAL INVESTMENT FUNDS A/C HSBC GLOBAL INVESTMENT FUNDS MAURITIUS LIMITED	1,89,62,353	6.07
RAJIV RATTAN	1,87,80,253	6.01
ORTHIA LAND DEVELOPMENT PRIVATE LIMITED	1,57,17,165	5.03
HSBC BANK (MAURITIUS) LIMITED A/C CINNAMON CAPITAL LIMITED	1,53,96,580	4.93
ORTHIA DEVELOPERS PRIVATE LIMITED	1,26,81,557	4.06
MORGAN STANLEY ASIA (SINGAPORE) PTE.	77,42,820	2.48
PRIAPUS PROPERTIES PRIVATE LIMITED	70,39,926	2.25
<b>Total</b>	<b>17,47,57,146</b>	<b>55.92</b>

b.) Two years prior to the date of this Information Memorandum (PRE MERGER)

<b>Name of the Shareholder</b>	<b>Number of Shares</b>	<b>% of Total number of shares of the Company</b>
Indiabulls Financial Services Limited*	15,56,89,656	100.00
<b>Total</b>	<b>15,56,89,656</b>	<b>100.00</b>

\*Includes six shares held through Nominees

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

<b>Name of Shareholders</b>	<b>Number of shares held</b>	<b>% of Total number of shares of the Company</b>
SAMEER GEHLAUT	3,76,01,278	12.03
COPTHALL MAURITIUS INVESTMENT LIMITED	2,18,48,131	6.99
SAURABH KUMAR MITTAL	1,89,87,083	6.08
HSBC GLOBAL INVESTMENT FUNDS A/C HSBC GLOBAL INVESTMENT FUNDS MAURITIUS LIMITED	1,89,62,353	6.07
RAJIV RATTAN	1,87,80,253	6.01
ORTHIA LAND DEVELOPMENT PRIVATE LIMITED	1,57,17,165	5.03
HSBC BANK (MAURITIUS) LIMITED A/C CINNAMON CAPITAL LIMITED	1,53,96,580	4.93
ORTHIA DEVELOPERS PRIVATE LIMITED	1,26,81,557	4.06
MORGAN STANLEY ASIA (SINGAPORE) PTE.	77,42,820	2.48
PRIAPUS PROPERTIES PRIVATE LIMITED	70,39,926	2.25
<b>Total</b>	<b>17,47,57,146</b>	<b>55.92</b>

18. The Company has four ESOP schemes in the Company as on the date of this Information Memorandum.
19. As on March 31, 2013, there are 43,87,066 outstanding stock options under different employees stock option schemes.  
  
Further there are also 4,82,00,000 warrants convertible into an equivalent number of equity shares of Rs. 2/- each, the breakup of which is as under:
  - a. 2,75,00,000 Warrants issued to holders of listed Warrants of the Amalgamating Company; and
  - b. 2,07,00,000 warrants issued to holders of unlisted warrants of the Amalgamating Company.
20. The Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.
21. 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.
22. The Company has 73855 shareholders as on the date of filing the Information Memorandum.
23. The Equity Shares held by the Promoter are not subject to any pledge.
24. 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 98 of this Information Memorandum.
25. As on date there are no partly paid up shares.



## STATEMENT OF TAX BENEFITS

The statement of tax benefits has been prepared by Tax Auditors, M/s A Sardana & Co., Chartered Accountants, vide their letter dated May 9, 2013.

*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 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.*

To  
The Board of Directors  
Indiabulls Housing Finance Limited  
F-60, Malhotra Building, 2<sup>nd</sup> Floor,  
New Delhi-110001

Dear Sirs,

We hereby confirm that the enclosed annexure, prepared by Indiabulls Housing Finance Limited ("the Company"), states the possible tax benefits available to the shareholders of the Company under the Income-tax Act, 1961 ('Act'), the Wealth Tax Act, 1957 and the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which the shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We do not express an opinion or provide any assurance as to whether:

- the shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met.

For A Sardana & Co.  
Chartered Accountants  
Firm registration no. 021890N

Sd/-  
Ajay Sardana  
Partner  
Membership No. 089011  
New Delhi, May 09, 2013

**ANNEXURE TO LETTER DATED MAY 9, 2013 - THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO SHAREHOLDERS OF INDIABULLS HOUSING FINANCE LIMITED.**

Outlined below are the possible benefits available to shareholders of Indiabulls Housing Finance Limited ("the Company") under the current direct tax laws in India for the financial year 2012-13.

**Statement of General Tax Benefits:**

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

**A. Under the Income Tax Act, 1961 ("ITA")**

***I. Benefits available to Resident Shareholders***

1. Under Section 10(32) of the ITA, any income of minor children clubbed in the total income of the parent under Section 64(1A) of the ITA, 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 ITA 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.

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

1. Under Section 10(32) of the ITA, any income of minor children clubbed in the total income of the parent under Section 64(1A) of the ITA, 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 ITA 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 ITA, in case of residents. However, as per the provisions of section 195 of the ITA, any income by way of capital gains, payable to non residents (except long-term capital gains exempt under section 10(38) of the ITA), may be eligible to the provisions of withholding 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, with effect from 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.

### ***III 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:

<b>Nature of income</b>	<b>Rate of tax (%)</b>
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.



**IV. 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 ITA, 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**

#### **ECONOMIC SCENARIO:**

The GDP growth rate for FY 12-13 is estimated at 5.9%. But it is expected that several initiatives taken by the government during the course of the year will prove to be catalysts in spurring the growth rate. Some of these initiatives are FDI in multi brand retail and aviation sectors, diesel price partial deregulation, capping the number of subsidized LPG gas cylinders and proposed measures like opening of the pension sector to foreign investments and raising the FDI cap in insurance to 49%.

Monetary policy has finally begun to show a pro growth inclination. With inflation moderating to sub 7% levels, in the second half of the year, RBI moved to address the liquidity deficit issue which was constraining growth. Over the course of the last financial year, the Reserve bank dropped repo rate by 100 basis points to 7.50% and cut the CRR by 75 basis points to 4.00% from year opening figure of 8.50% and 4.75% respectively.

Headline WPI inflation is expected to further reduce to sub 6% levels over FY13-14 especially on the back of normal monsoons. This will afford the RBI more headroom in reducing repo rate and CRR.

#### **INDUSTRY OVERVIEW:**

The home loan industry in India mainly comprises of banks and Housing Finance Companies (HFCs). The National Housing Bank (NHB) operates as the nodal regulatory agency to promote, regulate and provide financial and other support to HFCs at local and regional levels. HFCs primarily depend on funding sources such as loans from banks and financial institutions, refinance from NHB, borrowing through bonds and debentures, commercial paper, subordinate debt, besides their own equity and reserves.

A decade of steady economic growth driven by the industrial and service sector has resulted in steady growth in per capita income. This has triggered a migration towards urban areas chasing expanding job opportunities in the service and non-agricultural sectors. Cascading effects of this are growing income levels and fragmentation of traditionally large family structures into smaller nuclear units. Economic growth has also meant that availability of finance is now easier, quicker and more customer centric. All these factors, coupled with a large housing shortfall, have converged to trigger an unprecedented boom in the housing market, and resultantly in the housing loan market.

Indeed, the housing finance sector has witnessed high levels of sustained growth over the last several years. Housing finance disbursements have grown at a CAGR of 30% in the ten years between 2000-01 and 2010-11. The total outstanding domestic housing credit has grown at a CAGR of 20% in the five years between 2004-05 and 2010-11.

Being specialist finance companies, HFCs have processes and procedures completely tuned to their products. They have the optimal distribution network with presence in locations and localities where demand and potential is the highest. Key personnel such as the sales teams, credit teams and the collection network are extensively trained to administer and manage housing loans. And indeed, housing loans as a product is unique in many respects.

Housing loans require continuous and constant engagement with the customer, unlike fixed interest, fixed EMI retail individual loans. Housing loans are almost always extended at a variable rate of interest and have tenures of over 15 years. Constant customer engagement is necessitated by factors such as changing EMIs due to changes in rates of interest; customers having the option to opt for a change in tenure or change in EMI with changes in interest rates; customers opting to pre-pay over the long duration of the loan; customers opting to transfer in, from another lender, or transfer their balance out, to another lender, in the search of more favourable terms.

As most of the housing loans extended towards under-construction properties is construction linked, on the loan appraisal and disbursal part of the operations, HFCs have to have the ability to assess various residential real estate developers to effectively estimate construction and other project related risks. Though the customer bears the responsibility for complete servicing and repayment of the loan irrespective of completion and delivery of the housing unit, construction and project risks nevertheless have a bearing on proper loan repayment and collateral realization in the event of a default.

With increasing competition finance companies and banks that are best placed to manage the unique dynamics of the housing loan product are at an advantage. HFCs, having built their operations exclusively around housing loans, have been witnessing a steady growth in market share. In FY 2012-13, HFCs contributed 47% of the domestic housing finance growth over the previous year, up from only 22% in FY 2005-06. This trend is expected to continue with HFCs capturing an ever increasing share of the mortgage finance market.

Promoting home ownership, especially in the affordable housing segment has been a high government priority. Underlining this, the Finance Minister raised tax deduction limit by Rs. 1 lakh for first-time home buyers. This translates to reduction in the effective rate of interest that the home purchaser has to pay on any loan that he avails.

## **BUSINESS OVERVIEW**

The Company, as an incorporated legal entity came into existence on May 10, 2005, under the Companies Act, 1956, having been registered on such date with the Registrar of Companies, NCT of Delhi and Haryana vide registration no. U65922DL2005PLC136029 and obtained the certificate for commencement of business on January 10, 2006, to enable it to carry on the business of housing finance, upon receipt of the license to do so from the National Housing Bank. Indiabulls Financial Services Limited (IBFSL), the erstwhile promoter of the Company, incorporated on January 10, 2000 and since March 30, 2001, had already been functioning, as a non banking finance company. The merger of IBFSL with the Company, on a going concern basis, therefore ensured a continuity of the Company's business, since March 30, 2001.

The Company is India's 3rd largest Housing Finance Company post the merger with its wholly owned erstwhile parent company, Indiabulls Financial Services Limited. The company manages loan assets of Rs 34,425 Cr as on March 31, 2013 (Consolidated basis).

In the year end March 31, 2013 the company clocked a PAT of Rs 1,266 Cr, an increase of 25.8% compared to FY 2011-12's PAT of erstwhile holding company IBFSL of Rs 1,006 Cr (Consolidated basis).

Indiabulls has nationwide presence through its network of 200 branches spread across 20 states and union territories. Over the last decade the company has expanded its branch network to effectively cover geographical areas relevant to its suite of products.

## KEY INDUSTRY REGULATIONS

The Company is a registered HFC, without accepting public deposits, with the NHB and also as a notified financial institution under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, is engaged in the business of housing finance activities which include inter alia providing home loan to any person for purchase of residential property as well as provide finance through intermediaries for housing projects.

The following description is a summary of certain sector specific laws & regulations in India which are applicable to our Company. The regulations set out hereunder may not be exhaustive & are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

### **The National Housing Bank Act, 1987**

The National Housing Bank Act, 1987 (the “**NHB Act**”), was enacted to establish NHB to operate as a principal agency to promote HFCs both at the local and regional levels and to provide financial and other support to such institutions for matters connected therewith or incidental thereto. NHB is entrusted with the responsibility of regulating and supervising activities of HFCs by virtue of power vested in the NHB ACT, 1987. In terms of the NHB ACT, 1987, NHB is expected, in the public interest, to regulate the housing finance system of the country to its advantage and/or to prevent the affairs of any housing finance institution being conducted in a manner detrimental to the interest of its stake holders. For this, NHB has been empowered to determine the policy and give directions to the housing finance institutions and their auditors.

Under the NHB Act, every HFC is required to obtain a certificate of registration and meet the requirement of net owned funds of Rs. 100 million or such other higher amount as the NHB may specify for commencing or carrying on the business of HFCs. Pursuant to the NHB Act, every HFC is also required to create a reserve fund and transfer therein a sum not less than 20% of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

### **The Housing Finance Companies (National Housing Bank) Directions, 2010, as amended**

The objective of the NHB Directions, 2010 is to provide the prudential norms for income recognition, accounting standards, asset classification, provision for bad and doubtful assets, capital adequacy and concentration of credit/investment and etc. to be observed by the housing finance institutions and the matters to be included in the auditors’ report by the auditors of housing finance institutions.

### **The Prevention of Money Laundering Act, 2002**

The Prevention of Money Laundering Act, 2002 (the “**PMLA**”) was enacted to prevent money laundering and to provide for confiscation of property derived from, and involved in, money laundering. In terms of the PMLA, every financial institution, including housing finance institutions, is required to maintain record of all transactions including the value and nature of such transactions, furnish information of such transactions to the director defined under PMLA and verify and maintain the records of the identity of all its clients, in such a manner as may be prescribed.

### **SARFAESI Act**

The SARFAESI Act regulates the securitization and reconstruction of financial assets of banks and financial institutions. The SARFAESI Act provides for measures in relation to enforcement of security interests and rights of the secured creditor in case of default. The Government of India, in exercise of the powers conferred under sub-section (1) of section 2 of the SARFAESI Act, has specified certain HFCs (including the Company), which can enforce security interest as per the SARFAESI Act.

### **Refinance Scheme for Housing Finance Companies, 2003**

Pursuant to Refinance Scheme for Housing Finance Companies, 2003 (“**Refinance Scheme**”), as amended, HFCs registered with the NHB are eligible to obtain refinance from the NHB in respect of their direct lending up to Rs.5 million to individuals for the purchase, construction, repair and upgrade of housing units. The financial assistance can be drawn by HFCs in respect of loans already advanced by them and also for prospective disbursements. All HFCs registered with NHB are eligible to apply for refinance from NHB and will be eligible subject to the refinance policy.

### **Master Circular on Housing Finance issued by the Reserve Bank of India**

Pursuant to the Master Circular on Housing Finance dated July 2, 2012, as amended issued by the Reserve Bank of India (“**Master Circular**”), banks are eligible to deploy their funds under the housing finance allocation in any of three categories, i.e. (i) direct finance; (ii) indirect finance; or (iii) investment in bonds of the NHB/Housing and Urban Development Corporation Limited, or combination thereof. Indirect finance includes loans to HFCs, housing boards, other public housing agencies, etc., primarily for augmenting the supply of serviced land and constructed units.

Under the terms of the Master Circular, banks may grant loans to HFCs taking in to account (long-term) debt-equity ratio, track record, recovery performance and other relevant factors. The quantum of term loan to be sanctioned to HFCs will not be linked to net owned funds as NHB.

### **Priority Sector Lending**

Pursuant to a RBI circular dated July 20, 2012 and October 17, 2012, loans granted by banks to HFCs, approved by the NHB for the purpose of refinance, for on-lending for purchase/construction/reconstruction of individual dwelling units or for slum clearance and rehabilitation of slum dwellers, subject to an aggregate loan limit of Rs 10 lakh per borrower would be classified under priority sector, provided that all inclusive interest rate charged to the ultimate borrower is not exceeding the lowest lending rate of the lending bank for housing loans plus 2% p.a.

### **Implementation of Golden Jubilee Rural Housing Scheme and 1% Interest Subvention Schemes of Housing & Urban Development Ministry, Government of India.**

The NHB is the nodal agency for implementation of the above two schemes framed by the GoI for economically weaker sections of the country. The NHB issues guidelines to all HFCs from time to time towards implementation of these schemes. HFCs are required to follow NHB guidelines in this regards and report periodically about the status of implementation.

### **Guidelines for Asset Liability Management System for HFCs vide circular dated October 11, 2010**

Pursuant to NHB circular dated October 11, 2010 on asset liability management system by HFCs (“**ALM Guidelines**”), NHB lays down broad guidelines for HFCs to have proper systems for management of liquidity and interest rate risks. The ALM Guidelines provide that the board of directors of an HFC should have overall responsibility for management of risks and should decide the risk management policy and set limits for liquidity, interest rate, exchange rate and equity price risks. Additionally, an asset-liability committee is required to be constituted consisting of the HFC’s senior management including the chief executive officer for ensuring adherence to the limits set by the board as well as for deciding the business strategy of the HFC (on the assets and liabilities sides) in line with the HFC’s budget and decided risk management objectives.

### **Guidelines on Fair Practices Code for HFCs**

Pursuant to NHB circular dated September 5, 2006, amended on October 11, 2010 & on April 25, 2011, the Guidelines on Fair Practices Code for HFCs (“**Fair Practices Code**”) were issued by the NHB to cover all aspects of loan sanctioning, disbursement and repayment issues as well as the procedures to be followed in resolving grievances of clients expeditiously through a transparent process & procedure on grievance redressal mechanism. The Fair Practices Code seeks to promote good and fair practices by setting minimum standards in dealing with customers, increase transparency, encourage market forces, promote fair and cordial relationship between customer and HFCs and foster confidence in the housing finance system.

### **Guidelines for Recovery Agents Engaged by HFCs**

The Guidelines for Recovery Agents Engaged by HFCs ("**Recovery Agents Guidelines**") were issued on July 14, 2008 by the NHB in relation to the practices and procedures regarding the engagement of recovery agents by the HFCs. In terms of these guidelines, HFCs are required to have a due diligence process in place for engagement of recovery agents, which should cover inter-alia, individuals involved in the recovery process. HFCs are required to ensure that the agents engaged by them in the recovery process carry out verification of the antecedents of their employees and HFCs may decide the periodicity at which re-verification should be resorted to. HFCs are required to ensure that the recovery agents are properly trained to handle with care and sensitivity their responsibilities, in particular, aspects like hours of calling and privacy of customer information, among others. HFCs are also required to inform the borrower of the details of recovery agency firms/companies while forwarding default cases to the recovery agency.

### **Guidelines for engagement of Direct Selling Agent (DSA)**

**The guidelines on engagement of Direct Selling Agent (DSA) were issued to HFCs on 14<sup>th</sup> July 2008 prescribing therein detailed guidelines to be followed by the direct selling agents of the Company. The Bank has also advised in its guidelines to adopt model code of conduct for the DSA engaged by the Company.**

### **Know Your Customer Guidelines**

The KYC Guidelines issued by NHB on October 11, 2010 mandate the KYC policies and anti money laundering measures for HFC to have certain key elements, including inter-alia a customer acceptance policy, customer identification procedures, monitoring of transactions and risk management, adherence to NHB KYC Guidelines and the exercise of due diligence by the NBFC, including its brokers and agents.

### **Norms for excessive interest rates**

The NHB notification has advised all HFCs to revisit internal policies in determining interest rates and fee and other charges. The NHB has also advised all HFCs not to charge excessive interest from their clients. According to this advice, the board of each HFC is required to revisit its policies on interest rate determination, fees and other charges, including margins and risk premiums charged to different categories of borrowers and approve the same

### **Foreign Investment in HFCs**

Foreign Investment in India is governed primarily by the provisions of the FEMA and the rules, regulations and notifications there-under, read with the presently applicable Consolidated FDI Policy, dated April 10, 2012 ("**Consolidated FDI Policy**") (provisions of the Circular 1 of 2012) issued by the Department of Industrial Policy and Promotion from time to time. As per the provisions of the Consolidated FDI Policy, 100% FDI under the automatic route is permitted for investment in the Non-Banking Finance Companies, which includes HFCs, subject to certain prescribed conditions.

Where FDI is allowed on an automatic basis without FIPB approval, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where FIPB approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company.

### **FII Regulations and Portfolio Investment Scheme of RBI**

FIIs wishing to invest and trade in Indian securities in India under the portfolio investment route are required to register with the SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations 1995 ("**FII Regulations**"). FIIs may also invest in securities of Indian companies pursuant to the FDI route discussed above. RBI has notified on its website, for larger public dissemination, that under the Portfolio Investment Scheme, FIIs, & NRIs /PIOs through primary market and stock exchanges, can purchase equity shares and convertible debentures of the Company, upto 100% & 24 % respectively, of the paid up capital of the Company.

### **Shops and Establishments legislations in various states**

The provisions of various Shops and Establishments legislations, as applicable, regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter-alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health, termination of services and safety measures and wages for overtime work.

### **Payment of Gratuity Act, 1972**

Under the Payment of Gratuity Act, 1972, as amended (the "**Gratuity Act**"), an employee who has been in continuous service for a period of 5 years will be eligible for gratuity upon his resignation, retirement, superannuation, death or disablement due to accident or disease, provided the completion of service of 5 years will not be necessary where such termination is due to death or disablement.

### **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

The PF Act is applicable to every establishment which is a factory engaged in any industry specified in Schedule I of that legislation and in which twenty or more persons are employed, as well as to any other establishment employing twenty or more persons or class of such establishments which the Central Government may by notification in the Official Gazette specify in that behalf. The Central Government may notify schemes under the PF Act whereby the employer as well as the employee is required to make a contribution to a common pool of funds.



## HISTORY AND CERTAIN CORPORATE MATTERS

### HISTORY AND MAJOR EVENTS

The Company, as an incorporated legal entity came into existence on May 10, 2005, under the Companies Act, 1956, having been registered on such date with the Registrar of Companies, NCT of Delhi and Haryana vide registration no. U65922DL2005PLC136029 and obtained the certificate for commencement of business on January 10, 2006, to enable it to carry on the business of housing finance, upon receipt of the license to do so from the National Housing Bank. Indiabulls Financial Services Limited (IBFSL), the erstwhile promoter of the Company, incorporated on January 10, 2000 and since March 30, 2001, had already been functioning, as a non banking finance company. The merger of IBFSL with the Company, on a going concern basis, therefore ensured a continuity of the Company's business, since March 30, 2001.

The Registered Office of the Company is situated at F-60, Malhotra Building, 2<sup>nd</sup> Floor, Connaught Place, New Delhi – 110 001.

Our Company is engaged in the business of housing finance activities which include inter alia providing finance to any person for purchase of residential property.

### Major Events

<b>Date/Period</b>	<b>Activities</b>
May 10, 2005	Incorporated as Public Limited Company under the Companies Act, 1956, as a wholly owned subsidiary of Indiabulls Financial Services Limited.
December 28, 2005	Registered with National Housing Bank vide registration no. 02.0063.05 to commence Housing Finance Activities.
January 10, 2006	Our Company obtained the Certificate of commencement of business.
September 19, 2007	Registered with Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 vide Notification dated 19th September, 2007 issued by Department of Financial Services, Ministry of Finance.
December 12, 2012	The Hon'ble High Court of Delhi at New Delhi, approved the Scheme of Arrangement between Indiabulls Financial Services Limited, Indiabulls Housing Finance Limited and their respective shareholders and creditors
March 8, 2013	The above Scheme came into effect on filing of Court Order 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 1, 2012.

## 1. Corporate profile of the Company

### Description of activities and Services provided by the Company:

Indiabulls Housing Finance Limited, registered with the National Housing Bank as a housing finance institution (without accepting public deposits) and also as a financial institution under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, is engaged in the business of housing finance activities which include inter alia providing finance to any person for purchase of residential property.

**Injunction or restraining orders:** Nil

## 2. Main Objects of the Company

1. Subject to the approval of authority, if any, to carry on the business of housing finance in India and elsewhere.
2. To provide finance and to undertake all lending and finance to any person or persons, co-operative society, association of persons, body of individuals, companies, institutions, firms, builders, developers, contractors, tenants and others either at interest or without and/or with or without any security for construction, erection, building, repair, remodeling, development, improvement, purchase of houses, apartments, flats, bungalows, rooms, huts, townships and/or other buildings and real estate of all descriptions or convenience there on and to equip the same or part thereof with all or any amenities or conveniences, drainage facility, electric, telephonic, television, and other installations, either in total or part thereof and /or to purchase any free hold or lease hold lands, estate or interest in any property and to carry on the business of Long Term Finance or otherwise finance for Industrial or agricultural development, development of infrastructure facility, development of Housing in India or for constructions or purchase of residential houses/ residential projects in India.
3. To build, to take on lease, purchase or acquire in any manner whatsoever any apartments, houses, flats, bungalows, townships, rooms and huts and building of all descriptions and to let or dispose of the same on any system of installment payment basis, rent, purchase basis or by outright sale whether by private treaty or in any other mode of disposition all or any integral part thereof.
4. To carry on the business of financial advisors and consultants by themselves and / or jointly with other companies, institutions, firms , individuals, builders, developers and to manage, invest in and acquire, and hold, sell, buy or otherwise deal houses, apartments, flats, bungalows, rooms, huts, townships, real estate and buildings of all descriptions.
5. To advance money to any person or persons, company or corporation, society or association, for long term, either at interest or without, and / or with or without any security for the purpose of enabling such borrower to construct or purchase a house or flat for residential purposes and on such terms and conditions as the Company may deem fit and also to provide long term finance to the persons, engaged in the business of constructions of houses or flats for residential purpose to be sold by them by way of hire purchase or on deferred payment or other similar basis, upon such terms and conditions, as the Company may deem fit.
6. To receive loans of every description from the public, Government agencies, financial institutions and corporate bodies.
7. To hold investments in various step-down subsidiaries.
8. To carry on the business of making loans and advances, financing and investment advisory services, upon such terms and conditions, as the Company may deem fit.

- 9.
- a) To engage in the business of the insurance intermediation and acting as corporate agent, composite insurance agent, insurance broker, insurance consultant etc. for the purpose of soliciting or procuring life or general insurance business for clients and insurance companies.
  - b) To act as corporate insurance agent for life insurers and general insurers and procure business for them.

- c) To act as agents for insurance products such as life, pension, fire, motor & other products and to carry on the business of insurance either directly or as an insurance agent, insurance broker or otherwise”.

**Changes in Memorandum of Association of the Company**

S. No.	Date of Change	Type of Meeting	Type of Resolution	Brief particulars of Change
1.	May 13, 2005		Pursuant to Ordinary Resolution passed by the Shareholders of the Company at their duly convened Extraordinary General Meeting.	Increase in Authorized Capital from Rs.2,00,00,000/- divided into 20,00,000 equity shares of Rs. 10/- each to Rs.10,00,00,000/- divided into 1,00,00,000 equity shares of Rs. 10/- each
2.	January 04, 2006		Pursuant to Ordinary Resolution passed by the Shareholders of the Company at their duly convened Extraordinary General Meeting.	Increase in Authorized Capital from Rs.10,00,00,000/- divided into 1,00,00,000 equity shares of Rs. 10/- each to Rs.140,00,00,000/- divided into 14,00,00,000 equity shares of Rs. 10/- each
3.	February 07, 2011		Pursuant to Ordinary Resolution passed by the Shareholders of the Company at their duly convened Extraordinary General Meeting.	Increase in Authorized Capital from Rs.140,00,00,000/- divided into 14,00,00,000 equity shares of Rs. 10/- each to Rs.148,80,00,000/- divided into 14,88,00,000 equity shares of Rs. 10/- each
4.	March 25, 2011		Pursuant to Ordinary Resolution passed by the Shareholders of the Company at their duly convened Extraordinary General Meeting.	Increase in Authorized Capital from Rs.148,80,00,000/- divided into 14,88,00,000 equity shares of Rs. 10/- each to Rs.155,70,00,000/- divided into 15,57,00,000 Equity Shares of Rs. 10/-each
5.	March 8, 2013		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.155,70,00,000/- divided into 15,57,00,000 Equity Shares of Rs. 10/- each to Rs. 16,00,00,00,000/- divided into 300,00,00,000 Equity Shares of Rs.2/- each, 100,00,00,000 Preference Shares of Rs. 10/- each
6.	March 8, 2013		Pursuant to the Court approved Scheme of Arrangement	Alteration in the main object clause by additions of clauses 5 to 8.

**Holding and Subsidiary Companies**

The Company has no holding company as on the date of this Information Memorandum.

The Company has 16 subsidiary companies, listed below:

1. Indiabulls Insurance Advisors Limited
2. Indiabulls Finance Company Private Limited
3. Indiabulls Capital Services limited
4. Nilgiri Financial Consultants Ltd
5. Indiabulls Infrastructure Credit Limited
6. Ibulls Sales Limited
7. Indiabulls Advisory Services Limited

8. Indiabulls Collection Agency Limited
9. Indiabulls Asset Holding Company Limited
10. Indiabulls Life Insurance Company Limited
11. Indiabulls Asset Management Company Limited
12. Indiabulls Trustee Company Limited
13. Indiabulls Venture Capital Management Company Limited
14. Indiabulls Venture Capital Trustee Company Limited
15. Indiabulls Holdings Limited
16. Indiabulls Asset Reconstruction Company Limited

#### **Shareholders Agreement**

There are no shareholder agreements which govern the right/obligations amongst the shareholders and/or the company as on date of Filing of the Information Memorandum with the Designated Stock Exchange.

#### **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 6 of the Scheme read with clause 10 thereof all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which the Amalgamating Company is a party or to the benefit of which the 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 Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto.

#### **Strategic Partners**

There are no strategic partners in the Company.

#### **Financial Partners**

There are no financial partners in the Company.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Indiabulls Housing Finance 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 Managing Director and CEO.

<b>Name, Fathers' name, Designation, Status, Experience, Occupation, Address</b>	<b>Age (In Years)</b>	<b>Qualifications</b>	<b>DIN</b>	<b>Details of directorships in other companies</b>
<p><b>Mr. Sameer Gehlaut</b></p> <p>S/o: Shri. Balwan Singh</p> <p><b>Designation:</b> Chairman &amp; Executive Director</p> <p><b>Status:</b> Promoter Director</p> <p><b>Experience:</b> 18 years</p> <p><b>Occupation:</b> Entrepreneur</p> <p><b>Address:</b> Indiabulls Finance Centre, Tower 1, 18th Floor, Elphinstone Road, Mumbai, 400013, Maharashtra, India</p>	39 years	B.Tech., IIT Delhi	00060783	<ol style="list-style-type: none"> <li>1. Indiabulls Finance Company Private Limited</li> <li>2. Indiabulls Real Estate Limited</li> <li>3. Indiabulls Power Limited.</li> <li>4. Karanbhumi Estates Private Limited</li> <li>5. Meru Minerals Private Limited</li> <li>6. Ceres Real Estate Private Limited</li> <li>7. Indiabulls Mining Private Limited</li> <li>8. Ceres Power Transmission Private Limited</li> <li>9. Ceres Electricity Distribution Private Limited</li> <li>10. Indiabulls Electricity Distribution Private Limited</li> <li>11. Inuus Infrastructure Private Limited</li> <li>12. Galax Minerals Private Limited</li> <li>13. Inuus Land Development Private Limited</li> <li>14. Inuus Real Estate Private Limited</li> <li>15. Inuus Developers Private Limited</li> <li>16. Inuus Properties Private</li> </ol>

					<p>Limited</p> <p>17. Orthia Real Estate Private Limited</p> <p>18. Orthia Properties Private Limited</p> <p>19. Ceres Energy Private Limited</p> <p>20. Mugwort Real Estate Private Limited</p> <p>21. Valerian Real Estate Private Limited</p> <p>22. Calleis Real Estate Private Limited</p> <p>23. Indiabulls Infrastructure And Power Limited</p> <p>24. Cleta Infracon Private Limited</p> <p>25. Indiabulls Property Management Trustee Pte. Ltd.</p>
<p><b>Mr. Rajiv Rattan</b></p> <p>S/o : Shri Ram Rattan</p> <p><b>Designation:</b> Non - Executive Director</p> <p><b>Status:</b> Promoter Director</p> <p><b>Experience:</b> 19 years</p> <p><b>Occupation:</b> Entrepreneur</p> <p><b>Address:</b> 60, 2nd Floor, Vasant Marg, Vasant Vihar, New Delhi - 110057, India</p>	40 years	B.Tech., Delhi	IIT	00010849	<p>1. Indiabulls Real Estate Limited</p> <p>2. Indiabulls Life Insurance Company Limited</p> <p>3. Indiabulls CSEB Bhayathan Power Limited</p> <p>4. Indiabulls Power Limited.</p> <p>5. Indiabulls Realtech Limited</p> <p>6. Spire Constructions Private Limited</p> <p>7. Ceres Real Estate Private Limited</p> <p>8. Indiabulls Mining Private Limited</p> <p>9. Ceres Power Transmission Private Limited</p> <p>10. Ceres Electricity Distribution Private Limited</p> <p>11. Indiabulls Electricity</p>

				<p>Distribution Private Limited</p> <p>12. Priapus Developers Private Limited</p> <p>13. Nettle Constructions Private Limited</p> <p>14. Priapus Land Development Private Limited</p> <p>15. Priapus Constructions Private Limited</p> <p>16. Arcelormittal Indiabulls Mining Private Limited</p> <p>17. Ceres Energy Private Limited</p> <p>18. Heliotrope Real Estate Private Limited</p> <p>19. Antheia Infrastructure Private Limited</p> <p>20. Antheia Constructions /Private Limited</p> <p>21. Indiabulls Infrastructure And Power Limited</p> <p>22. Cleta Land Development Private Limited</p> <p>23. Antheia Buildcon Private Limited</p> <p>24. Tupelo Properties Private Limited</p> <p>25. Indiabulls Property Management Trustee Pte. Ltd.</p>
<p><b>Mr. Saurabh Kumar Mittal</b></p> <p>S/o : Dr. Santosh Kumar Mittal</p> <p><b>Designation:</b> Non - Executive Director</p> <p><b>Status:</b> Promoter Director</p> <p><b>Experience:</b> 18 years</p> <p><b>Occupation:</b> Entrepreneur</p>	39 years	B. Tech., IIT Delhi, MBA from Harvard Business School	01175382	<p>1. Indiabulls Real Estate Limited</p> <p>2. Indiabulls Power Limited.</p> <p>3. Ceres Trading Services Private Limited</p> <p>4. Ceres Real Estate Private Limited</p> <p>5. Indiabulls Mining Private Limited</p> <p>6. Ceres Power Transmission</p>



<p><b>Address:</b> A -19 - A - Block, H. No. A - 1 To A - 32, Westend, Delhi - 110021, India</p>				<p>Private Limited</p> <ol style="list-style-type: none"> <li>7. Ceres Electricity Distribution Private Limited</li> <li>8. Indiabulls Electricity Distribution Private Limited</li> <li>9. Hespera Realty Private Limited</li> <li>10. Lucerne Trading Services Private Limited</li> <li>11. Hespera Land Development Private Limited</li> <li>12. Hespera Realcon Private Limited</li> <li>13. Ceres Energy Private Limited</li> <li>14. Alona Builders And Developers Private Limited</li> <li>15. Cleta Infrastructure Private Limited</li> <li>16. Cleta Buildcon Private Limited</li> <li>17. Indiabulls Infrastructure And Power Limited</li> <li>18. Reyna Infracon Private Limited</li> </ol>
<p><b>Mr. Gagan Banga</b> S/o: Shri. Pramendra Kumar Banga</p> <p><b>Designation:</b> CEO &amp; Managing Director</p> <p><b>Status:</b> Executive Director</p> <p><b>Experience:</b> 14 years</p> <p><b>Occupation:</b> Service</p> <p><b>Address:</b> 243, Maker Tower B, Cuffe Parade, Mumbai 400005, Maharashtra, India</p>	38 years	MBA	00010894	<ol style="list-style-type: none"> <li>1. Indiabulls Insurance Advisors Limited</li> <li>2. Indiabulls Commodities Limited</li> <li>3. Cloacina Insurance Agents Private Limited</li> <li>4. Indiabulls Capital Services Limited</li> <li>5. Nilgiri Financial Consultants Limited</li> <li>6. Indiabulls Life Insurance Company Limited</li> </ol>
<p><b>Mr. Ajit Kumar Mittal</b> S/o Shri. Rattan Lal Mittal</p>	54 years	Master's in Economics and an MBA with Academic	02698115	<ol style="list-style-type: none"> <li>1. Indian Commodity Exchange Limited</li> <li>2. Indiabulls Venture Capital</li> </ol>

<p><b>Designation:</b> Executive Director</p> <p><b>Status:</b> Executive Director</p> <p><b>Experience:</b> 25 years</p> <p><b>Occupation:</b> Service</p> <p><b>Address:</b> 65, 6th Floor, Geetanjali Apartment, Minu Desai Road, Near Radio Club, Colaba, Mumbai 400005, Maharashtra, India</p>		<p>Excellence from University of Illinois, U.S.A.</p>		<p>Trustee Company Limited</p> <p>3. Indiabulls Trustee Company Limited</p>
<p><b>Mr. Ashwini Omprakash Kumar</b> S/o: Shri. OmPrakash Bhagwan Prakash</p> <p><b>Designation:</b> Deputy Managing Director</p> <p><b>Status:</b> Executive Director</p> <p><b>Experience:</b> 14 years</p> <p><b>Occupation:</b> Service</p> <p><b>Address:</b> 1701 &amp; 1702 17<sup>th</sup> Floor, Ashoka Tower D-Wing, Dr. SS Rao Road Parel, Mumbai 400012, Maharashtra, India</p>	37 years	<p>Mechanical Engineer from IIT Roorkee, MBA - Finance from Jamnalal Bajaj Institute of Management Studies, Mumbai and advance Studies in International Housing Finance from Wharton School, University of Pennsylvania, U.S.A.</p>	03341114	Nil
<p><b>Mr. Karan Singh Khera</b> S/o: Shri. Dal Singh Khera</p> <p><b>Designation:</b> Director</p> <p><b>Status:</b> Independent Director</p> <p><b>Experience:</b> 33 years</p> <p><b>Occupation:</b> Retired Professor</p> <p><b>Address:</b> 1408, Urban Estate, JIND 124413, Haryana, India</p>	67 years	<p>MA (English)</p>	00017236	<ol style="list-style-type: none"> <li>1. Indiabulls Real Estate limited</li> <li>2. Store One Retail India Limited</li> <li>3. Indiabulls Securities Limited</li> <li>4. Poena Power Solutions Limited</li> <li>5. Indiabulls Commodities Limited</li> <li>6. Hasta Infrastructure Private Limited</li> <li>7. Indiabulls Wholesale Services Limited</li> <li>8. Indiabulls Technology</li> </ol>

				Solutions Limited
<p><b>Mr. Aishwarya Katoch</b></p> <p>S/o: Shri. Aditya Katoch</p> <p><b>Designation:</b> Director</p> <p><b>Status:</b> Independent Director</p> <p><b>Experience:</b> 23 years</p> <p><b>Occupation:</b> Business</p> <p><b>Address:</b> S-43, Greater Kailash Part 1, New Delhi - 110048</p>	43 Years	Bachelor's degree in business administration and merchandising from American College of Applied Arts, London	00557488	<ol style="list-style-type: none"> <li>Royal Expeditions Private Limited</li> <li>Kangra Hotels Private Limited</li> <li>Indiabulls Securities Limited</li> <li>Indiabulls Real Estate Limited</li> <li>Store One Retail India Limited</li> <li>Royal Kangra Consultants Private Limited</li> <li>Indiabulls Distribution Services Limited</li> </ol>
<p><b>Mr. Shamsher Singh Ahlawat</b></p> <p>S/o: Shri. Ran Singh Ahlawat</p> <p><b>Designation:</b> Director</p> <p><b>Status:</b> Independent Director</p> <p><b>Experience:</b> 20 years in Banking Industry</p> <p><b>Occupation:</b> Ex-banker</p> <p><b>Address:</b> 96A, Eastern Avenue, Sainik Farm, Khanpur, New Delhi - 110062</p>	64 Years	Post graduate degree in history from St. Stephens College, New Delhi	00017480	<ol style="list-style-type: none"> <li>Indiabulls Real Estate Limited</li> <li>Store One Retail India Limited</li> <li>Indiabulls Power Limited.</li> <li>Indiabulls Constructions Limited</li> <li>Indiabulls Wholesale Services Limited</li> <li>Elena Power and Infrastructure Limited</li> <li>Indiabulls Realtech Limited</li> </ol>
<p><b>Mr. Prem Prakash Mirdha</b></p> <p>S/o: Shri. Hari RamJI Mirdha</p> <p><b>Designation:</b> Director</p> <p><b>Status:</b> Independent Director</p> <p><b>Experience:</b> 35 years</p> <p><b>Occupation:</b> Business</p>	57 Years	Second mate foreign going in merchant navy	01352748	<ol style="list-style-type: none"> <li>Indiabulls Real Estate Limited</li> <li>Store One Retail India Limited</li> <li>Indiabulls Securities Limited</li> <li>Indiabulls Power Limited.</li> <li>Happy Tummy Kitchens Private Limited</li> </ol>

<b>Address:</b> Mirdha Farm, Sirsi Road, Jaipur - 302012, Rajasthan				
<b>Mr. Joginder Singh Kataria</b>  S/o: Shri. Charan Singh  <b>Designation:</b> Director  <b>Status:</b> Independent Director  <b>Experience:</b> 33 years  <b>Occupation:</b> Ex-Commandant (ITBP)  <b>Address:</b> H.No. 949, Sector-4, Distt - Gurgaon, Gurgaon - 122001, Haryana	72 Years	M.A. (Political Science)	05202673	1. Indiabulls Infrastructure and Power Limited
<b>Mr. Ram Kumar Sheokand</b>  S/o: Shri. Chandgi Ram Sheokand  <b>Designation:</b> Director  <b>Status:</b> Independent Director  <b>Experience:</b> 37 years  <b>Occupation:</b> Business  <b>Address:</b> H. No. 1197, Urban Estate, JIND 126102, Haryana	59 Years	M.A. (History)	00183200	1. Kandy Finlease Limited  2. Lira Promoters Private Limited  3. R C S Softech Private Limited  4. OMS Chits Private Limited  5. Kandy Promoters Private Limited  6. Pineapple Infra Project Private Limited  7. Indiabulls Infrastructure and Power Limited  8. Aldis Real Estate Private Limited

**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 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.

Vide a resolution passed at the Extraordinary General Meeting of the Company held on February 07, 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 Seventh Annual General Meeting of the Company held on June 04, 2012, 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. 20,000 Crores (Rupees Twenty Thousand Crores Only) outstanding at any one time.

Vide a resolution passed at the Thirteenth Annual General Meeting of erstwhile Indiabulls Financial Services Limited (Now merged with the Company) held on June 05, 2012, 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. 50,000 Crores (Rupees Fifty Thousand Crores) outstanding at any one time.

In terms of clause 43 of the scheme, the resolutions, if any, of the Amalgamating Company subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Amalgamated Company 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 Amalgamated Company shall constitute the aggregate of the said limits in the Amalgamated Company. In effect the total borrowing limits available to the Board of Directors of the Company pursuant to Section 293(1)(d) of the Companies Act, 1956 is Rs. 70,000 Crores (Rupees Seventy Thousand Crores) outstanding at any one time.

### Compensation of Whole-time Director

The Table given below specifies the details of remuneration package of past and current Executive Directors, during the year 2012-13 irrespective of whether such remuneration was received in the erstwhile Indiabulls Financial Services Limited, or in the Company.

Name of the Director	Salary and allowances (Rs.) per annum	Performance linked incentive (Rs.)	Employee Benefits (Rs.)	Sitting Fee	Total (Rs.)
Mr. Sameer Gehlaut	13,43,84,076	Nil	9,79,80,466	Nil	23,23,64,542
Mr. Gagan Banga	4,33,33,332	Nil	7,349	Nil	4,33,40,681
Mr. Sachin Chaudhary	1,23,26,900	2,51,216	7,863	Nil	1,25,85,979
Mr. Ashwini Omprakash Kumar	1,90,00,004	Nil	1,14,062	Nil	1,91,14,066
Mr. Ajit Kumar Mittal	1,48,88,833	Nil	24,645	Nil	1,49,13,478

#### Notes:

1. Aforesaid components of remuneration include the Basic Salary, House rent Allowance and other allowances.
2. Employee Benefits represents Gratuity, Superannuation and leave encashment, as applicable as per the terms of service, based on actuarial valuation.
3. The terms and conditions of service of Executive Directors are contractual in nature and are additionally governed by rules and policy of the Company to the extent applicable.
4. Mr. Gagan Banga has been granted an aggregate of 14,80,160 stock options under various employee stock option schemes as were prevailing in the Amalgamating Company convertible into an equivalent number of Equity Shares of the Company during the exercise period provided under the relevant stock option schemes.
5. Mr. Sachin Chaudhary had been granted an aggregate of 2,98,000 stock options under various employee stock option schemes as were prevailing in the Amalgamating Company convertible into an equivalent number of Equity Shares of the Company during the exercise period provided under the relevant stock option schemes.
6. Mr. Ajit Kumar Mittal has been granted an aggregate of 1,24,000 stock options under employee stock option scheme as were prevailing in the Amalgamating Company convertible into an equivalent number of Equity Shares of the Company during the exercise period provided under the relevant stock option scheme.

### Shareholding of the Directors

S. No.	Name	No. of Shares as on March 31, 2013
1.	Mr. Sameer Gehlaut	3,76,01,278
2.	Mr. Rajiv Rattan	1,87,80,253
3.	Mr. Saurabh Kumar Mittal	1,89,87,083
4.	Mr. Gagan Banga	11,24,608
5.	Mr. Ashwini Omprakash Kumar	24,713
6.	Mr. Ajit Kumar Mittal	Nil
7.	Mr. Karan Singh Khera	Nil
8.	Mr. Shamsheer Singh Ahlawat	Nil
9.	Mr. Aishwarya Katoch	Nil
10.	Mr. Prem Prakash Mirdha	Nil
11.	Mr. Ram Kumar Sheokand	Nil
12.	Mr. Joginder Singh Kataria	346
	<b>Total</b>	<b>7,65,18,281</b>

### 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.

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.	<b>Mr. Rajiv Rattan</b>  <b>Address:</b> 60, 2 <sup>nd</sup> Floor, Vasant Vihar, Vasant Marg, New Delhi - 110 057, India  <b>DIN :</b> 00010849	10/5/2005	18/12/2009	Resigned
		19/03/2013	-	Appointed
2.	<b>Mr. Tejinderpal Singh Miglani</b>	10/5/2005	23/08/2011	Resigned

	<b>Address:</b> A-1/166 ,Ground Floor, Safdarjung Enclave, New Delhi - 110029 <b>DIN :</b> 00051485			
3.	<b>Mr. Aishwarya Katoch</b> <b>Address:</b> S-43, Greater Kailash Part 1, New Delhi -110048 <b>DIN :</b> 00557488	07/05/2007	15/11/2010	Resigned
		19/03/2013	-	Appointed
4.	<b>Mr. Kamal Batra</b> <b>Address:</b> E - 083, Richmond Park, DLF Phase - 4, Gurgaon, Haryana- 122002 <b>DIN :</b> 02011630	15/01/2008	07/01/2009	Resigned
5.	<b>Mr. Ashish Bhardwaj</b> <b>Address:</b> 74-160, Shipra Path, Mansarovar, Jaipur Rajasthan -302020 <b>DIN :</b> 02457017	18/12/2009	23/08/2011	Resigned
6.	<b>Mr. Manish Rathi</b> <b>Address:</b> 3/257/22 Vidyadhar Nagar, Sector 3, Jaipur, Rajasthan -302023 <b>DIN :</b> 03318418	15/11/2010	23/08/2011	Resigned
7.	<b>Mr. Ajit Kumar Mittal</b> <b>Address:</b> 65, 6th Floor, Geetanjali Apartment, Minu Desai Road, Near Radio Club, Colaba, Mumbai 400005, Maharashtra, India <b>DIN:</b> 02698115	23/08/2011	-	Appointed
8.	<b>Mr. Ashwini Omprakash Kumar</b> <b>Address:</b> 1701 & 1702 17th Floor, Ashoka Tower D-Wing, Dr. SS Rao Road Parel, Mumbai 400012, Maharashtra, India <b>DIN:</b> 03341114	23/08/2011	-	Appointed
9.	<b>Mr. Ram Kumar</b> <b>Address:</b> B-4/221, Safdarjung Enclave, New Delhi-110029, Delhi, India <b>DIN:</b> 00643837	23/08/2011	19/03/2013	Resigned
10.	<b>Mr. Karan Singh Khera</b> <b>Address:</b> 1408, Urban Estate, JIND 124413, Haryana, India <b>DIN:</b> 00017236	23/05/2012	-	Appointed



11.	<b>Mr. Sachin Chaudhary</b> <b>Address:</b> 102, Ram Kuti, Railway Road, Meerut, U. P. <b>DIN:</b> 02016992	15/01/2008	19/03/2013	Resigned
12.	<b>Mr. Sameer Gehlaut</b> <b>Address:</b> Indiabulls Finance Centre, Tower 1, 18th Floor, Elphinstone Road, Mumbai, 400013, Maharashtra <b>DIN:</b> 00060783	19/03/2013	-	Appointed
13.	<b>Mr. Saurabh Kumar Mittal</b> <b>Address:</b> A -19 - A - Block, H.No. A - 1 To A - 32, Westend, Delhi, 110021, Delhi <b>DIN:</b> 01175382	19/03/2013		Appointed
14.	<b>Mr. Gagan Banga</b> <b>Address:</b> 243, Maker Tower B, Cuffe Parade, Mumbai 400005, Maharashtra, India <b>DIN:</b> 00010894	19/03/2013	-	Appointed
15.	<b>Mr. Shamsher Singh Ahlawat</b> <b>Address:</b> 96A, Eastern Avenue, Sainik Farm, Khanpur, New Delhi- 110062, Delhi <b>DIN:</b> 00017480	19/03/2013	-	Appointed
16.	<b>Mr. Prem Prakash Mirdha</b> <b>Address:</b> Mirdha Farm, Sirsi Road, Jaipur- 302012, Rajasthan <b>DIN:</b> 01352748	19/03/2013	-	Appointed
17.	<b>Mr. Ram Kumar Sheokand</b> <b>Address:</b> H. NO. 1197, Urban Estate, Jind, 126102, Haryana, <b>DIN:</b> 00183200	19/03/2013	-	Appointed
18.	<b>Mr. Joginder Singh Kataria</b> <b>Address:</b> H.NO. 949, Sector-4, Distt- Gurgaon, Gurgaon- 122001, Haryana <b>DIN:</b> 05202673	19/03/2013	-	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 has 12 Directors. In compliance with Clause 49 of the equity listing agreement, the Company has 4 Executive Director and 8 Non-Executive Directors, including 6 Independent Directors, on its Board of Directors.

S.NO	NAME OF DIRECTOR	DESIGNATION	STATUS
1.	Mr. Sameer Gehlaut	Chairman & Whole-Time Director	Executive Director
2.	Mr. Rajiv Rattan	Director	Non -Executive Director
3.	Mr. Saurabh Kumar Mittal	Director	Non -Executive Director
4.	Mr. Gagan Banga	CEO & Managing Director	Executive Director
5.	Mr. Ashwini Omprakash Kumar	Deputy Managing Director	Executive Director
6.	Mr. Ajit Kumar Mittal	Whole-Time Director	Executive Director
7.	Mr. Karan Singh Khera	Director	Independent Director
8.	Mr. Aishwarya Katoch	Director	Independent Director
9.	Mr. Shamsher Singh Ahlawat	Director	Independent Director
10.	Mr. Prem Prakash Mirdha	Director	Independent Director
11.	Mr. Joginder Singh Kataria	Director	Independent Director
12.	Mr. Ram Kumar Sheokhand	Director	Independent Director

### Committees of the Board

#### Audit Committee

The Audit Committee was re-constituted by a meeting of the Board of Directors held on March 19, 2013. The members of the Audit Committee are:

Sr. No	Name of the Director	Designation in Committee	Nature of Directorship
1.	Mr. Shamsher Singh Ahlawat	Chairman	Independent Director
2.	Mr. Karan Singh Khera	Member	Independent Director
3.	Mr. Aishwarya Katoch	Member	Independent Director
4.	Mr. Gagan Banga	Member	Executive Director

Mr. Amit Jain, 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 March 19, 2013. The members of the Remuneration Committee are:

Sr. No	Name of the Director	Designation in Committee	Nature of Directorship
1.	Mr. Aishwarya Katoch	Chairman	Independent Director
2.	Mr. Shamsher Singh Ahlawat	Member	Independent Director
3.	Mr. Prem Prakash Mirdha	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 March 19, 2013.

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. Aishwarya Katoch	Chairman	Independent Director
2.	Mr. Karan Singh Khera	Member	Independent Director
3.	Mr. Sameer Gehlaut	Member	Executive Director
4.	Mr. Gagan Banga	Member	Executive Director
5.	Mr. Joginder Singh Kataria	Member	Independent Director

Mr. Amit Jain, 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. Karan Singh Khera.

#### Compliance with Listing Agreement

The Company in terms of this Information Memorandum intends to list its equity shares and warrants on BSE and NSE and intends to comply with the requirements under the respective Listing Agreements 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 Mr. Sameer Gehlaut, Chairman & Executive Director, Mr. Gagan Banga, CEO & Managing Director, Mr. Ashwini Omprakash Kumar, Deputy Managing Director and Mr. Ajit Kumar Mittal, Executive Director, 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
Amit Jain, Company Secretary & Compliance Officer  Qualification: FCS, LLB	19/03/2013	33	N.A.	N.A	14	Indiabulls Financial Services 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 3,87,50,599 Equity Shares of Rs. 2/- each.

Name	No. of shares held
Mr. Sameer Gehlaut	3,76,01,278
Mr. Gagan Banga	11,24,608
Mr. Ashwini Omprakash Kumar	24,713
Mr. Ajit Kumar Mittal	Nil
Mr. Amit Jain	Nil

**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. Ashwini Omprakash Kumar, Director	23/08/2011	-	Appointed
2.	Mr. Sachin Chaudhary, Director	15/01/2008	19/03/2013	Resignation from Directorship
3.	Mr. Ajit Kumar Mittal, Director	23/08/2011	-	Appointed
4.	Mr. Sameer Gehlaut, Director	19/03/2013	-	Appointed
5.	Mr. Gagan Banga, Director	19/03/2013	-	Appointed
6.	Mr. Ajit Kumar Singh, Company Secretary	11/08/2007	19/03/2013	Resignation from the post of Company Secretary
7.	Mr. Amit Jain, Company Secretary	19/03/2013	-	Appointed

## **Employees**

### **Employee Stock Option Scheme and Employee Stock Purchase Scheme**

The Board of Directors of the Company in their meeting dated March 8, 2013, have adopted the existing Employee Stock Option Schemes of erstwhile Indiabulls Financial Services Limited namely IBFSL – ICSL ESOP 2006, IBFSL – ICSL ESOP II 2006 and IBFSL ESOP 2008.

The members of the Company at their Meeting dated March 6, 2013 approved the IHFL ESOS - 2013 scheme consisting of 3,90,00,000 stock options representing equivalent number of underlying equity shares of Rs. 2 each of the Company to be issued to eligible employees of the Company or its subsidiaries.

The Company does not have any 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 Financial Services Limited (IBFSL). Pursuant to the Scheme becoming effective, the Company has allotted equity shares to the shareholders of IBFSL on the Record Date. Further, in terms of Clause 26 of the Scheme, the existing shareholding of IBFSL 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	39 years
Personal Address	Indiabulls Finance Centre, Tower 1, 18th Floor, Elphinstone Road, Mumbai, 400013, Maharashtra, India
Educational qualifications and professional Experience	B.Tech., IIT Delhi
Directorship held in other companies	<ol style="list-style-type: none"> <li>1. Indiabulls Finance Company Private Limited</li> <li>2. Indiabulls Real Estate Limited</li> <li>3. Indiabulls Power Limited.</li> <li>4. Karanbhumi Estates Private Limited</li> <li>5. Meru Minerals Private Limited</li> <li>6. Ceres Real Estate Private Limited</li> <li>7. Indiabulls Mining Private Limited</li> <li>8. Ceres Power Transmission Private Limited</li> <li>9. Ceres Electricity Distribution Private Limited</li> <li>10. Indiabulls Electricity Distribution Private Limited</li> <li>11. Inuus Infrastructure Private Limited</li> <li>12. Galax Minerals Private Limited</li> <li>13. Inuus Land Development Private Limited</li> <li>14. Inuus Real Estate Private Limited</li> <li>15. Inuus Developers Private Limited</li> <li>16. Inuus Properties Private Limited</li> <li>17. Orthia Real Estate Private Limited</li> <li>18. Orthia Properties Private Limited</li> <li>19. Ceres Energy Private Limited</li> <li>20. Mugwort Real Estate Private Limited</li> <li>21. Valerian Real Estate Private Limited</li> <li>22. Calleis Real Estate Private Limited</li> <li>23. Indiabulls Infrastructure And Power Limited</li> <li>24. Cleta Infracon Private Limited</li> <li>25. Indiabulls Property Management Trustee Pte. Ltd.</li> </ol>
Permanent Account Number	AFMPG9469E
Passport Number	Z1776388
DIN	00060783

**Profile:** Mr. Sameer Gehlaut is 39 years old and is the founder and Chairman of Indiabulls Group. Mr. Gehlaut, a first generation entrepreneur, has been spearheading the Group since its inception. Under his leadership, within a span of 13 years, Indiabulls Group has emerged as a leading business conglomerate with business interests across sectors. Mr. Gehlaut holds a degree in mechanical engineering from the Indian Institute of Technology, Delhi.

**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	40 years
Personal Address	60, 2 <sup>nd</sup> 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"> <li>1. Indiabulls Real Estate Limited</li> <li>2. Indiabulls Life Insurance Company Limited</li> <li>3. Indiabulls CSEB Bhayathan Power Limited</li> <li>4. Indiabulls Power Limited.</li> <li>5. Indiabulls Realtech Limited</li> <li>6. Spire Constructions Private Limited</li> <li>7. Ceres Real Estate Private Limited</li> <li>8. Indiabulls Mining Private Limited</li> <li>9. Ceres Power Transmission Private Limited</li> <li>10. Ceres Electricity Distribution Private Limited</li> <li>11. Indiabulls Electricity Distribution Private Limited</li> <li>12. Priapus Developers Private Limited</li> <li>13. Nettle Constructions Private Limited</li> <li>14. Priapus Land Development Private Limited</li> <li>15. Priapus Constructions Private Limited</li> <li>16. Arcelormittal Indiabulls Mining Private Limited</li> <li>17. Ceres Energy Private Limited</li> <li>18. Heliotrope Real Estate Private Limited</li> <li>19. Antheia Infrastructure Private Limited</li> <li>20. Antheia Constructions Private Limited</li> <li>21. Indiabulls Infrastructure And Power Limited</li> <li>22. Cleta Land Development Private Limited</li> <li>23. Antheia Buildcon Private Limited</li> <li>24. Tupelo Properties Private Limited</li> <li>25. Indiabulls Property Management Trustee Pte. Ltd.</li> </ol>
Permanent Account Number	AESPR3957D
Passport Number	G8799401
DIN	00010849

**Profile:** Mr. Rajiv Rattan, aged 40, graduated with a degree in electrical engineering from the Indian Institute of Technology, Delhi in the year 1994. He is the Co-Founder 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 and gained extensive experience in international best practices, process management, and risk management, which he brought to Indiabulls Group as one of the founders of the Company. He has gained extensive experience in the Financial Services Sector, and has developed understanding of risk management, efficient processes and operational excellence. Mr. Rattan's hands on operations style combined with his systems orientation has laid the foundation for the sustained growth and scalability of the group's businesses, particularly in the financial services.

**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"> <li>1. Indiabulls Real Estate Limited</li> <li>2. Indiabulls Power Limited.</li> <li>3. Ceres Trading Services Private Limited</li> <li>4. Ceres Real Estate Private Limited</li> <li>5. Indiabulls Mining Private Limited</li> <li>6. Ceres Power Transmission Private Limited</li> <li>7. Ceres Electricity Distribution Private Limited</li> <li>8. Indiabulls Electricity Distribution Private Limited</li> <li>9. Hespera Realty Private Limited</li> <li>10. Lucerne Trading Services Private Limited</li> <li>11. Hespera Land Development Private Limited</li> <li>12. Hespera Realcon Private Limited</li> <li>13. Ceres Energy Private Limited</li> <li>14. Alona Builders And Developers Private Limited</li> <li>15. Clea Infrastructure Private Limited</li> <li>16. Clea Buildcon Private Limited</li> <li>17. Indiabulls Infrastructure And Power Limited</li> <li>18. Reyna Infracon Private Limited</li> </ol>
Permanent Account Number	ANAPM2488D
Passport Number	Z1583525
DIN	01175382

**Profile:** Mr. Saurabh Kumar Mittal, aged 39, graduated with a degree in Electrical Engineering from the Indian Institute of Technology, Delhi and also hold a Masters in Business Administration from the Harvard Business School, where he was elected Baker Scholar. Previously, Mr. Mittal has worked at Citigroup Asset Management, Altgate Capital and Farallon Capital Management. He is a Co-founder of Indiabulls group of companies, and has provided strategic vision and oversight to the group's development.

**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

Under the Companies Act, an Indian company pays dividends (both interim and final) upon the declaration/recommendation by its board of directors and / or approval by a majority of the shareholders (in case of final dividend), who have the right to decrease but not to increase the amount of the dividend recommended by the Board of Directors, at the AGM. Under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both.

The management usually considers the above, and also takes into account the following facts:

- Large and diversified shareholders' base among both institutions and retail investors.
- The promoters' cumulative holding.
- Importance of maintaining and restoring the shareholders' confidence in times when capital market conditions have been extremely challenging
- Importance of ensuring a minimum critical return to shareholders on their investment in light of severe correction in the markets post 2008 meltdown, which resulted in substantial erosion in shareholders' value.
- Capital requirements of the business

Since, it's in the company's strategic interest to reward shareholders to retain their loyalty and trust in the company, particularly when the share price has been languishing, the Board of Directors of the Company shall have the discretion to recommend payment of a substantial portion of consolidated profit, net of tax, as dividend. Under the Companies Act, dividends can only be paid in cash to shareholders listed on the register of shareholders or those persons whose names are entered as beneficial owners in the record of the depositories on the date specified as the record date or book closure date. A listed company in India may declare and disclose the dividend it issues only on a per share basis.

**Warrant holders shall not be entitled to any dividend or any other corporate benefits, which may be declared or announced by our Company from time to time, until such time that the Warrants are exercised into the underlying Equity Shares of the Issuer in accordance with the Conditions therein.**

Under current Indian tax laws, dividends are not subject to income tax in India in the hands of the recipient. However, a company is liable to pay a dividend distribution tax as applicable from time to time on the total amount distributed as dividend. Currently Dividend distribution tax rate is 15% plus surcharge at 5% per cent plus education cess on dividend distribution tax and surcharge at the rate of three per cent.

## SECTION V- FINANCIAL INFORMATION

### FINANCIAL INFORMATION OF OUR COMPANY

Financial Information of Indiabulls Housing Finance Limited, on a standalone basis for the financial years ended March 31, 2009, 2010, 2011, 2012 and 2013 and on a consolidated basis for the financial year ended March 31, 2013 are included herein:

#### AUDITOR'S REPORT

To,  
The Board of Directors  
Indiabulls Housing Finance Limited  
"Indiabulls House", 448 - 451,  
Udyog Vihar, Phase V,  
Gurgaon - 122016  
Haryana

Dear Sirs,

We have been requested by Indiabulls Housing Finance Limited ("IBHFL" or "the Company") to furnish a report on the financial information (annexed hereto) in accordance with the terms of our Engagement Letter dated April 25, 2013, in connection with the proposed Listing of Equity Shares of the Company, pursuant to the Scheme of Arrangement involving the merger of Indiabulls Financial Services Limited ("IBFSL", "the erstwhile Holding Company") with the Company in terms of the provisions of Sections 391 to 394 of the Indian Companies Act, 1956, approved by the Hon'ble High Court of Delhi at New Delhi, vide its Order dated December 12, 2012 ("the Scheme").

Based on our examination carried out in accordance with the terms of our Engagement Letter dated April 25, 2013 and the '(Revised) Guidance Note on Reports in Company Prospectuses' issued by the Institute of Chartered Accountants of India ('ICAI') we report as follows:

#### **Financial Information as per Restated Summary Statements**

We have examined the following Restated Summary Statements prepared by the Company in accordance with the requirements of paragraph B(1) of Part II of Schedule II of the Companies Act, 1956 ("the Act") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI Regulations"), which have been approved by the Board of Directors of the Company and are attached in the following Annexures to this report:

Annexure I: 'Restated Standalone Summary Statement of Assets and Liabilities' as at March 31, 2013, March 31, 2012, March 31, 2011, March 31, 2010 and March 31, 2009;

Annexure II: 'Restated Standalone Summary Statement of Profit and Loss' for each of the financial years ended March 31, 2013, March 31, 2012, March 31, 2011, March 31, 2010 and March 31, 2009;

Annexure III: 'Restated Standalone Summary Statement of Cash Flows' for each of the financial years ended March 31, 2013, March 31, 2012, March 31, 2011, March 31, 2010 and March 31, 2009;

Annexure V: 'Restated Consolidated Summary Statement of Assets and Liabilities' as at March 31, 2013;

Annexure VI: 'Restated Consolidated Summary Statement of Profit and Loss' for the financial year ended March 31, 2013; and

Annexure VII: 'Restated Consolidated Summary Statement of Cash Flows' for the financial year ended March 31, 2013.

Based on our examination of the financial information included in the above Restated Summary Statements, we state as follows:

The Restated Summary Statements are based on and have been extracted by the Management of the Company from the audited standalone financial statements of the Company for the financial years ended March 31, 2013, March 31, 2012, March 31, 2011, March 31, 2010, March 31, 2009 and from the audited consolidated financial statements of the Company for the financial year ended March 31, 2013;

The financial information in the Restated Summary Statements has been arrived at after making adjustments and regroupings as, in our opinion, were appropriate and more fully described in Note No. 42 of Annexure IV: 'Notes forming part of the Restated Standalone Summary Statements' and in Note No. 37 of Annexure VIII: 'Notes forming part of the Restated Consolidated Summary Statements';

The Restated Summary Statements have been made after incorporating (i) material adjustments for the changes in accounting policies retrospectively in the respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods; and (ii) adjustments for the material amounts in the respective years to which they relate;

There are no extraordinary items that need to be disclosed separately; and

There are no qualifications in the auditors' reports on the said audited financial statements that require adjustments.

Based on our examination of the above mentioned Standalone and Consolidated Restated Summary Statements read with Annexure IV: 'Notes forming part of the Restated Standalone Summary Statements' and Annexure VIII: 'Notes forming part of the Restated Consolidated Summary Statements' respectively, attached to this report, as appropriate, we state that in our opinion the 'Restated Summary Statements' and 'Restated Other Financial Information' have been prepared by the Management of the Company in accordance with Paragraph B(1) of Part II of Schedule II of the Act, the SEBI Regulations and in terms of our Engagement Letter dated April 25, 2013.

### **Restated Other Financial Information**

We have also examined the following 'Restated Other Financial Information' as set out in Annexures prepared by the Management of the Company and approved by the Board of Directors of the Company, attached to this report:

Annexure IX: 'Restated Statement of Standalone Accounting and Other Ratios' for the financial years ended March 31, 2013, March 31, 2012, March 31, 2011, March 31, 2010 and March 31, 2009;

Annexure X: 'Restated Statement of Standalone Tax Reconciliation' for the financial years ended March 31, 2013, March 31, 2012, March 31, 2011, March 31, 2010 and March 31, 2009;

Annexure XI: 'Restated Standalone Capitalisation Statement' for the financial years ended March 31, 2013, March 31, 2012, March 31, 2011, March 31, 2010 and March 31, 2009; and

Annexure XII: 'Statement of Standalone Dividends' for the financial years ended March 31, 2013, March 31, 2012, March 31, 2011, March 31, 2010 and March 31, 2009.

We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no opinion thereon. We have not audited any financial statements / information of the Company as of any date or for any period subsequent to March 31, 2013. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to March 31, 2013.

This report should not be in any way construed as a re-issuance or re-dating of any of the previous audit reports issued by us or by other firms of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

Our report is intended solely for the use of the Management of the Company and for inclusion in the Information Memorandum in connection with the proposed listing of Equity Shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 117366W)

Sd/-  
A. Siddharth  
Partner  
(Membership No. 031467)  
Mumbai: May 16, 2013

Annexure I: Restated Standalone Summary Statement of Assets and Liabilities						
Particulars	Note No	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>I. EQUITY AND LIABILITIES</b>						
<b>(1) Shareholder's Funds</b>						
Share Capital	3	62,50,22,334	1,55,68,96,560	1,55,68,96,560	1,35,00,00,000	1,35,00,00,000
Reserves and Surplus	4	47,63,71,90,332	7,99,40,46,332	5,77,80,89,939	2,20,34,51,659	2,01,28,62,316
Money received against share warrants	5	1,12,81,50,000	-	-	-	-
<b>(2) Non-Current Liabilities</b>						
Long-term borrowings	6	1,82,34,45,98,867	44,96,25,77,777	22,81,94,44,444	6,11,04,33,366	2,49,35,25,969
Deferred tax liabilities (Net)	7	-	-	-	7,50,47,188	14,20,74,002
Other Long-term liabilities	8	7,83,79,523	2,32,548	2,21,998	-	-
Long-term provisions	9	3,66,95,33,718	37,57,08,478	11,18,40,747	4,60,46,506	4,16,37,581
<b>(3) Current Liabilities</b>						
Short-term borrowings	10	63,81,01,39,094	13,12,58,27,156	1,26,16,17,511	1,02,96,57,530	1,46,82,84,306
Trade payables	11	2,85,29,227	10,63,764	12,76,947	22,66,382	5,73,332
Other current liabilities	12	77,94,70,55,331	6,13,88,39,587	4,37,25,80,721	3,41,86,93,852	2,10,83,35,006
Short-term provisions	13	8,21,52,69,504	20,81,72,052	28,97,49,614	3,63,07,347	3,99,91,155
<b>Total</b>		<b>3,85,48,38,67,930</b>	<b>74,36,33,64,254</b>	<b>36,19,17,18,481</b>	<b>14,27,19,03,830</b>	<b>9,65,72,83,667</b>
<b>II. ASSETS</b>						
<b>(1) Non-current assets</b>						
<b>Fixed assets</b>						
<b>(i) Tangible assets</b>						
		44,07,40,721	5,89,28,602	5,67,81,962	3,40,16,740	2,92,22,361
<b>(ii) Intangible assets</b>						
		85,19,726	8,54,265	13,16,249	47,48,802	87,58,623
Non-current investments	15	3,24,92,50,000	-	-	-	-
Deferred tax assets (net)	16	1,63,16,88,292	10,65,03,091	3,29,39,174	-	-
Long-term loans and advances	17	2,63,16,98,92,344	67,96,35,81,997	32,89,05,26,787	7,57,53,83,283	6,78,45,10,886
Other non-current assets	18	4,83,72,87,544	1,83,93,699	15,45,54,930	14,49,12,934	-
<b>(2) Current assets</b>						
Current investments	19	21,68,61,77,570	43,00,00,000	1,31,46,45,888	3,73,05,17,256	58,01,07,025
Trade receivables	20	1,80,72,196	-	-	-	-
Cash and bank balances	21	48,45,52,68,974	82,30,41,463	6,85,37,351	1,70,30,98,758	32,18,66,217

Short-term loans and advances	22	38,46,64,66,458	4,14,54,38,621	1,38,51,65,653	94,90,00,333	1,45,98,61,640
Other current assets	23	3,52,05,04,105	81,66,22,516	28,72,50,487	13,02,25,724	47,29,56,915
<b>Total</b>		<b>3,85,48,38,67,930</b>	<b>74,36,33,64,254</b>	<b>36,19,17,18,481</b>	<b>14,27,19,03,830</b>	<b>9,65,72,83,667</b>
Note:		-	-	-	-	-

The above statement should be read with the Notes to the Restated Standalone Summary Statement of Assets and Liabilities, Summary Statement of Profit and Loss and Summary Statement of Cash Flows as appearing in Annexure – IV.

Annexure II: Restated Standalone Summary Statement of Profit and Loss						
Particulars	Note No	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010	Year ended March 31, 2009
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(1) Revenue from operations	24	46,58,06,30,195	7,85,50,67,529	3,10,23,90,068	1,77,17,47,331	1,80,82,99,021
(2) Other income	25	48,13,73,265	3,44,46,504	7,14,44,816	79,274	1,06,635
(3) Total revenue (1+2)		47,06,20,03,460	7,88,95,14,033	3,17,38,34,884	1,77,18,26,605	1,80,84,05,656
(4) Expenses						
Employee benefit expense	26	2,03,62,24,930	12,03,16,575	20,47,62,901	24,39,76,655	25,09,46,919
Interest and Finance charges	27	26,03,58,24,918	3,80,69,28,096	1,35,25,81,188	80,74,61,149	72,71,57,389
Depreciation and amortisation expense	14(a to e)	9,21,10,194	1,05,51,594	1,61,91,680	1,04,81,849	98,66,717
Other expenses	28	2,85,66,76,868	49,90,56,859	50,88,33,196	45,57,47,914	53,82,07,778
Total expenses		31,02,08,36,910	4,43,68,53,124	2,08,23,68,965	1,51,76,67,567	1,52,61,78,803
(5) Profit before tax (3-4)		16,04,11,66,550	3,45,26,60,909	1,09,14,65,919	25,41,59,038	28,22,26,853
(6) Tax expense						
Current tax expense		3,61,94,80,524	1,02,63,51,468	41,11,78,091	13,71,21,680	23,51,54,140
Deferred tax charge/(credit) (Net)		14,26,16,472	(7,35,63,917)	(10,79,86,362)	(6,70,26,814)	(17,65,13,351)
Total Tax Expense		3,76,20,96,996	95,27,87,551	30,31,91,729	7,00,94,866	5,86,40,789
(7) Profit after tax (5-6)		12,27,90,69,554	2,49,98,73,358	78,82,74,190	18,40,64,172	22,35,86,064
(8) Restated Adjustments <sup>(Refer Note 42)</sup>		1,00,353	(1,55,876)	67,39,470	(65,25,171)	(25,39,780)
(9) Adjusted Profit after tax (7-8)		12,27,89,69,201	2,50,00,29,234	78,15,34,720	19,05,89,343	22,61,25,844
(10) Earnings per Equity share as restated:	34					
Basic		39.34	16.06	5.71	1.41	1.68
Diluted		38.12	16.06	5.71	1.41	1.68
Face value per Equity share		2.00	10.00	10.00	10.00	10.00

Note:					
The above statement should be read with the Notes to the Restated Standalone Summary Statement of Assets and Liabilities, Summary Statement of Profit and Loss and Summary Statement of Cash Flows as appearing in Annexure - IV.					

Annexure III: Restated Standalone Summary Statement of Cash Flows						
		For the Year ended March 31, 2013	For the Year ended March 31, 2012	For the Year ended March 31, 2011	For the Year ended March 31, 2010	For the Year ended March 31, 2009
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
A	Cash flows from operating activities :					
	Profit before tax as restated	16,04,11,66,550	3,45,26,60,909	1,09,14,65,919	25,41,59,038	28,22,26,853
	Adjustments for:					
	Employee Stock Compensation	75,63,100	-	-	-	-
	Provision for Gratuity	84,01,930	(53,80,115)	25,85,126	10,97,109	30,90,814
	Provision for Compensated Absences	31,40,745	(22,00,582)	5,88,567	6,55,914	16,05,692
	Provision for Superannuation	9,79,72,503	-	-	-	-
	Provision for Loan Assets	32,35,12,490	3,83,33,310	2,26,09,943	(7,64,92,963)	2,07,78,809
	Contingent Provisions against Standard Assets	22,36,68,551	7,06,88,886	6,32,35,736	-	-
	Depreciation / Amortisation	9,21,10,194	1,05,51,594	1,61,91,680	1,04,81,849	98,66,717
	Bad debts /Advances written off	66,81,54,038	8,53,62,258	5,87,39,299	-	-
	Investment written off (Net)	73,94,643	-	-	-	-
	Loss on sale of Fixed Assets	41,58,906	9,92,001	10,945	12,38,246	2,41,162
	(Unrealised) / Realised gains on appreciation of Mutual Fund Investments	(15,13,896)	18,16,070	(15,73,444)	-	-



	(Current Investments)					
	Operating Profit before working capital changes	17,47,57,29,754	3,65,28,24,331	1,25,38,53,771	19,11,39,193	31,78,10,047
	Adjustments for:					
	Trade and Other Receivables	1,18,29,77,653	(44,28,83,210)	(15,82,941)	42,96,20,309	50,36,48,820
	Loans and Advances	(49,91,72,57,844)	(37,91,26,57,732)	(26,01,20,18,924)	(41,08,94,617)	(81,34,65,823)
	Trade Payables and other liabilities (Refer Note 2 below)	4,39,60,73,556	1,72,67,45,122	1,04,39,55,877	55,40,88,325	(1,09,07,81,256)
	Cash used in operations	(26,86,24,76,881)	(32,97,59,71,489)	(23,71,57,92,217)	76,39,53,210	(1,08,27,88,212)
	Income taxes paid (Net)	(2,92,11,27,383)	(1,08,90,19,031)	(16,34,07,961)	(15,67,32,732)	(24,34,63,605)
	Net cash (used in) /generated from operating activities	(29,78,36,04,264)	(34,06,49,90,520)	(23,87,92,00,178)	60,72,20,478	(1,32,62,51,817)
B	Cash flows from investing activities					
	Purchase of Fixed Assets	(11,27,20,777)	(1,37,21,207)	(3,60,54,108)	(1,26,79,703)	(6,39,674)
	Sale of Fixed Assets	51,70,553	4,92,956	5,18,814	1,75,050	4,44,676
	Capital Advances	2,44,677	68,89,537	(64,90,962)	6,82,756	(9,11,506)
	Proceeds from deposit accounts	-	-	19,01,31,903	-	-
	Investment in deposit accounts	(2,82,98,31,814)	(47,22,23,080)	1,91,24,000	-	-
	Investments in Subsidiaries/Long term Investments	(2,02,50,00,000)	-	-	-	-
	Proceeds from long term Investment written off (Refer Note 15(7))	2,96,157	-	-	-	-
	Proceeds from Investments in			-	-	-

	Mutual Funds / Other Current Investments (Net)	2,32,81,21,441	(43,00,00,000)			
	Net cash (used in) / generated from investing activities	(2,63,37,19,763)	(90,85,61,794)	16,72,29,647	(1,18,21,897)	(11,06,504)
C	Cash flows from financing activities					
	Proceeds from Issue of Equity Share through ESOPs (Including Securities Premium)	6,81,87,021	-	3,00,00,00,120	-	-
	Proceeds from Issue of Share Warrants	1,12,81,50,000	-	-	-	-
	Distribution of Equity Dividends (including Corporate Dividend Tax thereon)	(7,43,10,26,841)	-	-	-	-
	Debenture issue expenses	(96,29,62,366)	(10,36,50,561)	-	-	-
	Short term Loans to Subsidiary	(1,40,00,00,000)	-	-	-	-
	Proceeds from Short term Loans (Net)	-	(28,00,00,000)	-	(60,50,48,000)	23,50,48,000
	Proceeds from Term loans-(Net)	17,14,76,90,906	21,80,74,44,444	16,54,35,74,470	1,72,48,70,967	2,48,20,65,098
	(Repayment of) / Proceeds from issue of Commercial Papers (Net)	(2,96,50,00,000)	6,87,50,00,000	(50,00,00,000)	50,00,00,000	-
	Net proceeds from Issue of Secured Redeemable Non-Convertible Debentures	23,45,39,18,000	2,12,50,00,000	7,50,00,000	2,65,00,00,000	-
	Proceeds from issue of Unsecured Non Convertible	-	3,00,00,00,000	-	-	-

	Debentures					
	Net proceeds from issue of Subordinated Debt	5,33,38,00,000	1,25,00,00,000	-	-	-
	Proceeds from issue of Perpetual Debt	1,00,00,00,000	-	-	-	-
	Net proceeds from Working capital loans	13,50,00,00,000	(73,07,90,355)	73,15,21,625	(33,35,78,776)	(90,69,24,129)
	Net cash generated from financing activities	48,87,27,56,720	33,94,30,03,528	19,85,00,96,215	3,93,62,44,191	1,81,01,88,969
D	Net Increase/ Decrease in cash and cash equivalents ( A+B+C )	16,45,54,32,693	(1,03,05,48,786)	(3,86,18,74,316)	4,53,16,42,772	48,28,30,648
E	Cash and cash equivalents at the beginning of the year	35,08,18,383	1,38,13,67,169	5,24,32,41,485	71,18,41,339	22,90,10,691
	Cash and cash equivalents received on merger under Scheme of Arrangement	48,83,99,28,555				
F	Cash and cash equivalents at the end of the year (D + E) (Refer Note 5 below)	65,64,61,79,631	35,08,18,383	1,38,13,67,169	5,24,34,84,111	71,18,41,339

Notes:						
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.	Trade payables and other liabilities include Rs. 2,10,84,02,244 (2011-12 Rs. 6,34,59,837, 2010-11 Rs. 11,91,46,077, 2009-10 Rs. 24,75,90,202, 2008-09 Rs.12,13,36,022) being amount payable on assigned loans.					
3.	Margin Deposits of Rs. 4,72,95,85,347 (2011-12 Rs. 19,05,48,758, 2010-11 Rs. Nil, 2009-10 Rs. Nil, 2008-09 Rs. 19,01,31,903) have been placed as collateral for Assignment deals on which assignees have a paramount lien.					
4.	Deposits of Rs. 39,77,205 (Previous Year Rs. Nil) are under lien with Bank.					
5.	Cash and cash equivalents at the end of the year include:					
	Cash and Bank Balances (Refer Note 21)	48,45,52,68,974	82,30,41,463	6,85,37,351	1,70,30,98,758	32,18,66,217
	Current Investments in Units of Mutual Funds / Other Current Investments considered as temporary deployment of funds <sup>(Refer Note 19)</sup>	17,55,61,77,570	-	1,31,46,45,888	3,73,05,17,256	58,01,07,025
		66,01,14,46,544	82,30,41,463	1,38,31,83,239	5,43,36,16,014	90,19,73,242
	Less: In deposit accounts having maturity of more than 3 months	36,34,57,207	47,22,23,080	-	19,01,31,903	19,01,31,903
	Less: Unrealised gains on appreciation of Mutual Fund Investments (Current Investments)	18,09,706	-	18,16,070	-	-
	Cash and cash equivalents as restated	65,64,61,79,631	35,08,18,383	1,38,13,67,169	5,24,34,84,111	71,18,41,339
6.	Unclaimed Dividend account balance in designated bank accounts are not available for use by the Company. <sup>(Refer Note 21)</sup>					
7.	Previous Year's figures are regrouped wherever considered necessary to conform with Current Year's groupings and classification					

8.	Figures from the year ended March 31, 2009 to March 31, 2012 are not comparable with figures for the period ended March 31, 2013 due to the Scheme of Arrangement between the Company and the erstwhile Holding company <sup>(Refer Note 39)</sup>
Note:	
The above statement should be read with the Notes to the Restated Standalone Summary Statement of Assets and Liabilities, Summary Statement of Profit and Loss and Summary Statement of Cash Flows as appearing in Annexure – IV.	

#### Annexure IV: Notes forming part of Restated Standalone Summary Statements

- (1) Significant Accounting Policies
- (i) Basis of Accounting:  
The financial information are prepared under the historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and Accounting Standards (AS) as notified by the Companies (Accounting Standards) Rules, 2006, as amended.
- (ii) Prudential Norms:  
The Company follows The Housing Finance Companies (NHB) Directions, 2010 ("NHB Directions, 2010") as amended from time to time, in respect of income recognition, income from investments, accounting of investments, asset classification, disclosures in the Balance Sheet and provisioning. Accounting Standards (AS) as notified by the Companies (Accounting Standards) Rules, 2006, as amended and Guidance Notes issued by The Institute of Chartered Accountants of India ("ICAI") are followed insofar as they are not inconsistent with the NHB Directions, 2010.
- (iii) Use of Estimates:  
The preparation of financial information in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial information and the reported amount of revenues and expenses during the reporting period. Differences between the actual result and estimates are recognised in the year in which the results are known / materialised.
- (iv) Revenue Recognition:  
Interest Income from financing and investing activities and others is recognised on an accrual basis. In terms of the NHB Directions, 2010, interest income on Non-performing assets ('NPAs') is recognised only when it is actually realised.
- Processing Fees in respect of loans given is recognised on sanction / disbursement as per the terms of the contract.
- Income from Fee based Advisory Services is recognised on an accrual basis.
- Commission on insurance policies sold is recognised when the Company under its agency code sells the insurance policies and when the same is accepted by the principal insurance company. Repayment of loans is as stipulated in the respective loan agreements or by way of Equated Monthly Installments (EMI's) comprising principal and interest. EMI's commence once the entire loan is disbursed. Pending commencement of EMI's, Pre-EMI interest is payable every month and accounted for on accrual basis.
- Dividend income on Equity shares is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date. In terms of the Housing Finance Companies (NHB) Directions 2010, Dividend Income on units of Mutual Fund(s) held by the Company are recognised on cash basis as per the NHB Directions, 2010.

- (v) **Securitisation / Assignment of Loan portfolio:**  
Derecognition of loans assigned/secured in the books of the Company, recognition of gain / loss arising on securitisation /assignment and accounting for credit enhancements provided by the Company is based on the guidelines issued by The Institute of Chartered Accountants of India.
- Derecognition of loans assigned / secured in the books of the Company is based on the principle of surrender of control over the loans resulting in a "true sale" of loans.  
Residual income on Assignment / Securitisation of Loans is recognised over the life of the underlying loans and not on an upfront basis.
- Credit enhancement in the form of cash collateral, if provided by the Company, by way of deposits is included under Cash and bank balances / Loans and Advances, as applicable.
- (vi) **Fixed Assets:**  
(a) **Tangible Assets:**  
Tangible fixed assets are stated at cost, net of tax / duty credits availed, less accumulated depreciation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.  
(b) **Intangible Assets:**  
Intangible assets are stated at cost, net of tax / duty credits availed, less accumulated amortisation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.
- (vii) **Depreciation / Amortisation:**  
Depreciation on tangible fixed assets is provided on straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on additions to fixed assets is provided on a pro-rata basis from the date the asset is put to use. Leasehold improvements are amortised over the period of Lease. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction, as the case may be. Assets costing less than Rs. 5,000 each are fully depreciated in the year of capitalisation.
- Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.
- (viii) **Impairment of Assets:**  
The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.
- (ix) **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 accounting income and taxable income is accounted for at the tax rates and the tax laws substantively enacted as at the Balance Sheet date, to the extent that the timing differences are expected to crystallise / capable of reversal in one or more subsequent periods. 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 virtual certainty of realisation backed by convincing evidence that there will be sufficient future taxable income available to realise such assets. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.
- (x) **Fringe Benefits Tax:**  
Fringe Benefits Tax has been provided in accordance with the provisions of the Income Tax Act, 1961 and the Guidance Note on Accounting for Fringe Benefits Tax issued by the Institute of Chartered Accountants of India. Pursuant to the enactment of the Finance Act, 2009, Fringe Benefit Tax stands abolished.
- (xi) **Share/Debenture Issue Expenses and Premium/Discount on Issue:**  
Share / Debenture issue expenses, net of tax, are adjusted against the Securities Premium Account, as permissible under Section 78(2) of the Companies Act, 1956, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred. Premium / Discount on Issue of debentures, net of tax, are adjusted against the Securities Premium Account, as permissible under Section 78(2) of the Companies Act, 1956, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred.

- (xii) **Investments:**  
Investments are classified as long term and current investments. Long term investments are carried individually at cost less provision, if any, for diminution other than temporary in the value of such investments. In terms of NHB Directions, 2010, quoted Current investments are valued at lower of cost or market value. Unquoted current investments in units of Mutual Funds are valued as per Net Asset Value of the Plan. Provision for diminution in value of investments is made in accordance with the NHB Directions, 2010 and Accounting Standard (AS) - 13 'Accounting for Investments' as notified by the Companies (Accounting Standards) Rules, 2006, as amended.
- (xiii) **Employee benefits:**  
The Company's contribution to Provident Fund is charged to the Statement of Profit and Loss. The Company has unfunded defined benefit plans as Compensated Absences and Gratuity for all eligible employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the 'Projected Unit Credit Method'. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses, as applicable. Superannuation (Pension & Medical coverage) payable to a Director on retirement is actuarially valued at the end of the year using the Projected Unit Credit Method. Actuarial gains and 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 as applicable.
- (xiv) **Commercial Papers:**  
The liability is recognised at the face value of the Commercial Paper at the time of its issue. The discount on issue of Commercial Papers is amortised over the tenure of the instrument.
- (xv) **Borrowing Costs:**  
Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of the asset. All other borrowing costs are charged to the Statement of Profit and Loss.
- (xvi) **Deferred Employee Stock Compensation Cost:**  
Deferred employee stock compensation cost for stock options are recognised on the basis of generally accepted accounting principles and are measured by the difference between the intrinsic value of the Company's shares of stock options at the grant date and the exercise price to be paid by the option holders. The compensation expense is amortised over the vesting period of the options. The fair value of options for disclosure purpose is measured on the basis of a valuation certified by an independent firm of Chartered Accountants in respect of stock options granted.
- (xvii) **Leases:**  
In case of assets taken on operating lease, the lease rentals are charged to the Statement of Profit and Loss on a straight line basis in accordance with Accounting Standard (AS) 19 – Leases as notified by the Companies (Accounting Standards) Rules, 2006, as amended.
- (xviii) **Segment reporting:**  
The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.
- (xix) **Derivative Transactions:**  
The Company has entered into Interest Rate Swap (IRS) and Foreign Currency Options(FCO). All outstanding IRS contracts and FCO contracts are marked-to-market as at the year end. Losses are recognised in the Statement of Profit and Loss based on category of contracts and gains towards category of contracts are ignored, in line with the Announcement made by the ICAI dated March 29, 2008. Any profit/loss arising on cancellation/unwinding of IRS contracts and FCO contract are recognised as income or expenses for the period. Premium / discount on IRS / FCO contract which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date, except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

- (xx) Foreign Currency Transactions and Translations:
- i. Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.
  - ii. Monetary items denominated in foreign currencies at the year end are translated at year end rates. In case of Forward Foreign Exchange Contract (FEC), the difference between the year-end rate and the rate on the date of the contract is recognised as exchange difference and the premium on such forward contracts is recognised over the life of the forward contract. Any profit/loss arising on cancellation or renewal of forward contract is recognised as income or expense for the period.
  - iii. Non monetary foreign currency items are carried at cost.
  - iv. Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.
  - v. The exchange differences arising on settlement / restatement of long-term monetary items which do not relate to acquisition of depreciable fixed assets are amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss. The unamortised exchange differences are carried in the Balance Sheet as "Foreign Currency Monetary Item Translation Difference Account" net of the tax effect thereon, where applicable.
- (xxi) Provisions, Contingent Liabilities and Contingent Assets: A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) 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 can not be made. Contingent Assets are neither recognised nor disclosed.
- (2) Corporate Information:

The Board of Directors of Indiabulls Housing Finance Limited (100% subsidiary of "IBFSL") and Indiabulls Financial Services Limited ("IBFSL") at their meeting held on April 27, 2012 had approved the Scheme of Arrangement involving the reverse merger of IBFSL with the Company in terms of the provisions of Sections 391 to 394 of the Companies Act, 1956 (the "Scheme of Arrangement"). The Appointed Date of the proposed merger fixed under the Scheme of Arrangement was April 1, 2012. The Hon'ble High Court of Delhi, vide its Order dated December 12, 2012, received by the Company on February 8, 2013, approved the Scheme of Arrangement. In terms of the Court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 8, 2013, with the office of ROC, NCT of Delhi & Haryana (the Effective Date), IBFSL, as a going concern, stands amalgamated with IBHFL with effect from the Appointed Date, being April 1, 2012. Accordingly, Earnings Per Share and previous year figures are not comparable.

Indiabulls Financial Services Limited ("IBFSL") was incorporated on January 10, 2000 as a Private Limited Company. On March 30, 2001, the Company was registered under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934 to carry on the business of a Non-Banking Financial Company. The Company was converted into a public limited Company pursuant to Section 44 of the Companies Act, 1956 on February 03, 2004.

Indiabulls Housing Finance Limited ("the Company") ("IBHFL") was incorporated on May 10, 2005. On December 28, 2005 the Company was registered under Section 29A of the National Housing Bank Act, 1987 to commence / carry on the business of a Housing Finance Institution without accepting public deposits. The Company is required to comply with provisions of the National Housing Bank Act, 1987, the Housing Finance Companies (NHB) Directions, 2010 and other guidelines / instructions / circulars issued by the National Housing Bank from time to time.

The Company is engaged in the business to provide finance and to undertake all lending and finance to any person or persons, co-operative society, association of persons, body of individuals, companies, institutions, firms, builders, developers, contractors, tenants and others either at interest or without and/or with or without any security for construction, erection, building, repair, remodeling, development, improvement, purchase of houses, apartments, flats, bungalows, rooms, huts, townships and/or other buildings and real estate of all descriptions or convenience there on and to equip the same or part thereof with all or any amenities or conveniences, drainage facility, electric, telephonic, television, and other installations, either in total or part thereof and /or to purchase any free hold or lease hold lands, estate or interest in any property and such other activities as may be permitted under the Main Objects of the Memorandum of Association of the Company.



		As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
		Amount	Amount	Amount	Amount	Amount
		(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
(3)	<b>Share Capital</b>					
	Authorised:					
	300,00,00,000 Equity Shares of face value Rs. 2 each	6,00,00,00,000	-	-	-	-
	15,57,00,00,000 Equity Shares of face value Rs. 10 each	-	1,55,70,00,000	1,55,70,00,000	-	-
	14,00,00,00,000 Equity Shares of face value Rs. 10 each	-	-	-	1,40,00,00,000	1,40,00,00,000
	1,00,00,00,000 (2008-09 to 2011-12 Nil) Preference Shares of face value Rs.10 each	10,00,00,00,000	-	-	-	-
	Issued, subscribed and fully paid up (I to VII)					
	31,25,11,167 Equity Shares of face value Rs. 2 each fully paid up	62,50,22,334	-	-	-	-
	15,56,89,656 Equity Shares of face value Rs. 10 each fully paid up	-	1,55,68,96,560	1,55,68,96,560	-	-
	13,50,00,00,000 Equity Shares of face value Rs. 10 each fully paid up	-	-	-	1,35,00,00,000	1,35,00,00,000
	The Company has only one class of Equity Shares of face value Rs. 2 each (Previous Years Rs.10) each fully paid up. Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the Shareholders in the ensuing Annual General Meeting, if applicable.					
	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.					
		62,50,22,334	1,55,68,96,560	1,55,68,96,560	1,35,00,00,000	1,35,00,00,000

(I)	<p>Indiabulls Financial Services Limited ("Erstwhile Holding Company") had issued Global Depository Receipts (GDR's) which were transferred under the Scheme of Arrangement. As at March 31, 2013 56,08,131 (Previous Years N.A.) GDR's were outstanding and were eligible for conversion into Equity Shares. The Company does not have information with respect to holders of these GDR's. Holders of Global Depository Receipts (GDRs) will be entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of Equity Shares, less the fees and expenses payable under such Deposit Agreement and any Indian tax applicable to such dividends. Holders of GDRs will not have voting rights with respect to the Deposited Shares. The GDRs may not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.</p>
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(II)	31,25,11,167 Equity Shares were allotted by the Company, for consideration other than cash to the shareholders of Erstwhile Holding Company pursuant to and in terms of the Scheme of Arrangement, approved by the Hon'ble High Court of Delhi vide its Order dated December 12, 2012, which came into effect on March 8, 2013 from the Appointed Date April 1, 2012.(Refer Note 39)
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(III) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of financial year:-										
Particulars	Equity Shares		Equity Shares		Equity Shares		Equity Shares		Equity Shares	
	As at March 31, 2013		As at March 31, 2012		As at March 31, 2011		As at March 31, 2010		As at March 31, 2009	
	No. of shares	(Amount in Rs.)	No. of shares	(Amount in Rs.)	No. of shares	(Amount in Rs.)	No. of shares	(Amount in Rs.)	No. of shares	(Amount in Rs.)
Opening Balance	15,56,89,656	1,55,68,96,560	15,56,89,656	1,55,68,96,560	13,50,00,000	1,35,00,00,000	13,50,00,000	1,35,00,00,000	13,50,00,000	1,35,00,00,000
Less: Equity Shares of Rs.10 each cancelled under the Scheme of Arrangement	15,56,89,656	1,55,68,96,560								
Add: Equity Shares of Rs. 2 Each issued during the year to under the Scheme of Arrangement*	31,25,11,167	62,50,22,334	-	-	-	-	-	-	-	-
Equity Shares issued during the year to Indiabulls Financial Services Limited(erstwhile Holding Company)	-	-	-	-	2,06,89,656	20,68,96,560	-	-	-	-
Closing Balance	31,25,11,167	62,50,22,334	15,56,89,656	1,55,68,96,560	15,56,89,656	1,55,68,96,560	13,50,00,000	1,35,00,00,000	13,50,00,000	1,35,00,00,000

\*Includes 7,06,596 Equity Shares of Rs. 2 each issued during the year, under various ESOP Schemes by the Erstwhile Holding Company aggregating to Rs. 14,13,192.

(IV)	Shares held by Shareholders holding more than 5% shares									
	As at March 31, 2013		As at March 31, 2012		As at March 31, 2011		As at March 31, 2010		As at March 31, 2009	
No. of Shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Holding Company										
Indiabulls Financial Services Limited (including nominee shareholders) (Refer Note 39)	-	-	15,56,89,656	100%	15,56,89,656	100%	13,50,00,000	100%	13,50,00,000	100%
Promoters and promoter group company										
Mr. Sameer Gehlaut	3,76,01,278	12.03%	-	-	-	-	-	-	-	-
Mr. Saurabh Kumar Mittal	1,89,87,083	6.08%	-	-	-	-	-	-	-	-
Mr. Rajiv Rattan	1,87,80,253	6.01%	-	-	-	-	-	-	-	-
Orthia Land Development Private Limited	1,57,17,165	5.03%	-	-	-	-	-	-	-	-
Non - Promoters										
Copthall Mauritius Investment Limited	2,18,48,131	6.99%	-	-	-	-	-	-	-	-
HSBC Global Investment Funds A/C HSBC Global Investment Funds Mauritius Limited	1,89,62,353	6.07%	-	-	-	-	-	-	-	-

(V) Employees Stock Options Schemes:

Indiabulls Financial Services Limited ("Erstwhile Holding Company") (Refer Note 39) and its erstwhile subsidiary, Indiabulls Credit Services Limited ("ICSL") had announced ESOS / ESOP schemes for its employees and the employees of other group companies whereas each option represents one Equity Share of the Company. The Company has adopted the ESOS / ESOP schemes in respect of its employees. A Compensation Committee constituted by the Board of Directors administers each of the plans.

- (a) Stock option schemes of the erstwhile Holding Company including schemes in lieu of stock options schemes of erstwhile fellow subsidiary Indiabulls Credit Services Limited transferred under the Court approved Scheme of Arrangement(Refer Note 39) :

S. No.	ERSTWHILE ICSL PLANS
1	IBFSL – ICSL Employees Stock Option Plan 2006
2	IBFSL - ICSL Employees Stock Option Plan II – 2006
3	Employees Stock Option Plan - 2008

(b) IHFL ESOS-2013

The members of the Company at their Meeting dated March 6, 2013 approved the IHFL ESOS -2013 scheme consisting of 3,90,00,000 stock options representing 3,90,00,000 fully paid up equity shares of Rs. 2 each of the Company to be issued in one or more tranches to eligible employees of the Company or to eligible employees of the subsidiaries of the Company. The same has not yet been granted till March 31, 2013.

(c) The other disclosures in respect of the ESOS / ESOP Schemes are as under:-								
As at March 31, 2013:								
Particulars	IBFSL – ICSL Employees Stock Option Plan 2006	IBFSL – ICSL Employees Stock Option Plan II – 2006	Employees Stock Option Plan - 2008	Employees Stock Option Plan - 2008 -Regrant	Employees Stock Option Plan - 2008- Regrant	IBFSL – ICSL Employees Stock Option Plan 2006- Regrant	Employees Stock Option Plan - 2008- Regrant	IBFSL – ICSL Employees Stock Option Plan II - 2006- Regrant
Total Options under the Scheme	14,40,000	7,20,000	75,00,000	N.A.	N.A.	N.A.	N.A.	N.A.
Options issued	14,40,000	7,20,000	75,00,000	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	Four years, 25% each year	Four years, 25% each year	Ten years, 15% First year, 10% for next eight years and 5% in last year	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Date	1st April	1st November	8th December	31st December	16th July	27th August	11th January	27th August
Revised Vesting Period & Percentage	Eight years, 12% each year for 7 years and 16% during the 8th year	Nine years, 11% each year for 8 years and 12% during the 9th year	N.A.	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	41.67	100.00	95.95	125.90	158.50	95.95	153.65	100.00
Exercisable Period	4 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	3,70,556	1,64,268	36,89,793	1,18,155	2,11,400	3,16,000	1,90,668	1,75,200

Regrant Addition	N.A	N.A	N.A	N.A	N.A.	N.A.	N.A.	N.A.
Regrant Date	N.A	N.A	N.A	December 31, 2009	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	63,558	27,429	4,95,558	11,460	22,940	39,500	20,000	21,900
Exercised during the year (Nos.)	65,046	21,186	5,47,026	18,990	26,680	-	27,668	-
Expired during the year (Nos.)	-	-	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-	-	-
Lapsed during the year	8,600	10,320	99,208	11,250	13,000	-	-	-
Re-granted during the year	-	-	-	N.A	N.A	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	2,96,910	1,32,762	30,43,559	87,915	1,71,720	3,16,000	1,63,000	1,75,200
Exercisable at the end of the year (Nos.)	21,492	24,328	3,39,962	12,420	200	39,500	3,000	21,900
Remaining contractual Life (Weighted Months)	64	80	90	97	105	95	110	95
N.A - Not Applicable								

As at March 31, 2012 : (Being applicable as an subsidiary of the Erstwhile Holding Company)								
Particulars	IBFSL – ICSL Employees Stock Option Plan 2006	IBFSL – ICSL Employees Stock Option Plan II – 2006	Employees Stock Option Plan - 2008	Employees Stock Option Plan - 2008 -Regrant	Employees Stock Option Plan - 2008- Regrant	IBFSL – ICSL Employees Stock Option Plan 2006- Regrant	Employees Stock Option Plan - 2008- Regrant	IBFSL – ICSL Employees Stock Option Plan II - 2006- Regrant
Total Options under the Scheme	14,40,000	7,20,000	75,00,000	N.A.	N.A.	N.A.	N.A.	N.A.
Options issued	14,40,000	7,20,000	75,00,000	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	Four years, 25% each year	Four years, 25% each year	Ten years, 15% First year, 10% for next eight years and 5% in last year	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Date	1st April	1st November	8th December	31st December	16th July	27th August	11th January	27th August

Revised Vesting Period & Percentage	Eight years, 12% each year for 7 years and 16% during the 8th year	Nine years, 11% each year for 8 years and 12% during the 9th year	N.A.	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	41.67	100.00	95.95	125.90	158.50	95.95	153.65	100.00
Exercisable Period	4 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	4,92,446	2,45,724	47,04,016	1,43,100	2,30,400	3,55,500	2,00,000	1,97,100
Regrant Addition	N.A	N.A	N.A	N.A	N.A.	N.A.	N.A.	N.A.
Regrant Date	N.A	N.A	N.A	December 31, 2009	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	70,902	30,333	5,15,643	12,510	23,040	39,500	20,000	21,900
Exercised during the year (Nos.)	81,858	51,372	5,88,546	945	19,000	39,500	9,332	21,900.00
Expired during the year (Nos.)	-	-	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-	-	-
Lapsed during the year	40,032	30,084	4,25,677	24,000	-	-	-	-
Re-granted during the year	-	-	-	N.A	N.A	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	3,70,556	1,64,268	36,89,793	1,18,155	2,11,400	3,16,000	1,90,668	1,75,200
Exercisable at the end of the year (Nos.)	31,580	25,477	4,35,832	22,875	4,040	-	10,668	-
Remaining contractual Life (Weighted Months)	69	85	95	99	110	107	114	107
N.A - Not Applicable								

As at March 31, 2011 : (Being applicable as an subsidiary of the Erstwhile Holding Company)								
Particulars	IBFSL – ICSL Employees Stock Option Plan 2006	IBFSL – ICSL Employees Stock Option Plan II – 2006	Employees Stock Option Plan – 2008	Employees Stock Option Plan – 2008- Regrant	Employees Stock Option Plan – 2008- Regrant	IBFSL – ICSL Employees Stock Option Plan 2006- Regrant	Employees Stock Option Plan – 2008- Regrant	IBFSL – ICSL Employees Stock Option Plan II – 2006- Regrant
Total Options under the Scheme	14,40,000	7,20,000	75,00,000	N.A.	N.A.	N.A.	N.A.	N.A.
Options issued	14,40,000	7,20,000	75,00,000	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	Four years, 25% each year	Four years, 25% each year	Ten years, 15% First year, 10% for next eight years and 5% in last year	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Date	1st April	1st November	8th December	31st December	16th July	27th August	11th January	27th August
Revised Vesting Period & Percentage	Eight years, 12% each year for 7 years and 16% during the 8th year	Nine years, 11% each year for 8 years and 12% during the 9th year	N.A.	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	41.67	100.00	95.95	125.90	158.50	95.95	153.65	100.00
Exercisable Period	4 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	7,57,116	4,63,795	71,30,557	3,67,350	N.A.	3,95,000	N.A.	2,19,000
Regrant Addition	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Regrant Date	N.A.	N.A.	N.A.	December 31, 2009	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	80,622	33,435	5,74,969	14,310	-	39,500	-	21,900
Exercised during the year (Nos.)	1,11,894	29,766	8,94,537	-	-	39,500	-	21,900.00



Expired during the year (Nos.)	-	-	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-	-	-
Lapsed during the year	1,52,776	1,88,305	11,01,604	2,24,250	-	-	-	-
Re-granted during the year	-	-	4,30,400	N.A	N.A	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	4,92,446	2,45,724	47,04,016	1,43,100	2,30,400	3,55,500	2,00,000	1,97,100
Exercisable at the end of the year (Nos.)	43,400	45,988	5,48,050	14,310	-	-	-	-
Remaining contractual Life (Weighted Months)	74	83	101	111	117	113	123	113
N.A - Not Applicable								

As at March 31, 2010 : (Being applicable as an subsidiary of the Erstwhile Holding Company)			
Particulars	IBFSL – ICSL Employees Stock Option Plan 2006	IBFSL – ICSL Employees Stock Option Plan II – 2006	Employees Stock Option Plan - 2008
Total Options under the Scheme	14,40,000	7,20,000	75,00,000
Options issued	14,40,000	7,20,000	75,00,000
Vesting Period and Percentage	Four years,25% each year	Four years,25% each year	Ten years,15% First year, 10% for next eight years and 5% in last year
Vesting Date	1st April	1st November	8th December
Revised Vesting Period & Percentage	Eight years, 12% each year for 7 years and 16% during the 8th year	Nine years,11% each year for 8 years and 12% during the 9th year	N.A.
Exercise Price (Rs.)	41.67	100.00	95.95
Exercisable Period	4 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	12,37,220	7,20,000	75,00,000
Regrant Addition	N.A	N.A	N.A
Regrant Date	N.A	N.A	N.A
Options vested during the year (Nos.)	1,29,600	79,200	10,69,898
Exercised during the year (Nos.)	85,104	37,205	2,093
Expired during the year (Nos.)	-	-	-
Cancelled during the year	-	-	-

Lapsed during the year	-	-	-
Re-granted during the year	-	-	3,67,350
Outstanding at the end of the year (Nos.)	11,52,116	6,82,795	71,30,557
Exercisable at the end of the year (Nos.)	2,01,716	2,11,195	10,67,805
Remaining contractual Life (Weighted Months)	75	94	105
N.A - Not Applicable			

As at March 31, 2009 : (Being applicable as an subsidiary of the Erstwhile Holding Company)		
Particulars	IBFSL – ICSSL Employees Stock Option Plan 2006	IBFSL – ICSSL Employees Stock Option Plan II – 2006
Total Options under the Scheme	14,40,000	7,20,000
Options issued	14,40,000	7,20,000
Vesting Period and Percentage	Four years, 25% each year	Four years, 25% each year
Vesting Date	1st April	1st November
Revised Vesting Period & Percentage	Eight years, 12% each year for 7 years and 16% during the 8th year	Nine years, 11% each year for 8 years and 12% during the 9th year
Exercise Price (Rs.)	41.67	100.00
Exercisable Period	4 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	14,40,000	7,20,000
Regrant Addition	N.A	N.A
Regrant Date	N.A	N.A
Options vested during the year (Nos.)	3,60,000	79,200
Exercised during the year (Nos.)	2,02,780	-
Expired during the year (Nos.)	-	-
Cancelled during the year	-	-
Lapsed during the year	-	-
Re-granted during the year	-	-
Outstanding at the end of the year (Nos.)	12,37,220	7,20,000
Exercisable at the end of the year (Nos.)	1,57,220	79,200
Remaining contractual Life (Weighted Months)	85	103
N.A - Not Applicable		

The Fair value of the options as determined by an Independent firm of Chartered Accountants, which has been regranted by the Erstwhile Holding Company under the respective plans using the Black-Scholes Merton Option Pricing Model based on the following parameters are as under:-

Particulars	ESOP – 2008 Regrant	ESOP – 2008 Regrant	IBFSL – ICSL Employees Stock Option Plan 2006- Regrant	IBFSL – ICSL Employees Stock Option Plan II 2006- Regrant	ESOP – 2008 Regrant
Exercise price	Rs 125.90	158.5	95.95	100	153.65
Expected volatility*	99.61%	99.60%	75.57%	75.57%	99.60%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
Option Life (Weighted Average)	9.80 Years	9.80 Years	9.80 Years	9.80 Years	9.80 Years
Expected Dividends yield	3.19%	2.89%	4.69%	4.50%	2.98%
Weighted Average Fair Value (Rs.)	83.48	90.24	106.3	108.06	84.93
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%

\*The expected volatility was determined based on historical volatility data.

#### Fair Value Methodology:

As the erstwhile ICSL Plans / erstwhile Plans were issued based on the fair value of the options on the date of the grant, there is no impact of the same on the net profit and earnings per share. The ESOP - 2008 (including re-grant) were issued at the Intrinsic value of the options on the date of the grant. Had the compensation cost for the stock options granted under ESOP - 2008 (including re-grant) been determined based on the fair value approach, the Company's net profit and earnings per share would have been as per the pro forma amounts indicated below:-

Particulars	Year ended	Year ended	Year ended	Year ended	Year ended
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Net Profit available to Equity Share holders (as restated)	12,27,89,69,201	2,50,00,29,234	78,15,34,720	19,05,89,343	22,61,25,844
Less : Stock-based compensation expense determined under fair value based method: [Gross Rs.390,850,276 (Previous Years Rs. N.A.)] (Pro forma)	4,09,85,070	-	-	-	-
Net Profit available to Equity Share holders (as per Pro forma)	12,23,79,84,131	2,49,98,73,358	78,15,34,720	19,05,89,343	22,61,25,844
Basic earnings per share (as restated)	39.34	16.06	5.71	1.41	1.68
Basic earnings per share (Pro forma)	39.21	16.06	5.71	1.41	1.68
Diluted earnings per share (as restated)	38.12	16.06	5.71	1.41	1.68
Diluted earnings per share (Pro forma)	37.99	16.06	5.71	1.41	1.68

- (VI) Pursuant to the Scheme of Arrangement the Authorised Capital of the Company has been rearranged to Rs.16,00,00,00,000 divided into 3,00,00,00,000 Equity Shares of Rs. 2 each and 1,00,00,00,000 Preference Shares of Rs. 10 each.

(VII) 5,25,87,066 Equity shares of Rs. 2 each(2011-12 Nil, 2010-11 Nil, 2009-10 Nil, 2008-09 Nil) are reserved for issuance as follows:-  
 (a) 43,87,066 shares of Rs. 2 each (2011-12 Nil, 2010-11 Nil, 2009-10 Nil, 2008-09 Nil) towards Employees Stock options as granted.

(b) 4,82,00,000 shares of Rs. 2 each (2011-12 Nil, 2010-11 Nil, 2009-10 Nil, 2008-09 Nil) towards outstanding share warrants.

(4) Reserves and Surplus	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount	Amount	Amount	Amount	Amount
Capital Reserve:					
Opening Balance	-	-	-	-	-
Add: Transfer from Indiabulls Financial Services Limited pursuant to Scheme of Arrangement(Refer Note.39)	13,75,00,000	-	-	-	-
Closing Balance	13,75,00,000	-	-	-	-
Capital Redemption Reserve:					
Opening Balance	-	-	-	-	-
Add: Transfer from Indiabulls Financial Services Limited pursuant to Scheme of Arrangement(Refer Note.39)	36,27,392	-	-	-	-
Closing Balance	36,27,392	-	-	-	-
Securities Premium Account:					
Opening Balance	3,36,53,48,462	3,45,89,74,212	66,58,70,652	66,58,70,652	66,58,70,652
Add: Amount received during the year	-	-	2,79,31,03,560	-	-
Add: Additions during the year on account of shares issued under ESOPs	6,67,73,829	-	-	-	-
Add: Transfer from Indiabulls Financial Services Limited pursuant to Scheme of Arrangement(Refer Note.39)	32,31,18,18,259	-	-	-	-
	35,74,39,40,550	3,45,89,74,212	3,45,89,74,212	66,58,70,652	66,58,70,652
Less: Adjustment on account of merger(1)	3,69,64,78,559				
Less: Debenture issue expenses(Net of	68,29,30,943	7,48,66,800	-	-	-

Tax Effect)					
Less: Premium on Redemption of Non Convertible Debentures (Including Discount)(Net of Tax Effect)	1,81,80,84,554	1,87,58,950	-	-	-
Closing Balance	29,54,64,46,494	3,36,53,48,462	3,45,89,74,212	66,58,70,652	66,58,70,652
Stock Compensation Adjustment: (Refer Note 39)					
Opening Balance	-	-	-	-	-
Employee Stock Options outstanding	6,14,03,350	-	-	-	-
Less: Deferred Employee Stock Compensation expense	1,87,94,365	-	-	-	-
Less: Transferred to Securities Premium account	1,22,80,670	-	-	-	-
Closing Balance	3,03,28,315	-	-	-	-
General Reserve:					
Opening Balance	-	-	-	-	-
Add: Transfer from Indiabulls Financial Services Limited pursuant to Scheme of Arrangement(Refer Note.39)	2,39,62,48,200	-	-	-	-
Add: Amount transferred during the year from Surplus in Statement of Profit and Loss	1,22,80,00,000	-	-	-	-
Closing Balance	3,62,42,48,200	-	-	-	-
Foreign Currency Monetary Item Translation Difference Account (2):					
Opening Balance	-	-	-	-	-
Add: Transfer during the Year	(2,75,23,476)	-	-	-	-
Closing Balance	(2,75,23,476)	-	-	-	-
Other Reserves:					
Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961:					
Opening Balance	-	-	-	-	-
Add: Transfer from Indiabulls Financial Services Limited	89,00,00,000	-	-	-	-

pursuant to Scheme of Arrangement (Refer Note.39)					
Closing Balance	89,00,00,000	-	-	-	-
Statutory Reserve:					
Reserve (I) (3)					
Opening Balance	96,38,08,922	46,38,34,250	30,61,79,412	26,93,66,577	22,46,49,364
Add: Amount transferred during the year from Surplus in Statement of Profit and Loss	2,45,58,13,911	49,99,74,672	15,76,54,838	3,68,12,835	4,47,17,213
Closing Balance	3,41,96,22,833	96,38,08,922	46,38,34,250	30,61,79,412	26,93,66,577
Reserve (II)					
Opening Balance	-	-	-	-	-
Add: Transfer from Indiabulls Financial Services Limited pursuant to Scheme of Arrangement (4)&(Refer Note 39)	5,05,47,95,194	-	-	-	-
Closing Balance	5,05,47,95,194	-	-	-	-
Additional Reserve Fund (U/s 29C of the National Housing Bank Act, 1987): (3)					
Opening Balance	2,06,95,52,909	28,00,00,000	-	-	-
Add: Amount transferred during the year from Surplus in Statement of Profit and Loss	2,00,00,00,000	1,98,00,00,000	28,00,00,000	-	-
Less: Amount utilised during the year (5)	1,32,02,00,000	19,04,47,091	-	-	-
Closing Balance	2,74,93,52,909	2,06,95,52,909	28,00,00,000	-	-
Surplus in Statement of Profit and Loss:					
Opening Balance	1,59,53,36,039	1,57,52,81,477	1,23,14,01,595	1,07,76,25,087	89,62,16,456
Add: Transfer from Indiabulls Financial Services Limited pursuant to Scheme of Arrangement(Refer Note.39)	1,29,51,49,850				
Net Profit for the year after tax	12,27,89,69,201	2,50,00,29,234	78,15,34,720	19,05,89,343	22,61,25,844
Amount available for appropriation (A)	15,16,94,55,090	4,07,53,10,711	2,01,29,36,315	1,26,82,14,430	1,12,23,42,300
Appropriations:					

Interim Dividend paid on Equity Shares (Rs. 13.50 Per Share (Previous Year Rs. Nil))	4,21,50,19,939	-	-	-	-
Interim Dividend payable on Equity Shares (Rs. 6.50 Per Share (Previous Year Rs. Nil))	2,03,13,22,586	-	-	-	-
Dividend for the previous year on Equity Shares issued by the Erstwhile Holding Company after the year end pursuant to ESOPs Allotment	12,91,745	-	-	-	-
Corporate Dividend Tax on Interim Dividend paid on Equity Shares	68,37,81,610	-	-	-	-
Corporate Dividend Tax on Interim Dividend payable on Equity Shares	34,52,23,274	-	-	-	-
Corporate Dividend Tax on Dividend for the previous year on Equity Shares issued by the Erstwhile Holding Company after the year end pursuant to ESOPs Allotment	2,09,554	-	-	-	-
Transferred to General Reserve	1,22,80,00,000	-	-	-	-
Transferred to Special Reserve (U/s 29C of the National Housing Bank Act, 1987)	2,45,58,13,911	49,99,74,672	15,76,54,838	3,68,12,835	4,47,17,213
Transferred to Additional Reserve (U/s 29C of the National Housing Bank Act, 1987)	2,00,00,00,000	1,98,00,00,000	28,00,00,000	-	-
<b>Total Appropriations (B)</b>	12,96,06,62,619	2,47,99,74,672	43,76,54,838	3,68,12,835	4,47,17,213
Balance of Profit Carried forward (A)-(B)	2,20,87,92,471	1,59,53,36,039	1,57,52,81,477	1,23,14,01,595	1,07,76,25,087
	47,63,71,90,332	7,99,40,46,332	5,77,80,89,939	2,20,34,51,659	2,01,28,62,316

- (1) Difference between the carrying amount of Investment in Indiabulls Housing Finance Limited held by Indiabulls Financial Services Limited, and amount of Capital issued earlier has been debited to Securities Premium account as per Scheme of Arrangement on cancellation of said investment.

- (2) Pursuant to the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs amending Accounting Standard 11 - The Effects of Changes in Foreign Exchange Rates, as notified by the Companies (Accounting Standards) Rules, 2006, as amended, the Company has exercised the option as per para 46A inserted in the said Standard for all long term monetary assets and liabilities. Consequently an amount of Rs. 2,75,23,476 representing translation difference on foreign currency loans is carried forward in the Foreign Currency Monetary Item Translation Difference Account as on March 31, 2013. This amount is to be amortised over the balance period of such monetary liabilities.
- (3) In terms of Section 29C of the NHB Act, 1987, the Company is required to transfer at least 20% of its Profit after tax to a Reserve Fund before any dividend is declared. Such a Reserve Fund is also considered as an eligible transfer in terms of Section 36(1)(viii) of the Income Tax Act, 1961. The Company has transferred an amount of Rs. 2,45,58,13,911 (2011-12 Rs. 49,99,74,672, 2010-11 Rs. 15,76,54,838, 2009-10 Rs. 3,68,12,835, 2008-09 Rs. 4,47,17,213) to the Reserve Fund as at the respective year ends. Further an additional amount of Rs. 2,00,00,00,000 (2011-12 Rs. 1,98,00,00,000, 2008-09 to 2010-11 Rs. Nil) has been set apart by way of transfer to Additional Reserve Fund in excess of the statutory minimum requirement as specified under Section 29C pursuant to Circular no. NHB(ND)/DRS/Pol-No. 03/2004-05 dated August 26, 2004 issued by the National Housing Bank. The additional amount so transferred may be utilised in the future for any business purpose.
- (4) This pertains to reserve created under section 45-IC of the Reserve Bank of India Act 1934, by the Erstwhile Holding Company Indiabulls Financial Services Limited, which has been transferred to the Company under the Scheme of Arrangement.
- (5) During the year, in addition to the charge of Rs. 54,71,81,041 (2011-12 Rs. 10,90,22,196, 2010-11 Rs. 8,58,45,679, 2009-10 Rs. Nil, 2008-09 Rs. 2,07,78,809) towards provision for loan assets and standard assets to the Statement of Profit and Loss, an amount of Rs. 1,32,02,00,000 (net of Deferred Tax of Rs. 67,98,00,000 ) [(2011-12 Rs. 19,04,47,091, 2008-09 to 2010-11 Rs. Nil) (net of deferred tax of Rs. Nil)], being one time charge of provision for standard assets and other contingencies due to Merger between the Company and the Erstwhile Holding Company (Refer note 39) and changes in the provisioning requirements by the National Housing Bank vide Circulars no. NHB.HFC.DIR.4/CMD/2012 dated January 19, 2012 has been transferred from Additional Reserve created as per Section 29C of the National Housing Bank Act, 1987 pursuant to Circular No. NHB(ND)/DRS/Pol- 03/2004-05 dated August 26, 2004 as under;

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
Particulars	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Provisions for Contingencies	2,22,36,68,551	26,11,35,977	6,32,35,736	-	-
Provision for Loan Assets	32,35,12,490	3,83,33,310	2,26,09,943	-	2,07,78,809
<b>Total</b>	<b>2,54,71,81,041</b>	<b>29,94,69,287</b>	<b>8,58,45,679</b>	<b>-</b>	<b>2,07,78,809</b>

- (5) In terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the erstwhile Holding Company during the current financial year, upon receipt of Shareholders approval, has on June 9, 2012, issued and allotted an aggregate of 2,07,00,000 warrants, to certain Promoter group entities and Key Management Personnel, at a conversion price of Rs. 218 per Equity Share, 25% of which amounting to Rs. 1,12,81,50,000 has already been received by the Erstwhile Holding Company from the respective allottees as upfront amount. These warrants are convertible into an equivalent number of Equity Shares of face value Rs. 2 each, in the Company, upon receipt of balance conversion price, within a period of eighteen months from the date of allotment. In the event the warrants are not converted into shares within the said period, the Company is eligible to forfeit the amount received towards the warrants.(Refer Note 39)

		As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
(6)	Long-term borrowings	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)



Secured					
Redeemable Non Convertible Debentures (Refer Note 29(i))**	58,07,10,00,000	4,85,00,00,000	37,50,00,000	2,65,00,00,000	-
Term Loans (Refer Note 29(ii))*					
- from banks	1,11,82,17,98,868	35,86,25,77,777	22,44,44,44,444	3,46,04,33,366	2,49,35,25,969
- from others	4,00,49,99,999	-	-	-	-
Unsecured					
Loans and Advances from related parties;					
- Redeemable Non convertible Debentures (Refer Note 29(iii))	-	3,00,00,00,000	-	-	-
Loans and Advances from Others					
-10.60% Redeemable Non convertible Perpetual Debentures***	1,00,00,00,000	-	-	-	-
- Subordinated Debt (Refer Note 29 (iv))	7,44,68,00,000	1,25,00,00,000	-	-	-
	1,82,34,45,98,867	44,96,25,77,777	22,81,94,44,444	6,11,04,33,366	2,49,35,25,969
*Secured by hypothecation of Loan Receivables(Current and Future) /Current Assets/Cash and Cash Equivalents of the Company.					
**Redeemable Non-Convertible Debentures are secured against Immovable Property / Current Assets and pool of Current and Future Loan Receivables of the Company.					
***No Put / Call Option exercisable at the end of 10 years from the date of allotment (exercisable only with the prior approval of the concerned regulatory authority)					

		As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(7)	Deferred tax liabilities (Net)					
Pursuant to Accounting Standard (AS) - 22 'Accounting for Taxes on Income' as notified by the Companies (Accounting Standards) Rules, 2006, as amended, the Company has debited an amount of Rs. 14,26,16,472 (2011-12 credited Rs. 7,35,63,917, 2010-11 credited Rs. 10,79,86,362, 2009-10 credited Rs. 6,70,26,814, 2008-09 credited Rs.17,65,13,351) as deferred tax charge / credit to the Statement of Profit and Loss. The breakup of deferred tax into major components is as under:						
Deferred Tax Liabilities						
On difference between book balance and tax balance of fixed assets		-	-	-	30,86,670	50,64,999
Amount recoverable on assignment of loans		-	-	-	11,76,51,028	20,91,82,520
Deferred Tax Assets						
On difference between book balance and tax balance of fixed assets		-	-	-	-	-

Provision for loan assets and contingent provision against standard assets	-	-	-	4,15,69,770	6,85,36,468
Disallowance under Section 40A(7) of the Income-Tax Act, 1961	-	-	-	28,37,825	25,30,913
Disallowance under Section 43B of the Income-Tax Act, 1961	-	-	-	12,82,915	10,89,807
Preliminary expenses	-	-	-	-	16,329
Deferred tax liabilities (Net)	-	-	-	7,50,47,188	14,20,74,002

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(8) Other Long-term liabilities		-	-	-	-
Other Liabilities	27,59,578	2,32,548	2,21,998	-	-
Interest Accrued but not due on Secured Redeemable, Non Convertible Debentures	7,56,19,945				
	7,83,79,523	2,32,548	2,21,998	-	-

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(9) Long term provisions					
Provision for Contingencies(1) & (Refer Note 37)	2,65,09,73,268	34,23,39,958	9,72,86,010	3,39,73,235	3,12,40,795
Provision for Gratuity(Refer Note 26)	7,29,98,994	53,58,135	1,03,89,402	84,36,505	73,67,333
Provision for Compensated Absences(Refer Note 26)	3,20,17,108	20,39,251	41,65,335	36,36,766	30,29,453
Provision for Superannuation (Refer Note 26)	29,22,25,359		-	-	-
Premium on Redemption on Secured Non Convertible Debentures (Accrued but not due)(Sinking fund)	62,13,18,989	2,59,71,134	-	-	-
	3,66,95,33,718	37,57,08,478	11,18,40,747	4,60,46,506	4,16,37,581

(1) Provision for Contingencies includes Contingent provision against standard assets and other contingencies. As per National Housing Bank Circular No. NHB/HFC/DIR.3/CMD/2011 dated August 5, 2011 and NHB/HFC/DIR.4/CMD/ 2012 dated January 19, 2012, in addition to provision for non performing assets, all housing finance companies are required to carry a general provision. (i) at the rate of 2% on housing loans disbursed at comparatively lower rate of interest in the initial few years, after which rates are reset at higher rates; (ii) at the rate of 1% of Standard Assets in respect of Commercial Real Estates and (iii) at the rate of 0.40% of the total outstanding amount of loans which are Standard Assets other than (i) & (ii) above. Accordingly, the Company is carrying a provision of Rs. 2,50,00,00,000 (Previous Year Rs. 36,23,57,671) towards standard assets (included in Provisions for Contingencies), which is well over the required minimum provision as per the NHB Guidelines.

Movement in Provision for Contingencies Account during the year is as under :	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Particulars					
Opening Balance	36,23,57,671	10,12,21,694	3,79,85,959	3,79,85,959	3,79,85,959
Add: Transfer from Indiabulls Financial Services Limited pursuant to Scheme of arrangement(Refer Note. 39)	44,39,69,243	-	-	-	-
Add: Addition during the Year (Refer Note 4(5))	2,22,36,68,551	26,11,35,977	6,32,35,736	-	-
Closing Balance*	3,02,99,95,465	36,23,57,671	10,12,21,695	3,79,85,959	3,79,85,959
*Includes Contingent Provision Against Standard Assets	2,50,00,00,000	36,23,57,671	10,12,21,695	3,79,85,959	3,79,85,959

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(10) Short-term borrowings					
Secured					
(a) Loans repayable on demand					
From banks- Working Capital Demand Loan *(Refer Note 29(ii))	28,50,00,00,000	6,00,00,00,000	-	-	-
From banks- Cash Credit Facility *	5,43,26,15,618	25,08,27,156	98,16,17,511	24,96,57,530	58,32,36,306
(b) Other Loans and advances					
From banks* (Refer Note 29(ii))	7,27,75,23,476	-	-	-	-
Redeemable, Non Convertible Debentures (Refer Note 29(i))**	65,00,00,000	-	-	-	-
Unsecured					
(a) Other Loans and advances					
Commercial Papers(Refer Note 29(v))	21,95,00,00,000	6,87,50,00,000	-	50,00,00,000	-
(b) Loans from related parties; (Refer Note 32 (e))	-	-	28,00,00,000	28,00,00,000	88,50,48,000
	63,81,01,39,094	13,12,58,27,156	1,26,16,17,511	1,02,96,57,530	1,46,82,84,306
*Secured by hypothecation of Loan Receivables (Current and Future) / Current Assets / Cash and Cash Equivalents of the Company.					
**Redeemable Non-Convertible Debentures are secured against Immovable Property / Current Assets and pool of Current and Future Loan Receivables of the Company.					

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(11) Trade payables					
(a) Dues to Micro and Small Enterprises *	-	-	-	-	-
(b) Dues to others	2,85,29,227	10,63,764	12,76,947	22,66,382	5,73,332
	2,85,29,227	10,63,764	12,76,947	22,66,382	5,73,332

\* Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

(a) An amount of Rs. Nil and Rs. Nil was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.

(b) 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 to Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(12) Other current liabilities					
Current maturities of long term debt(1)	64,70,30,99,788	2,44,48,66,667	2,40,55,55,556	2,49,59,92,164	1,73,85,39,130
Interest accrued but not due(2)	3,54,90,05,814	15,70,88,255	60,96,977	15,06,837	-
Temporary Overdrawn Bank Balances as per books	6,95,75,73,072	3,39,56,48,869	1,77,01,20,047	63,74,55,906	23,09,06,111
Amount payable on Assigned Loans(3)	2,10,84,02,244	6,34,59,837	11,91,46,077	24,75,90,202	12,13,36,022
Other Current Liabilities for Statutory Dues and Expense Provisions	60,96,86,917	7,77,75,959	7,16,62,064	3,61,48,743	1,75,53,743
Unclaimed Dividends(4)	1,92,87,496	-	-	-	-
	77,94,70,55,331	6,13,88,39,587	4,37,25,80,721	3,41,86,93,852	2,10,83,35,006
<b>(1) Current maturities of long term debt</b>					
Redeemable, Non Convertible Debentures (Refer Note 29(i))	26,89,00,00,000	-	2,35,00,00,000	-	-
Term Loans					
From Banks (Refer Note 29(ii))	37,18,30,99,788	2,44,48,66,667	5,55,55,556	2,49,59,92,164	1,73,85,39,130
From Others (Refer Note 29(ii))	63,00,00,000	-	-	-	-
	64,70,30,99,788	2,44,48,66,667	2,40,55,55,556	2,49,59,92,164	1,73,85,39,130
<b>(2) Interest accrued but not due</b>					

On Term Loans and Working Capital Demand Loans	4,21,96,097	9,14,966	72,180	5,10,536	-
On Secured Redeemable Non Convertible Debentures	3,10,68,59,914	15,43,75,344	60,24,797	9,96,301	-
On Subordinate Debt and Perpetual Debt	39,99,49,803	17,97,945	-	-	-
	3,54,90,05,814	15,70,88,255	60,96,977	15,06,837	-
(3) Amount payable on assigned loans is net of amount receivable amounting to Rs. 1,84,60,081 (2011-12 Rs. 3,78,09,379, 2010-11 Rs. 25,68, 2009-10 Rs. 3,01,31,888, 2008-09 Rs. 1,77,84,359).					
(4) 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 the year end.					

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(13) Short-term provisions					
Provision for Taxation (Net of Advance Tax/ TDS/ Self assessment Tax)	1,56,99,08,553	18,75,91,919	28,48,28,163	3,19,57,564	3,29,90,470
Provision for Fringe Benefits Tax (net of Advance Tax)	1,85,628	-	-	5,000	-
Provision for Contingencies(Refer Note. 9 & 37)	37,90,22,197	2,00,17,713	39,35,685	40,12,724	67,45,164
Provision for Gratuity(Refer Note 26)	47,02,015	3,51,518	7,00,366	1,06,657	78,720
Provision for Compensated Absences(Refer Note 26)	23,92,373	2,10,902	2,85,400	2,25,402	1,76,801
Sinking fund for Premium on Redemption on Secured Non Convertible Debentures (Accrued but not due) (Sinking fund)	3,88,25,12,878	-	-	-	-
Interim Dividend payable on Equity Shares (Rs. 6.50 per Equity share (Previous Year Rs. Nil))	2,03,13,22,586	-	-	-	-
Corporate Dividend Tax payable on Interim Dividend payable on Equity Shares	34,52,23,274	-	-	-	-
	8,21,52,69,504	20,81,72,052	28,97,49,614	3,63,07,347	3,99,91,155

Annexure IV: Notes forming part of Restated Standalone Summary Statements as at March 31, 2013

(14) (a) FIXED ASSETS

Particulars	GROSS BLOCK AT COST				DEPRECIATION					NET BLOCK		
	As at April 01, 2012 Rs.	Addition on account of Scheme of Arrangem ent <sup>(Refer Note 39)</sup> Rs.	Additions during the year Rs.	Adjustmen ts/ Sales during the year Rs.	As at March 31, 2013 Rs.	As at April 01, 2012 Rs.	Addition on account of Scheme of Arrangemen t <sup>(Refer Note 39)</sup> Rs.	Provided during the year Rs.	Adjustmen ts during the year Rs.	As at March 31, 2013 Rs.	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
A. Tangible Assets												
Land*	11,75,000	19,12,000	1,31,270	-	32,18,270	-	-	-	-	-	32,18,270	11,75,000
Building	1,02,55,100	-	-	-	1,02,55,100	2,19,824	-	1,67,158	-	3,86,982	98,68,118	1,00,35,276
Computers	2,18,84,417	15,57,03,916	1,37,88,069	13,44,766	19,00,31,636	1,57,06,680	11,36,04,083	2,21,51,501	11,28,298	15,03,33,966	3,96,97,670	61,77,737
Furniture & Fixtures	2,06,79,740	7,92,12,861	1,45,99,096	4,48,435	11,40,43,262	1,12,65,199	3,28,18,110	1,93,76,675	2,62,230	6,31,97,754	5,08,45,508	94,14,541
Leasehold Improvements	1,80,49,237	16,71,26,343	1,86,53,955	9,34,369	20,28,95,166	50,23,537	5,41,01,488	1,09,28,216	7,19,427	6,93,33,814	13,35,61,352	1,30,25,700
Office Equipments	82,69,635	8,56,53,829	1,08,73,521	5,18,216	10,42,78,769	16,40,933	1,86,51,943	49,81,741	1,55,740	2,51,18,877	7,91,59,892	66,28,702
Vehicles	1,51,66,011	11,28,26,028	5,06,25,611	1,35,39,019	16,50,78,631	26,94,365	2,82,54,239	1,49,29,767	51,89,651	4,06,88,720	12,43,89,911	1,24,71,646
TOTAL (A)	9,54,79,140	60,24,34,977	10,86,71,522	1,67,84,805	78,98,00,834	3,65,50,538	24,74,29,863	7,25,35,058	74,55,346	34,90,60,113	44,07,40,721	5,89,28,602

B. Intangible Assets												
Software	2,60,47,406	15,92,38,201	40,49,255	-	18,93,34,862	2,51,93,141	13,60,46,859	1,95,75,136	-	18,08,15,136	85,19,726	8,54,265
TOTAL (B)	2,60,47,406	15,92,38,201	40,49,255	-	18,93,34,862	2,51,93,141	13,60,46,859	1,95,75,136	-	18,08,15,136	85,19,726	8,54,265
TOTAL (A+B)	12,15,26,546	76,16,73,178	11,27,20,777	1,67,84,805	97,91,35,696	6,17,43,679	38,34,76,722	9,21,10,194	74,55,346	52,98,75,249	44,92,60,447	5,97,82,867
*Mortgaged as Security against Secured Non Convertible Debentures (Refer Note 6, 10 & 12)												

Annexure IV: Notes forming part of Restated Standalone Summary Statements as at March 31, 2012

(14) (b) FIXED ASSETS

Particulars	GROSS BLOCK AT COST					DEPRECIATION					NET BLOCK	
	As at	Addition on account of Scheme of Arrangement <sup>(Refer Note 39)</sup> Rs.	Additions	Adjustments/ Sales during the year	As at	As at	Addition on account of Scheme of Arrangement <sup>(Refer Note 39)</sup> Rs.	Provided	Adjustments	As at	As at	As at
	April 01, 2011		during the year		March 31, 2012	April 01, 2011		during the year	during the year	March 31, 2012	March 31, 2012	March 31, 2011
	Rs.		Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.
A. Tangible Assets												
Freehold Land*	-	-	11,75,000	-	11,75,000	-	-	-	-	-	11,75,000	-
Building	1,02,55,100	-	-	-	1,02,55,100	52,666	-	1,67,158	-	2,19,824	1,00,35,276	1,02,02,434
Computers	2,20,47,497	-	4,15,184	5,78,264	2,18,84,417	1,26,69,770	-	35,30,538	4,93,628	1,57,06,680	61,77,737	93,77,727
Furniture & Fixtures	1,95,98,111	-	11,91,329	1,09,700	2,06,79,740	80,83,337	-	32,91,562	1,09,700	1,12,65,199	94,14,541	1,15,14,774
Leasehold Improvements	1,13,20,501	-	80,52,296	13,23,560	1,80,49,237	46,21,782	-	11,21,984	7,20,229	50,23,537	1,30,25,700	66,98,719
Office Equipments	70,55,279	-	13,42,793	1,28,437	82,69,635	12,71,670	-	4,00,075	30,812	16,40,933	66,28,702	57,83,609



Vehicles	1,46,33,754	-	14,25,277	8,93,020	1,51,66,011	14,29,055	-	14,58,965	1,93,655	26,94,365	1,24,71,646	1,32,04,699
TOTAL (A)	8,49,10,242	-	1,36,01,879	30,32,981	9,54,79,140	2,81,28,280	-	99,70,282	15,48,024	3,65,50,538	5,89,28,602	5,67,81,962
B. Intangible Assets												
Software	2,59,28,078	-	1,19,328	-	2,60,47,406	2,46,11,829	-	5,81,312	-	2,51,93,141	8,54,265	13,16,249
TOTAL (B)	2,59,28,078	-	1,19,328	-	2,60,47,406	2,46,11,829	-	5,81,312	-	2,51,93,141	8,54,265	13,16,249
TOTAL (A+B)	11,08,38,320	-	1,37,21,207	30,32,981	12,15,26,546	5,27,40,109	-	1,05,51,594	15,48,024	6,17,43,679	5,97,82,867	5,80,98,211
*Mortgaged as Security against Secured Non Convertible Debentures (Refer Note 6, 10 & 12)												

Annexure IV: Notes forming part of Restated Standalone Summary Statements as at March 31, 2011

(14) (c) FIXED ASSETS

Particulars	GROSS BLOCK AT COST					DEPRECIATION					NET BLOCK	
	As at April 01, 2010 Rs.	Addition on account of Scheme of Arrangement <sup>(Refer Note 39)</sup> Rs.	Additions during the year Rs.	Adjustments/ Sales during the year Rs.	As at March 31, 2011 Rs.	As at April 01, 2010 Rs.	Addition on account of Scheme of Arrangement <sup>(Refer Note 39)</sup> Rs.	Provided during the year Rs.	Adjustments during the year Rs.	As at March 31, 2011 Rs.	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
A. Tangible Assets												
Building	-	-	1,02,55,100	-	1,02,55,100	-	-	52,666	-	52,666	1,02,02,434	-
Computers	1,72,64,486	-	48,27,011	44,000	2,20,47,497	95,17,899	-	31,85,266	33,395	1,26,69,770	93,77,727	77,46,587
Furniture & Fixtures	71,31,073	-	41,89,428	-	1,13,20,501	27,17,585	-	19,04,197	-	46,21,782	66,98,719	44,13,488
Leasehold Improvements	1,19,00,319	-	76,97,792	-	1,95,98,111	25,17,530	-	55,65,807	-	80,83,337	1,15,14,774	93,82,789
Office Equipment	39,13,419	-	31,41,860	-	70,55,279	9,52,844	-	3,18,826	-	12,71,670	57,83,609	29,60,575
Vehicles	98,22,778	-	53,87,612	5,76,636	1,46,33,754	3,09,477	-	11,77,060	57,482	14,29,055	1,32,04,699	95,13,301
TOTAL (A)	5,00,32,075	-	3,54,98,803	6,20,636	8,49,10,242	1,60,15,335	-	1,22,03,822	90,877	2,81,28,280	5,67,81,962	3,40,16,740

B. Intangible Assets												
Software	2,53,72,773	-	5,55,305	-	2,59,28,078	2,06,23,971	-	39,87,858	-	2,46,11,829	13,16,249	47,48,802
TOTAL (B)	2,53,72,773	-	5,55,305	-	2,59,28,078	2,06,23,971	-	39,87,858	-	2,46,11,829	13,16,249	47,48,802
TOTAL (A+B)	7,54,04,848	-	3,60,54,108	6,20,636	11,08,38,320	3,66,39,306	-	1,61,91,680	90,877	5,27,40,109	5,80,98,211	3,87,65,542

Annexure IV: Notes forming part of Restated Standalone Summary Statements as at March 31, 2010												
(14) (d) FIXED ASSETS												
Particulars	GROSS BLOCK AT COST					DEPRECIATION					NET BLOCK	
	As at April 01, 2009	Addition on account of Scheme of Arrangement <sup>(Refer Note 39)</sup> Rs.	Additions during the year	Adjustments/ Sales during the year	As at March 31, 2010	As at April 01, 2009	Addition on account of Scheme of Arrangement <sup>(Ref er Note 39)</sup> Rs.	Provided during the year	Adjustments during the year	As at March 31, 2010	As at March 31, 2010	As at March 31, 2009
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
A. Tangible Assets												
Building	-	-	-	-	-	-	-	-	-	-	-	-
Computers	1,67,57,116	-	5,46,370	39,000	1,72,64,486	68,83,728	-	26,49,232	15,061	95,17,899	77,46,587	98,73,388
Furniture & Fixtures	75,62,310	-	64,153	4,95,390	71,31,073	25,27,862	-	3,42,108	1,52,385	27,17,585	44,13,488	50,34,448
Leasehold Improvements	1,29,59,311	-	-	10,58,992	1,19,00,319	18,66,361	-	8,25,763	1,74,594	25,17,530	93,82,789	1,10,92,950
Office Equipment	40,87,290	-	82,029	2,55,900	39,13,419	8,65,715	-	1,81,075	93,946	9,52,844	29,60,575	32,21,575
Vehicles	-	-	98,22,778	-	98,22,778	-	-	3,09,477	-	3,09,477	95,13,301	-

TOTAL (A)	4,13,66,027	-	1,05,15,330	18,49,282	5,00,32,075	1,21,43,666	-	43,07,655	4,35,986	1,60,15,335	3,40,16,740	2,92,22,361
B. Intangible Assets												
Software	2,32,08,400	-	21,64,373	-	2,53,72,773	1,44,49,777	-	61,74,194	-	2,06,23,971	47,48,802	87,58,623
TOTAL (B)	2,32,08,400	-	21,64,373	-	2,53,72,773	1,44,49,777	-	61,74,194	-	2,06,23,971	47,48,802	87,58,623
TOTAL (A+B)	6,45,74,427	-	1,26,79,703	18,49,282	7,54,04,848	2,65,93,443	-	1,04,81,849	4,35,986	3,66,39,306	3,87,65,542	3,79,80,984

Annexure IV: Notes forming part of Restated Standalone Summary Statements as at March 31, 2009

(14) (e) FIXED ASSETS

Particulars	GROSS BLOCK AT COST					DEPRECIATION					NET BLOCK	
	As at April 01, 2008	Addition on account of Scheme of Arrangement <sup>(Refer Note 39)</sup> Rs.	Additions during the year	Adjustments/ Sales during the year	As at March 31, 2009	As at April 01, 2008	Addition on account of Scheme of Arrangement <sup>(Refer Note 39)</sup> Rs.	Provided during the year	Adjustments during the year	As at March 31, 2009	As at March 31, 2009	As at March 31, 2008
	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
A. Tangible Assets												
Building	-	-	-	-	-	-	-	-	-	-	-	-
Computers	1,66,58,722	-	1,54,474	56,080	1,67,57,116	42,72,771	-	26,67,037	56,080	68,83,728	98,73,388	1,23,85,951
Furniture & Fixtures	72,65,027	-	2,97,283	-	75,62,310	21,53,277	-	3,74,585	-	25,27,862	50,34,448	51,11,750
Leasehold Improvements	1,29,10,311	-	49,000	-	1,29,59,311	10,47,430	-	8,18,931	-	18,66,361	1,10,92,950	1,18,62,881
Office Equipment	39,48,373	-	1,38,917	-	40,87,290	6,79,000	-	1,86,715	-	8,65,715	32,21,575	32,69,373
Vehicles	7,84,220	-	-	7,84,220	-	81,033	-	17,349	98,382	-	-	7,03,187
TOTAL (A)	4,15,66,653	-	6,39,674	8,40,300	4,13,66,027	82,33,511	-	40,64,617	1,54,462	1,21,43,666	2,92,22,361	3,33,33,142
B. Intangible												

Assets													
Software	2,32,08,400	-	-	-	2,32,08,400	86,47,677	-	58,02,100	-	1,44,49,777	87,58,623	1,45,60,723	
TOTAL (B)	2,32,08,400	-	-	-	2,32,08,400	86,47,677	-	58,02,100	-	1,44,49,777	87,58,623	1,45,60,723	
TOTAL (A+B)	6,47,75,053	-	6,39,674	8,40,300	6,45,74,427	1,68,81,188	-	98,66,717	1,54,462	2,65,93,443	3,79,80,984	4,78,93,865	

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(15) Non-current investments (Refer Note 39)					
Long Term - Trade - Unquoted					
(i) In Wholly owned Subsidiary Companies (Unless otherwise stated):					
- 50,000 Fully paid up Equity Shares of face value Rs 10 each in Indiabulls Insurance Advisors Limited. (1)&(5)	5,00,000	-	-	-	-
- 43,75,000 Fully paid up Equity Shares of face value Rs 10 each in Indiabulls Finance Company Private Limited (2)&(5)	43,75,00,000	-	-	-	-
- 50,00,000 Fully paid up Equity Shares of face value Rs 10 each in Indiabulls Capital Services Limited. (1)&(5)	5,00,00,000	-	-	-	-
- 1,00,00,000 Fully paid up Equity Shares of face value Rs 10 each in Indiabulls Infrastructure Credit Limited (5)	25,00,00,000	-	-	-	-
- 2,25,00,000 (Previous Year Nil) Fully paid up Compulsory Convertible Cumulative Preference shares of face value Rs 10 each in Indiabulls Infrastructure Credit Limited (3)	2,02,50,00,000	-	-	-	-
- 25,50,000 Fully paid up Equity Shares of face value Rs 10 each in Indiabulls Advisory Services Limited (5)	2,55,00,000	-	-	-	-
- 50,000 Fully paid up Equity Shares of face value Rs 10 each in Indiabulls Asset Holding Company Limited (1)&(5)	5,00,000	-	-	-	-
- 50,000 Fully paid up Equity Shares of face value Rs 10 each in Indiabulls Life Insurance Company Limited (1) & (5)	5,00,000	-	-	-	-
- 1,50,000 Fully paid up Equity Shares of face value Rs 10 each in Indiabulls Collection Agency limited (5)	10,05,00,000	-	-	-	-
- 50,000 Fully paid up Equity Shares of face value Rs 10 each in Ibulls Sales Limited (5)	5,00,000	-	-	-	-
- 1,50,00,000 Fully paid up Equity Shares of face value Rs 10 each in Indiabulls Asset Management Company Limited (5)	15,00,00,000	-	-	-	-
- 5,00,000 Fully paid up Equity Shares of face value Rs 10 each in Indiabulls Trustee Company Limited (5)	50,00,000	-	-	-	-
- 1,50,000 Fully paid up Equity Shares of face value Rs 10 each in Indiabulls Holdings Limited (5)	15,00,000	-	-	-	-



- 12,25,000 Fully paid up Equity Shares of face value Rs 10 each in Indiabulls Asset Reconstruction Company Limited (5)&(6)	1,22,50,000	-	-	-	-
Total (i)	3,05,92,50,000	-	-	-	-
(ii) Other Long Term Investments(Unquoted):					
- 2,80,00,000 Fully paid up Equity Shares of face value Rs 5 each in Indian Commodity Exchange Limited (4)&(5)	14,00,00,000	-	-	-	-
- 50 9.25% Unsecured Redeemable, Non-Convertible Subordinated Bonds of Dena Bank of Face Value of Rs. 1,000,000 each (5)	5,00,00,000	-	-	-	-
Total (ii)	19,00,00,000	-	-	-	-
Total (i)+(ii)	3,24,92,50,000	-	-	-	-
Aggregate market value of quoted Investments	-	-	-	-	-
Aggregate book value of quoted Investments	-	-	-	-	-
Aggregate book value of unquoted Investments	3,24,92,50,000	-	-	-	-
Aggregate provision for diminution in value of Investments	-	-	-	-	-

(1) Investments by the Company in the Equity Share capital of Indiabulls Insurance Advisors Limited and Indiabulls Capital Services Limited are considered as strategic and long term in nature and are held at a cost of Rs. 5,00,000 and Rs. 5,00,00,000 respectively. The Company considers the losses suffered by these subsidiaries as temporary in nature and accordingly no provision for diminution in value has been made in the books of account.

As at March 31, 2013, the Company holds 100% of the Equity capital of Indiabulls Asset Holding Company Limited, and Indiabulls Life Insurance Company Limited at a cost of Rs. 5,00,000 each. Based on the audited financials of these companies, as at March 31, 2013, there has been an erosion in the value of investment made in those companies as the operations in those companies have not yet commenced / are in the process of being set up. As the Management considers the investment in these companies as strategic and long term in nature, the Company considers the losses suffered by these subsidiaries as temporary in nature and accordingly no provision for diminution in their carrying values has been made in the books of account.

(2) The Company holds 57.50% of the capital of Indiabulls Finance Company Private Limited (IFCPL), which has become a subsidiary of the Company pursuant to the Scheme of Arrangement. The balance 42.50% or 32,33,696 Equity Shares are held by Amaprop Limited (Amaprop), vide a Share Subscription and Shareholders Agreement (SHA) entered into between the erstwhile Holding Company[Indiabulls Financial Services Limited(IBFSL)], IFCPL and Amaprop. Certain disputes arose between IBFSL and Amaprop on Amaprop exercising its put option under the SHA as the put price arrived at in accordance with the SHA was rejected by the Reserve Bank of India (RBI) being in excess of the Fair Market Value as per the then prevailing RBI pricing guidelines. The disputes were adjudicated in an arbitration held in New York, USA where the Arbitral Tribunal passed an Award requiring IBFSL to pay Rs. 1,92,00,07,000 alongwith interest and costs thereon (as given in the award) to Amaprop, for acquiring the 42.50% stake held by Amaprop in IFCPL. The Award was later confirmed by the US District Court under the US laws. Amaprop has thereafter initiated proceedings for enforcement / recognition of the award in the US and UK for which proceedings are pending. Implementation of the Award would result in IFCPL becoming a 100% subsidiary of IBFSL.

This Award has simultaneously been challenged by IBFSL before the Hon'ble High Court of Delhi ("High Court") in a petition filed under Section 34 of the Arbitration and Conciliation Act, 1996. During the course of the hearing the High Court had suggested that IBFSL should prefer an application to the RBI for its approval to remit Rs. 1,19,00,00,128, which in the opinion of the Arbitration Tribunal is the value likely to be accepted by the RBI, as is recorded by it to be in compliance with the RBI Circular No. 49 dated May 4, 2010. On an application preferred to the RBI seeking its approval for purchase of the abovementioned shares in IFCPL from Amaprop at a cost of Rs. 1,19,00,00,128, the RBI directed the parties to conclude the transaction as per the then extant pricing guidelines. The valuation of IFCPL shares held by Amaprop as per the then extant pricing guidelines being lower than Rs. 1,92,00,07,000 the transaction could not be completed. The High Court has since heard the petition and the Award was dismissed by the High Court. IBFSL has filed an appeal against the said Order before the Divisional Bench of High Court, which was listed on January 28, 2013 and was then adjourned to May 21, 2013. On the other hand Amaprop has filed enforcement proceedings before the High Court where the Company have filed objections and the matter was listed on Mar 22, 2013 which got adjourned to April 11, 2013 on which date the Company advanced its arguments on the objections. The matter was listed on May 2, 2013 for arguments by Amaprop. Amaprop has concluded its arguments on enforcement of the award. The Matter is now fixed on May 27, 2013 for arguments by the Company opposing the enforcement.

(3) During the current financial year, the Company has invested Rs. 2,02,50,00,000 by subscribing to 2,25,00,000 Compulsorily Convertible Cumulative Preference Shares of face value Rs. 10 per share, issued by its wholly owned subsidiary namely Indiabulls Infrastructure Credit Limited.

(4) On December 13, 2010 the Erstwhile Holding Company (IBFSL) had sold 26% shares held by it in Indian Commodity Exchange Limited (ICEX) to Reliance Exchange Next Limited (R-Next) for a total consideration of Rs. 47,35,00,000 against a proportionate cost of Rs. 26,00,00,000. As a result thereof, the stake of IBFSL in ICEX has been reduced from 40% to 14% and the same has been reclassified as a long term investment from the earlier classification of being an Associate. MMTC filed a petition before the Company Law Board (CLB) against ICEX, R-Next and IBFSL alleging that the transfer is null and void in terms of the Shareholders Agreement in view of the Forward Markets Commission (FMC) guidelines. IBFSL contends that such view of MMTC is based on the old FMC guidelines and without considering the amended FMC Guidelines dated June 17, 2010 wherein the transfer norms were relaxed. IBFSL had filed its objections on maintainability of the petition which is pending adjudication before the CLB.

(5) Transferred from Indiabulls Financial Services Limited under the Scheme of Arrangement. (Refer Note 39)

(6) During the current financial year, Indiabulls Advisory Services Limited (IASL), a wholly owned subsidiary of the Company has invested Rs. 2,60,00,000 by purchasing 26,00,000 Equity Shares of face value Rs. 10 each per Equity Share from the earlier shareholders of Indiabulls Asset Reconstruction Company Limited (IARCL), an associate of the Company. After this purchase, the stake in IARCL has increased from 24.02% to 75.00% (together with IASL) and then IARCL has become a subsidiary of the Company from the earlier classification of being an Associate.

(7) During the current financial year, the Company has written off its investment in Indiabulls Alternative Asset Management Private Limited, as the Company was struck off from the records of Accounting And Corporate Regulatory Authority of Singapore, on February 7, 2013.

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(16) Deferred tax assets (Net)					
Pursuant to Accounting Standard (AS) – 22 'Accounting for Taxes on Income' as notified by the Companies (Accounting Standards) Rules, 2006, as amended, the Company has debited an amount of Rs. 14,26,16,472 (2011-12 credited Rs. 7,35,63,917, 2010-11 credited Rs. 10,79,86,362, 2009-10 credited Rs. 6,70,26,814, 2008-09 credited Rs.17,65,13,351) as deferred tax charge (net) to the Statement of Profit and Loss arising on account of timing differences. Further Deferred Tax Asset of Rs. 67,98,00,000 ((2011-12 Rs. Nil, 2010-11 Rs. Nil, 2009-10 Rs. Nil, 2008-09 Rs. Nil) (Included in Provision for loan assets and contingent provision against standard assets below) has been recognised against the utilisation of Additional Reserve u/s 29C (Refer Note. 4(5)). The breakup of deferred tax into major components is as under:					
Deferred Tax Liabilities					

On difference between book balance and tax balance of fixed assets	16,96,889	-	10,49,407	-	-
Amount recoverable on assignment of loans	-	-	3,95,09,197	-	-
Deferred Tax Assets					
On difference between book balance and tax balance of fixed assets	-	92,619	-	-	-
Provision for loan assets and contingent provision against standard assets	1,49,59,51,425	10,38,27,913	6,84,55,662	-	-
Disallowance under Section 40A(7) of the Income-Tax Act, 1961	2,64,10,573	18,52,497	35,98,075	-	-
Disallowance under Section 43B of the Income-Tax Act, 1961	11,10,23,183	7,30,062	14,44,041	-	-
Deferred Tax Assets (Net)	1,63,16,88,292	10,65,03,091	3,29,39,174	-	-

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(17) Long-term loans and advances (Unsecured unless otherwise stated)					
(i) Loans and Other Credit Facilities					
(a) Secured Loans(1)					
-Considered Good	2,93,65,25,90,362	94,13,90,17,319	45,47,93,42,829	11,55,31,52,214	12,22,28,93,118
-Considered Doubtful	97,07,80,847	24,62,14,362	25,74,19,249	12,19,30,169	2,38,67,524
Less: Loans Assigned	32,42,24,58,904	26,30,63,94,318	12,91,76,20,136	4,39,87,78,552	5,89,56,28,131
	2,62,20,09,12,305	68,07,88,37,363	32,81,91,41,942	7,27,63,03,831	6,35,11,32,511
(b) Unsecured Loans					
-Considered Good	75,61,07,049	6,48,533	-	44,87,284	59,81,976
-Considered Doubtful	21,62,22,936	-			
	97,23,29,985	6,48,533	-	44,87,284	59,81,976
Total (a) +(b)	2,63,17,32,42,290	68,07,94,85,896	32,81,91,41,942	7,28,07,91,115	6,35,71,14,487
Less: Provision for Loan Assets(Including Additional Provision made by the Company)(2) & (Refer Note.37)	1,47,15,84,657	14,51,40,046	10,89,20,750	8,33,40,094	16,12,67,399
	2,61,70,16,57,633	67,93,43,45,850	32,71,02,21,192	7,19,74,51,021	6,19,58,47,088
(ii) Other Unsecured Loans and Advances					
Loan to directors	-	-	-	-	-
Capital Advances	76,38,21,339	1,63,105	70,52,642	5,61,680	12,44,436
Security Deposit for Rented Premises	4,36,18,536	50,95,500	93,61,800	50,54,503	1,33,370

Security Deposit with others	81,73,651	3,41,338	1,03,530		
Advance Fringe Benefits tax (FBT) (Net of Provision for FBT)	68,775	68,775	68,775	73,775	66,931
Advance Tax / Tax deducted at source (Net of Provision for Tax)	63,64,02,318	2,23,11,304	5,41,49,064	5,57,88,066	3,06,86,592
Deferred Purchase Consideration on assignment of receivables	-	-	10,52,23,195	31,36,00,980	55,64,64,220
Others including Prepaid Expenses and Employee advances	1,61,50,092	12,56,125	43,46,589	28,53,258	68,249
	2,63,16,98,92,344	67,96,35,81,997	32,89,05,26,787	7,57,53,83,283	6,78,45,10,886

(1) Secured Loans and Other Credit Facilities given to customers are secured / partly secured by :

- (a) Equitable mortgage of property and / or
- (b) Pledge of shares, units, other securities, assignment of life insurance policies and / or
- (c) Hypothecation of assets and / or
- (d) Company guarantees or personal guarantees and / or
- (e) Negative lien and / or Undertaking to create a security.

(2) Movement in Provision for Loan Assets is as under :	For the Year ended	For the Year ended	For the Year ended	For the Year ended	For the Year ended
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
Opening Balance	14,81,01,481	10,97,68,171	8,71,58,228	16,36,51,190	14,28,72,381
Add: Transfer from Indiabulls Financial Services Limited pursuant to Scheme of Arrangement (Refer Note 39)	2,33,86,08,056	-	-	-	-
Add: Transfer from Statement of Profit and Loss	32,35,12,490	12,36,95,568	2,26,09,943	-	2,07,78,809
Utilised during the year - towards Loans written off	1,24,86,18,814	8,53,62,258	-	7,64,92,963	-
Closing Balance	1,56,16,03,213	14,81,01,481	10,97,68,171	8,71,58,227	16,36,51,190

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(18) Other non-current assets					
Margin Money Accounts having maturity greater than one year	4,72,56,08,142	-	14,28,00,000	14,28,00,000	-
Interest Accrued on Deposit accounts / Margin Money	11,16,79,402	1,83,93,699	1,17,54,930	21,12,934	-
	4,83,72,87,544	1,83,93,699	15,45,54,930	14,49,12,934	-

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
(19) Current investments	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Investments in Mutual Funds					
Indiabulls Mutual Fund					
-FMP 387 DAYS March 2012 (1)-Growth Plan (Quoted)	70,00,00,000	35,00,00,000	-	-	-
-FMP 377 DAYS March 2012 (2)-Growth Plan (Quoted)	16,00,00,000	8,00,00,000	-	-	-
-FMP 370 DAYS March 2012 (1)-Growth Plan (Quoted)	5,00,00,000	-	-	-	-
-Direct Plan - Growth *	7,02,42,200	-	-	-	-
UTI Mutual Fund					
-Dynamic Bond Fund-Growth Plan*	-	-	20,13,30,538	-	-
Birla Sun Life Mutual Fund					
-Income Plus Fund: Growth Plan*	-	-	70,23,98,121	-	-
-Floating Rate Fund Short term IP: Growth*	-	-	41,09,17,229	-	-
SBI Mutual Fund					
-Income fund: Growth Plan*	20,15,67,506	-	-	-	-
-Insta Cash Fund- Cash Option*	-	-	-	75,01,71,261	-
-SBI Ultra Short Term Fund*	-	-	-	50,00,00,000	-
LIC Nomura Mutual Fund					
-FMP Series 57-24 Month - Growth Plan (Quoted)*	5,00,00,000	-	-	-	-
-Liquid Fund- Daily Dividend Reinvestment*	-	-	-	-	49,01,07,025
-Liquid Fund- Daily Dividend Reinvestment Option*	-	-	-	-	9,00,00,000
-Liquid Fund: Growth Plan*	-	-	-	50,01,26,015	-
-LIC Income Plus Fund - Growth Plan*	-	-	-	25,00,00,000	-
-Saving Plus Fund - Growth Plan*	-	-	-	50,00,00,000	-
HDFC Mutual Fund					
-Liquid fund Growth Plan*	-	-	-	50,02,19,980	-
-Floating Rate Income Fund - Short Term Plan*	-	-	-	23,00,00,000	-
-Cash Management Fund - Growth*	-	-	-	50,00,00,000	-

Investments in Bonds(Quoted)(Refer Note 29(vi)(a))	3,22,00,00,000	-	-	-	-
Investments in Certificate of Deposits(Quoted)(Refer Note 29(vi)(b))*	16,72,89,35,250	-	-	-	-
Investments in Government Securities(Quoted)(Refer Note 29(v)(c))*	50,54,32,614	-	-	-	-
	21,68,61,77,570	43,00,00,000	1,31,46,45,888	3,73,05,17,256	58,01,07,025
*Considered as Cash and Cash equivalents for Cash Flow					
Aggregate Market value of Quoted Investments	21,67,23,37,198	43,27,95,900	-	-	-
Aggregate book value of Quoted Investments	21,41,43,67,864	43,00,00,000	-	-	-
Aggregate book value of Unquoted Investments	27,18,09,706	-	1,31,46,45,888	3,73,05,17,256	58,01,07,025
Aggregate provision for diminution in the value of investments	-	-	-	-	-

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(20) Trade Receivables					
Outstanding for a period more than six months from its due date					
- Secured, Considered Good	-	-	-	-	-
- Unsecured, Considered Good	-	-	-	-	-
Outstanding for a period less than six months from its due date					
- Secured, Considered Good	-	-	-	-	-
- Unsecured, Considered Good	1,80,72,196	-	-	-	-
	1,80,72,196	-	-	-	-

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(21) Cash and Bank Balances					
Cash and cash equivalents					
Cash on Hand	15,68,30,651	1,60,01,837	45,49,515	1,01,57,528	1,01,08,194
Cheques / Drafts on hand	3,82,96,365	2,32,09,764	-	-	-
Balances with banks					

- in current accounts#	47,89,66,84,751	31,16,06,782	6,39,87,836	1,50,28,09,327	12,16,26,120
Other bank balances:					
- in deposit accounts having maturity greater than three months upto One Year	5,36,80,002	36,74,322	-	19,01,31,903	-
- in deposit accounts having maturity greater than One Year	30,58,00,000	27,80,00,000	-	-	-
- in deposit accounts held as margin money (under lien) (1)&(2)	39,77,205	19,05,48,758	-	-	19,01,31,903
	48,45,52,68,974	82,30,41,463	6,85,37,351	1,70,30,98,758	32,18,66,217

(1) Deposits accounts with bank of Rs.3,977,205 (Previous Years Rs. Nil) are under lien. The Company has the complete beneficial interest on the income earned from these deposits.

(2) Deposits accounts with bank of Rs. Nil (2011-12 Rs. 19,05,48,758, 2010-11 Rs. Nil, 2009-10 Rs. Nil, 2008-09 Rs.19,01,31,903) are held as margin money and is used as collateral security on the assignment deals done by the Company till March 31, 2013. The Company has the complete beneficial interest on the income earned from these deposits.

# includes Rs.1,92,87,496 for the year ended March 31, 2013 in designated unclaimed dividend accounts.

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(22) Short-term loans and advances (Unsecured unless otherwise stated)					
(i) Loans and Other Credit Facilities					
(a) Secured Loans(1)					
-Considered Good	41,36,33,43,733	5,59,18,56,299	2,48,18,09,892	1,43,49,95,289	2,05,63,10,321
-Considered Doubtful	-	2,62,58,890	2,33,93,096	-	-
Less: Loans assigned	7,14,18,81,720	1,63,73,27,771	1,17,75,11,782	57,70,72,432	68,56,76,978
	34,22,14,62,013	3,98,07,87,418	1,32,76,91,206	85,79,22,857	1,37,06,33,343
(b) Unsecured Loans (Standard Assets)					
-Considered Good	2,00,56,62,177	51,59,731	59,42,165	20,42,417	19,23,782
	2,00,56,62,177	51,59,731	59,42,165	20,42,417	19,23,782
(c) Unsecured Loans to Related Parties					
Indiabulls Finance Company Private Limited	1,40,00,00,000	-	-	-	-
	1,40,00,00,000	-	-	-	-
Total (a) +(b)+(c)	37,62,71,24,190	3,98,59,47,149	1,33,36,33,371	85,99,65,274	1,37,25,57,125
Less: Provision for Loan Assets (Including Additional Provision made by the Company)(Refer Note.37)	9,00,18,556	29,61,435	8,47,421	38,18,133	23,83,791
	37,53,71,05,634	3,98,29,85,714	1,33,27,85,950	85,61,47,141	1,37,01,73,334
Advance Interest on Short term borrowings	35,09,01,622	14,03,10,844	-	-	-

Security Deposit for Rented Premises	14,12,28,217	34,66,510	9,15,943	15,40,366	71,90,116
Security Deposit with Others	3,00,00,000	-	-	-	-
Application Money for Bonds	25,00,00,000	-	-	-	-
Others	15,72,30,985	1,86,75,553	1,85,56,075	4,68,81,865	1,31,29,145
Deferred Purchase Consideration on assignment of receivables	-	-	3,29,07,685	4,44,30,961	6,91,78,885
Loan to Directors	-	-	-	-	1,90,160
	38,46,64,66,458	4,14,54,38,621	1,38,51,65,653	94,90,00,333	1,45,98,61,640

(1) Secured Loans and Other Credit Facilities given to customers are secured / partly secured by :

- (a) Equitable mortgage of property and / or
- (b) Pledge of shares, units, other securities, assignment of life insurance policies and / or
- (c) Hypothecation of assets and / or
- (d) Company guarantees or personal guarantees and / or
- (e) Negative lien and / or Undertaking to create a security.

	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
(23) Other Current Assets	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
FCNR Hedge Premium	8,25,42,460	-	-	-	-
Interest Accrued on Loans	3,28,14,64,760	65,27,54,380	28,72,50,487	10,37,12,702	12,77,25,721
Interest Accrued on Deposit accounts / Margin Money / Bonds	15,64,96,885	2,10,68,136	-	73,89,022	1,95,52,770
Deposit Accounts	-	14,28,00,000	-	1,91,24,000	32,56,78,424
	3,52,05,04,105	81,66,22,516	28,72,50,487	13,02,25,724	47,29,56,915

	For the Year ended March 31, 2013	For the Year ended March 31, 2012	For the Year Ended March 31, 2011	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
(24) Revenue From Operations	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(a) Income from Financing and Investing Activities					
Income from Financing Activities(1)	42,21,87,62,616	6,47,64,29,724	2,47,22,23,264	1,57,46,62,164	1,61,85,20,963
Dividend Income on Units of Mutual Funds	1,81,95,15,352	9,16,61,496	2,80,15,220	2,68,36,580	4,49,84,538
(b) Income from other Financial Services					
Income from Service Fees/Advisory Services	9,63,25,100	71,40,86,624	30,57,30,625	45,518	50,27,657
Profit on appreciation of Mutual Fund Investments (Current Investments)	18,09,706	-	18,16,070	2,42,626	-
Commission on Insurance					



	8,42,08,441			-	-
Profit on sale of Investments	36,97,60,797	53,80,337	35,45,778	2,76,530	-
Other Operating Income (2)	1,99,02,48,183	56,75,09,348	29,10,59,111	16,96,83,913	13,97,65,863
	46,58,06,30,195	7,85,50,67,529	3,10,23,90,068	1,77,17,47,331	1,80,82,99,021
(1) Income from Financing Activities Includes:					
Interest on Loan Financing / Income from Securitisation / Assignment	41,17,34,30,580	6,44,47,94,913	2,45,68,56,563	1,53,41,29,493	1,56,23,31,908
Interest on Deposit Accounts	27,31,37,877	3,16,34,811	1,53,66,701	4,05,32,671	5,61,89,055
Interest on Bonds / Commercial Papers (Current investments)	77,21,94,159	-	-	-	-
	42,21,87,62,616	6,47,64,29,724	2,47,22,23,264	1,57,46,62,164	1,61,85,20,963
(2) Other Operating Income includes:					
Loan processing fees	1,38,55,91,568	49,69,10,481	30,33,31,228	7,18,04,508	5,01,78,247
Foreclosure fees and other related income	82,48,20,944	22,15,73,845	14,77,32,826	11,75,21,620	11,04,81,889
Less: Direct Selling Agents Commission	22,01,64,329	15,09,74,978	16,00,04,943	1,96,42,215	2,08,94,273
	1,99,02,48,183	56,75,09,348	29,10,59,111	16,96,83,913	13,97,65,863

	For the Year ended March 31, 2013	For the Year ended March 31, 2012	For the Year Ended March 31, 2011	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
(25) Other Income	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Sundry Balances Written back	6,20,75,663	8,22,333	78,67,989	-	-
Bad debts recovered	39,19,51,789	3,33,59,467	6,04,25,737	-	-
Miscellaneous Income	2,73,45,813	2,64,704	31,51,090	79,274	1,06,635
	48,13,73,265	3,44,46,504	7,14,44,816	79,274	1,06,635

	For the Year ended March 31, 2013	For the Year ended March 31, 2012	For the Year Ended March 31, 2011	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
(26) Employee benefit expense	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Salaries (1)	1,87,96,83,841	11,37,63,010	19,75,94,546	24,06,70,025	24,39,42,708
Contribution to Provident Fund and Other Funds(2)	82,95,159	93,060	13,68,619	2,19,826	8,28,974
Employee Stock Compensation Expense	75,63,100	-	-	-	-
Provision for Gratuity, Compensated Absences and Superannuation Expense(2)	11,68,93,471	38,39,333	31,73,693	17,53,023	46,96,506

Staff Welfare Expenses	2,37,89,359	26,21,172	26,26,043	13,33,781	14,78,731
	2,03,62,24,930	12,03,16,575	20,47,62,901	24,39,76,655	25,09,46,919
(1) Salaries exclude cost of employees apportioned to the Erstwhile Holding Company on specific job basis.	-	20,23,843	-	-	-

(2) Employee Benefits – Provident Fund, ESIC, Gratuity and Compensated Absences disclosures as per Accounting Standard (AS) 15 (Revised) – Employee Benefits as notified by the Companies (Accounting Standards) Rules, 2006, as amended:

Contributions are made to Government Provident Fund and Family Pension Fund, ESIC and other statutory funds which cover all eligible employees under applicable Acts. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Company has recognised an amount of Rs. 82,95,159 (2011-12 Rs. 93,060, 2010-11 Rs. 13,68,619, 2009-10 Rs. 2,19,826, 2008-09 Rs. 8,28,974) in the Statement of Profit and Loss towards Employers contribution for the above mentioned funds.

Provision for unfunded Gratuity and Compensated Absences for all employees is based upon actuarial valuation carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Accounting Standard (AS) 15 (Revised) on 'Employee Benefits', as notified by the Companies (Accounting Standards) Rules, 2006, as amended, commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Disclosure in respect of Gratuity ,Compensated Absences and Superannuation:					Amount Rs.
Gratuity (Unfunded)					
Particulars	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
<b>Reconciliation of liability recognised in the Balance Sheet</b>					
Present Value of commitments (as per Actuarial valuation)	7,77,01,009	57,09,653	1,10,89,768	85,43,162	74,46,053
Fair value of plan assets	-	-	-	-	-
Net liability in the Balance Sheet (as per Actuarial valuation)	7,77,01,009	57,09,653	1,10,89,768	85,43,162	74,46,053
<b>Movement in net liability recognised in the Balance Sheet</b>					
Net liability as at the beginning of the year	57,09,653	1,10,89,768	85,43,162	74,46,053	43,55,239
Net liability as at the beginning of the year as Transferred from IBFSL	6,35,89,426				
Amount paid during the year	(35,79,748)	(4,74,762)	(38,520)	-	-
Net expenses recognised in the Statement of Profit and Loss	1,41,74,479	26,93,461	25,85,126	10,97,109	30,90,814
Acquisition Adjustment (on account of transfer of employees)	(21,92,801)				

Transferred to Holding Company (on account of transfer of employees)	-	(75,98,814)	-	-	-
Net liability as at the end of the year	7,77,01,009	57,09,653	1,10,89,768	85,43,162	74,46,053
<b>Expenses recognised in the Statement of Profit and Loss</b>					
Current service cost	1,89,12,786	94,29,800	36,48,437	31,92,555	32,53,890
Interest Cost	58,64,436	6,18,440	7,40,921	5,56,102	3,28,465
Past Service Cost	-	-	-	2,12,976	-
Expected return on plan assets	-	-	-	-	-
Actuarial (Gains)	(1,06,02,743)	(73,54,779)	(18,04,232)	(28,64,524)	(4,91,541)
<b>Expenses charged to the Statement of Profit and Loss</b>	<b>1,41,74,479</b>	<b>26,93,461</b>	<b>25,85,126</b>	<b>10,97,109</b>	<b>30,90,814</b>
<b>Return on Plan assets</b>					
Expected return on Plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Actuarial (Gains)/Losses	N.A.	N.A.	N.A.	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Reconciliation of defined-benefit commitments</b>					
Commitments as at the beginning of the year	6,92,99,079	1,10,89,768	85,43,162	74,46,053	43,55,239
Current service cost	1,89,12,786	94,29,800	36,48,437	31,92,555	32,53,890
Interest cost	58,64,436	6,18,440	7,40,921	5,56,102	3,28,465
Past Service Cost	-	-	-	2,12,976	-
Paid benefits	(35,79,748)	(80,73,576)	(38,520)	-	-
Acquisition Adjustment (on account of transfer of employees)	(21,92,801)				
Actuarial (Gains)	(1,06,02,743)	(73,54,779)	(18,04,232)	(28,64,524)	(4,91,541)
Commitments as at the end of the year	7,77,01,009	57,09,653	1,10,89,768	85,43,162	74,46,053
<b>Reconciliation of Plan assets</b>					
Plan assets as at the beginning of the year	N.A.	N.A.	N.A.	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Contributions during the year	N.A.	N.A.	N.A.	N.A.	N.A.

Paid benefits	N.A.	N.A.	N.A.	N.A.	N.A.
Actuarial (Gains)/Losses	N.A.	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.	N.A.
N.A. - not applicable					

Particulars	Amount Rs.				
	Compensated Absences (Unfunded)				
	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
Reconciliation of liability recognised in the Balance Sheet					
Present Value of commitments (as per Actuarial valuation)	3,44,09,481	22,50,153	44,50,735	38,62,168	32,06,254
Fair value of plan assets	-	-	-	-	-
Net liability in the Balance Sheet (as per Actuarial valuation)	3,44,09,481	22,50,153	44,50,735	38,62,168	32,06,254
Movement in net liability recognised in the Balance Sheet					
Net liability as at the beginning of the year	22,50,153	44,50,735	38,62,168	32,06,254	16,00,562
Net liability as at the beginning of the year as Transferred from IBFSL	2,90,18,583				
Amount paid during the year	-	-	-	-	-
Net expenses recognised in the Statement of Profit and Loss	47,46,489	11,45,872	5,88,567	6,55,914	16,05,692
Acquisition Adjustment (on account of transfer of employees)	(16,05,744)				
Transferred to Holding Company (on account of transfer of employees)	-	(33,46,454)	-	-	-
Net liability as at the end of the year	3,44,09,481	22,50,153	44,50,735	38,62,168	32,06,254
Expenses recognised in the Statement of Profit and Loss					
Current service cost	1,07,51,464	39,60,048	17,60,365	15,89,427	14,02,284
Interest Cost	27,58,769	2,37,521	3,27,534	2,50,325	1,25,988
Past Service Cost	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-
Actuarial (Gains)/Losses	(87,63,744)	(30,51,697)	(14,99,332)	(11,83,838)	77,420
Expenses charged to the Statement of Profit and Loss	47,46,489	11,45,872	5,88,567	6,55,914	16,05,692
Return on Plan assets					
Expected return on Plan assets	N.A.	N.A.	N.A.	N.A.	N.A.

Actuarial (Gains)/Losses	N.A.	N.A.	N.A.	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Reconciliation of defined-benefit commitments					
Commitments as at the beginning of the year	3,12,68,736	44,50,735	38,62,168	32,06,254	16,00,562
Current service cost	1,07,51,464	39,60,048	17,60,365	15,89,427	14,02,284
Interest cost	27,58,769	2,37,521	3,27,534	2,50,325	1,25,988
Past Service Cost	-	-	-	-	-
Paid benefits	-	(33,46,454)	-	-	-
Acquisition Adjustment (on account of transfer of employees)	(16,05,744)				
Actuarial (Gains)/Losses	(87,63,744)	(30,51,697)	(14,99,332)	(11,83,838)	77,420
Commitments as at the end of the year	3,44,09,481	22,50,153	44,50,735	38,62,168	32,06,254
Reconciliation of Plan assets					
Plan assets as at the beginning of the year	N.A.	N.A.	N.A.	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Contributions during the year	N.A.	N.A.	N.A.	N.A.	N.A.
Paid benefits	N.A.	N.A.	N.A.	N.A.	N.A.
Actuarial (Gains)/Losses	N.A.	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.	N.A.
N.A - not applicable					

Particulars	Amount Rs.				
	Superannuation (Unfunded)				
	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
Reconciliation of liability recognised in the Balance Sheet					
Present Value of commitments (as per Actuarial valuation)	29,22,25,359	N.A.*	N.A.*	N.A.*	N.A.*
Fair value of plan assets	-	N.A.*	N.A.*	N.A.*	N.A.*
Net liability in the Balance Sheet (as per Actuarial valuation)	29,22,25,359	N.A.*	N.A.*	N.A.*	N.A.*
Movement in net liability recognised in the Balance Sheet					
Net liability as at the beginning of the year	-	N.A.*	N.A.*	N.A.*	N.A.*

Net liability as at the beginning of the year as Transferred from IBFSL	19,42,52,856	N.A.*	N.A.*	N.A.*	N.A.*
Amount paid during the year	-	N.A.*	N.A.*	N.A.*	N.A.*
Net expenses recognised in the Statement of Profit and Loss	9,79,72,503	N.A.*	N.A.*	N.A.*	N.A.*
Acquisition Adjustment (on account of transfer of employees)	-	N.A.*	N.A.*	N.A.*	N.A.*
Transferred to Holding Company (on account of transfer of employees)	-	N.A.*	N.A.*	N.A.*	N.A.*
Net liability as at the end of the year	29,22,25,359	N.A.*	N.A.*	N.A.*	N.A.*
Expenses recognised in the Statement of Profit and Loss					
Current service cost	2,64,99,538	N.A.*	N.A.*	N.A.*	N.A.*
Interest Cost	1,93,55,217	N.A.*	N.A.*	N.A.*	N.A.*
Past Service Cost	-	N.A.*	N.A.*	N.A.*	N.A.*
Expected return on plan assets	-	N.A.*	N.A.*	N.A.*	N.A.*
Actuarial (Gains)/Losses	5,21,17,748	N.A.*	N.A.*	N.A.*	N.A.*
Expenses charged to the Statement of Profit and Loss	9,79,72,503	N.A.*	N.A.*	N.A.*	N.A.*
Return on Plan assets					
Expected return on Plan assets	N.A.	N.A.*	N.A.*	N.A.*	N.A.*
Actuarial (Gains)/Losses	N.A.	N.A.*	N.A.*	N.A.*	N.A.*
Actual return on plan assets	N.A.	N.A.*	N.A.*	N.A.*	N.A.*
	N.A.	N.A.*	N.A.*	N.A.*	N.A.*
Reconciliation of defined-benefit commitments					
Commitments as at the beginning of the year	19,42,52,856	N.A.*	N.A.*	N.A.*	N.A.*
Current service cost	2,64,99,538	N.A.*	N.A.*	N.A.*	N.A.*
Interest cost	1,93,55,217	N.A.*	N.A.*	N.A.*	N.A.*
Past Service Cost	-	N.A.*	N.A.*	N.A.*	N.A.*
Paid benefits	-	N.A.*	N.A.*	N.A.*	N.A.*
Acquisition Adjustment	-	N.A.*	N.A.*	N.A.*	N.A.*
Actuarial (Gains)/Losses	5,21,17,748	N.A.*	N.A.*	N.A.*	N.A.*
Commitments as at the end of the year	29,22,25,359	N.A.*	N.A.*	N.A.*	N.A.*
Reconciliation of Plan assets					
Plan assets as at the beginning of the year	N.A.	N.A.*	N.A.*	N.A.*	N.A.*
Expected return on plan assets	N.A.	N.A.*	N.A.*	N.A.*	N.A.*
Contributions during the year	N.A.	N.A.*	N.A.*	N.A.*	N.A.*
Paid benefits	N.A.	N.A.*	N.A.*	N.A.*	N.A.*

Actuarial (Gains)/Losses	N.A.	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.*	N.A.*
N.A - not applicable					
*N.A - not available					

Experience Adjustments:					Amount Rs.
Particulars	Gratuity (Unfunded)				
	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
Experience adjustment					
On plan liabilities	1,06,02,743	73,56,120	10,01,814	20,75,010	12,10,236
On plan assets	-	-	-	-	-
Present value of benefit obligation	7,77,01,009	57,09,653	1,10,89,768	(85,43,162)	(74,46,053)
Fair value of plan assets	-	-	-	-	-
Excess of (obligation over plan assets) / plan assets over obligation	7,77,01,009	57,09,653	1,10,89,768	(85,43,162)	(74,46,053)

					Amount Rs.
Particulars	Compensated Absences (Unfunded)				
	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
Experience adjustment					
On plan liabilities	87,63,744	30,52,548	11,85,954	9,50,615	2,39,549
On plan assets	-	-	-	-	-
Present value of benefit obligation	3,44,09,481	22,50,153	44,50,735	38,62,168	32,06,254
Fair value of plan assets	-	-	-	-	-
Excess of (obligation over plan assets) / plan assets over obligation	3,44,09,481	22,50,153	44,50,735	38,62,168	32,06,254

					Amount Rs.
Particulars	Superannuation (Unfunded)				
	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
Experience adjustment					
On plan liabilities	(5,20,33,314)	N.A.*	N.A.*	N.A.*	N.A.*
On plan assets	-	N.A.*	N.A.*	N.A.*	N.A.*

Present value of benefit obligation	29,22,25,359	N.A.*	N.A.*	N.A.*	N.A.*
Fair value of plan assets	-	N.A.*	N.A.*	N.A.*	N.A.*
Excess of (obligation over plan assets) / plan assets over obligation	29,22,25,359	N.A.*	N.A.*	N.A.*	N.A.*
*N.A. means not available					

The actuarial calculations used to estimate commitments and expenses in respect of unfunded Gratuity, Compensated absences and Superannuation (Pension & Medical coverage) are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

Particulars	Gratuity (Unfunded)				
	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
Discount Rate	8.00%	8.50%	8.00%	7.50%	7.00%
Expected Return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Expected rate of salary increase	5.00%	5.50%	5.00%	5.00%	5.00%
Mortality	IALM (1994-96)	LIC (1994-96) duly modified	LIC (1994-96) duly modified	LIC (1994-96) duly modified	LIC (1994-96) duly modified
Retirement Age (Years)	60	60	60	60	60

Particulars	Compensated Absences (Unfunded)				
	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
Discount Rate	8.00%	8.50%	8.00%	7.50%	7.00%
Expected Return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.
Expected rate of salary increase	5.00%	5.50%	5.00%	5.00%	5.00%
Mortality	IALM (1994-96)	LIC (1994-96) duly modified	LIC (1994-96) duly modified	LIC (1994-96) duly modified	LIC (1994-96) duly modified
Retirement Age (Years)	60	60	60	60	60

Particulars	Superannuation (Unfunded)				
	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
Discount Rate	8.00%	N.A.*	N.A.*	N.A.*	N.A.*
Expected Return on plan assets	N.A.	N.A.*	N.A.*	N.A.*	N.A.*
Expected rate of salary increase	5.00%	N.A.*	N.A.*	N.A.*	N.A.*
Mortality	IALM (1994-96)	N.A.*	N.A.*	N.A.*	N.A.*
Retirement Age (Years)	60	N.A.*	N.A.*	N.A.*	N.A.*

Particulars	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
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	Rs.	Rs.	Rs.	Rs.	Rs.
The employer's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards :-					
Gratuity	2,84,52,477	19,45,187	56,56,948	51,23,962	N.A*
Compensated Absences	95,57,623	6,70,277	20,03,089	21,12,254	N.A*
Superannuation	5,53,46,782	-	-	-	-
*N.A means not available					

	For the Year ended March 31, 2013	For the Year ended March 31, 2012	For the Year Ended March 31, 2011	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(27) Finance costs					
Interest on Loans (1)	17,56,84,09,887	3,15,15,14,132	1,05,97,67,099	64,82,22,723	56,14,72,440
Interest on Non-Convertible Debentures	5,48,17,77,232	18,26,25,702	20,13,53,496	9,96,301	-
Interest on Commercial Papers	2,35,11,17,362	39,22,71,981	3,31,87,575	91,425	-
Interest on Overdraft Facility	-	-	-	8,29,748	12,46,83,875
Interest on Inter Corporate Deposits	-	-	-	10,92,53,365	2,75,75,826
Interest on Subordinate Debt	54,60,06,544	17,97,945	-	-	-
Interest on Taxes	3,79,659	85,08,987	2,06,66,852	1,78,349	16,17,676
Bank Charges towards Borrowings	1,57,77,950	68,96,980	59,17,929	60,55,888	13,07,572
Processing fees	7,23,56,284	6,22,09,369	3,16,88,237	4,18,33,350	1,05,00,000
Arranger fees	-	11,03,000	-	-	-
	26,03,58,24,918	3,80,69,28,096	1,35,25,81,188	80,74,61,149	72,71,57,389

(1) The Company has recognised Premium on Options Contracts amounting to Rs. 2,00,85,000 (2008-09 to 2011-12 Rs. Nil) included in Interest on Loans and unrealised marked to market loss towards derivatives (Interest Rate Swaps) amounting to Rs. 4,39,933 (2008-09 to 2011-12 Rs. Nil) which has been included under Bank / Finance Charges . Derivative instruments that are outstanding is as given below:-

- I. Forward Options contracts entered for hedging purposes as at March 31, 2013 for USD 3,72,77,984 (2008-09 to 2011-12 USD Nil (Buy)) against cross currency of Rs. 2,00,00,00,000 (2008-09 to 2011-12 Rs. Nil).  
 II. Interest Rate Swaps for Notional Principal of Rs. 4,00,00,00,000 (2008-09 to 2011-12 Rs. Nil) for a total of 8 contracts (2008-09 to 2011-12 Nil) against fluctuations in interest rate changes.

	For the Year ended March 31, 2013	For the Year ended March 31, 2012	For the Year Ended March 31, 2011	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)

(28)Other expenses					
Collection Charges	69,79,947	8,61,889	2,91,450	1,32,096	1,74,603
Client Verification Charges	11,07,02,196	7,48,12,322	6,77,27,248	1,28,64,099	64,87,263
Demat Charges	14,75,842	2,08,380	16,000	-	-
Stamp Papers/Stamp Duty charges	3,24,78,298	96,32,706	45,42,366	9,46,782	75,10,926
CERSAI Charges	93,26,200	59,99,750	-	-	-
Rates & Taxes	68,15,274	6,06,636	16,82,219	2,16,741	13,74,061
Communication Expenses	6,00,73,614	1,10,32,348	76,81,269	60,72,808	1,03,63,992
Legal and Professional Charges	45,81,61,143	2,13,92,175	64,61,218	73,63,161	57,15,093
Rent and Other Charges (1)	38,64,86,514	2,87,86,194	1,92,24,496	1,39,85,112	2,17,75,846
Electricity Expenses	4,61,50,463	46,37,673	25,02,657	17,83,958	31,49,891
Repairs and Maintenance- Others	10,89,40,281	92,13,234	1,28,39,845	1,25,49,472	1,27,87,710
Recruitment and Training	54,53,758	38,529	14,012	6,88,278	-
Printing and Stationery	2,88,44,859	67,64,166	43,72,595	10,41,358	2,88,520
Traveling and Conveyance Expenses	11,50,31,850	1,03,02,873	1,05,64,009	98,39,155	1,01,91,750
Business Promotion	12,12,91,754	21,520	-	-	-
Payment to Auditors comprises (net of service tax input credit)					
As Auditors	1,11,48,900	60,69,680	22,00,000	22,00,000	12,00,000
For Certification	21,23,600	7,43,260	3,00,000	3,00,000	1,00,000
Other Services	54,15,180	-	-	-	-
Reimbursement of Expenses	20,70,510	7,43,260	3,00,000	3,00,000	2,00,000
Provision for Contingencies (Net)(2) & (Refer Note 37)	22,36,68,551	7,06,88,886	6,32,35,736	-	-
Provision for Loan assets(2) & (Refer Note 37)	32,35,12,490	3,83,33,310	2,26,09,943	-	2,07,78,809
Assignment Expense	-	10,95,86,410	19,56,54,277	21,29,78,577	41,92,55,723
Advertisement	9,28,98,974	1,73,204	2,69,54,790	98,92,132	15,46,433
Bad Debts	66,81,54,038	8,53,62,258	5,87,39,299	16,11,70,743	1,48,24,469
Loss on sale of fixed assets	41,58,906	9,92,001	10,945	12,38,246	2,41,162
Trusteeship Fees	17,56,621	2,18,000	3,86,440	-	-
Donation Expenses	30,05,000	-	-	-	-
Investment written off (Net) (Refer Note 15(7))	73,94,643	-	-	-	-

Miscellaneous Expenses	1,31,57,462	18,36,195	5,22,382	1,85,196	2,41,527
	2,85,66,76,868	49,90,56,859	50,88,33,196	45,57,47,914	53,82,07,778

(1) The Company has taken office premises on Lease and Leave & License basis at various locations in India. Lease rent / License fees aggregating to Rs. 34,99,80,322 (F.Y. 2011-12 Rs. 2,45,49,339, 2010-11 Rs. 1,58,39,045, 2009-10 Rs.93,73,657, 2008-09 Rs.1,55,90,656) in respect of the same have been charged to the Statement of Profit and Loss. The agreements are executed for periods ranging from 11 months to 9 years with a renewable clause. In many cases, the agreements also provide for termination at will by either party by giving a prior notice period between 30 to 90 days. The minimum lease rentals outstanding as at March 31, 2013, are as under:

Minimum Lease Rentals					
	For the Year ended March 31, 2013	For the Year ended March 31, 2012	For the Year ended March 31, 2011	For the Year ended March 31, 2010	For the Year ended March 31, 2009
Particulars	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Within one year	35,43,72,631	1,62,79,783	2,31,85,806	92,81,960	20,32,548
One to Five years	70,86,94,390	2,88,11,849	4,61,62,256	1,57,29,032	7,20,800
Above Five Years	16,49,89,300	1,67,36,051	2,46,14,579	9,63,522	-
	1,22,80,56,321	6,18,27,683	9,39,62,641	2,59,74,514	27,53,348

(2) During the year, in addition to the charge of Rs. 54,71,81,041 (2011-12 Rs. 10,90,22,196, 2010-11 Rs. 8,58,45,679, 2009-10 Rs. Nil, 2008-09 Rs. 2,07,78,809) towards provision for loan assets and standard assets to the Statement of Profit and Loss, an amount of Rs. 1,32,02,00,000 (net of Deferred Tax of Rs. 67,98,00,000 ) [(2011-12 Rs. 19,04,47,091, 2008-09 to 2010-11 Rs. Nil) (net of deferred tax of Rs. Nil)], being one time charge of provision for standard assets and other contingencies due to merger between the Company and the erstwhile Holding company(Refer note 39) and changes in the provisioning requirements by the National Housing Bank vide Circulars no. NHB.HFC.DIR.4/CMD/2012 dated January 19, 2012 has been transferred from Additional Reserve created as per Section 29C of the National Housing Bank Act, 1987 pursuant to Circular No. NHB(ND)/DRS/Pol- 03/2004-05 dated August 26, 2004 as under;

	For the Year ended	For the Year ended	For the Year ended	For the Year ended	For the Year ended
Particulars	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
Contingent Provisions against Standard Assets	22,36,68,551	7,06,88,886	6,32,35,736	-	-
Provision for Loan Assets	32,35,12,490	3,83,33,310	2,26,09,943	-	2,07,78,809
Total	54,71,81,041	10,90,22,196	8,58,45,679	-	2,07,78,809

(29) Explanatory Notes	As at	As at	As at	As at	As at
(i) Secured Redeemable Non Convertible Debentures include:*	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
Particulars	Amount Rs.	Amount Rs.	Amount Rs.	Amount Rs.	Amount Rs.
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000	5,00,00,000	-	-	-	-

each Redeemable on March 25, 2023**					
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 19, 2023**	1,00,00,00,000	-	-	-	-
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 26, 2023**	25,00,00,000	-	-	-	-
10.20 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on January 16, 2023**	35,00,00,000	-	-	-	-
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 31, 2022**	50,00,00,000	-	-	-	-
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 18, 2022	15,00,00,000	-	-	-	-
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on November 19, 2022	15,00,00,000	-	-	-	-
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on November 6, 2022	15,00,00,000	-	-	-	-
10.70 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on July 6, 2022	20,00,00,000	-	-	-	-
10.70 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on June 28, 2022	8,00,00,00,000	-	-	-	-
10.75 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on April 3, 2022	1,25,00,00,000	-	-	-	-
10.15 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 27, 2022	5,00,00,00,000	-	-	-	-
10.70 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on November 22, 2021	1,00,00,00,000	1,00,00,00,000	-	-	-
10.65 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on September 7, 2021	5,00,00,00,000	-	-	-	-
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000	15,00,00,000	-	-	-	-

each Redeemable on March 25, 2018**					
10.10 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 19, 2018**	1,00,00,00,000	-	-	-	-
10.25 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on January 16, 2018**	40,00,00,000	-	-	-	-
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 28, 2017**	1,50,00,00,000	-	-	-	-
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 17, 2017	40,10,00,000	-	-	-	-
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on April 30, 2017	5,00,00,00,000	-	-	-	-
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 26, 2016**	1,00,00,00,000	-	-	-	-
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 4, 2016**	1,00,00,00,000	-	-	-	-
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on September 25, 2015	50,00,00,000	-	-	-	-
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on August 27, 2015	5,50,00,00,000	-	-	-	-
10.65 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on July 16, 2015	20,00,00,000	-	-	-	-
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on July 9, 2015**	70,00,00,000	-	-	-	-
4.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on May 8, 2015	2,00,00,00,000	-	-	-	-
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on April 24, 2015(2)**	7,00,00,000	-	-	-	-
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000	27,00,00,000	-	-	-	-

each Redeemable on March 2, 2015(2)					
10.60 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 13, 2015	80,00,00,000	-	-	-	-
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on January 9, 2015**	65,00,00,000	-	-	-	-
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 18, 2014(2)	33,00,00,000	-	-	-	-
9.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 1, 2014	1,00,00,00,000	1,00,00,00,000	-	-	-
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on November 25, 2014(2)	60,00,00,000	-	-	-	-
9.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on November 21, 2014	2,50,00,00,000	2,50,00,00,000	-	-	-
4.65 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on November 18, 2014	3,00,00,00,000	-	-	-	-
10.85 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on October 31, 2014	50,00,00,000	-	-	-	-
10.60 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on October 10, 2014	2,00,00,00,000	-	-	-	-
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on September 26, 2014	10,00,00,000	-	-	-	-
10.75 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on September 22, 2014	45,00,00,000	-	-	-	-
10.80 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on August 22, 2014	15,00,00,000	-	-	-	-
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on July 9, 2014**	65,00,00,000	-	-	-	-
10.70 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000	35,00,00,000	-	-	-	-

each Redeemable on July 8, 2014					
11.20 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on June 28, 2014	1,25,00,00,000	-	-	-	-
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on May 26, 2014	50,00,00,000	-	-	-	-
11.20 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on April 15, 2014	50,00,00,000	-	-	-	-
10.10 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 28, 2014(1)**	50,00,00,000	-	-	-	-
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 14, 2014(1)&(2)	2,00,00,00,000	-	-	-	-
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 20, 2014(1)&(2)**	2,00,00,00,000	-	-	-	-
10.40 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 14, 2014(1)	2,50,00,00,000	-	-	-	-
10.60 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 13, 2014(1)	60,00,00,000	-	-	-	-
10.80 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 10, 2014(1)	25,00,00,000	-	-	-	-
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 7, 2014(1)	50,00,00,000	-	-	-	-
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 9, 2013(1)&(2)	50,00,00,000	-	-	-	-
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on October 16, 2013(1)&(2)	35,00,00,000	35,00,00,000	-	-	-
10.25 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on October 7, 2013(1)	25,00,00,000	-	-	-	-

10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on September 26, 2013#	15,00,00,000	-	-		
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on September 9, 2013(1)	1,50,00,00,000	-	-	-	-
10.80 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on September 6, 2013(1)	15,00,00,000	-	-	-	-
10.25 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on August 12, 2013(1)	50,00,00,000	-	-	-	-
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on August 10, 2013(1)&(2)	2,50,00,00,000	-	-	-	-
10.80 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on August 8, 2013(1)	75,00,00,000	-	-	-	-
10.70 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on July 19, 2013(1)	30,00,00,000	-	-	-	-
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on July 5, 2013(1)&(2)	10,60,00,00,000	-	-	-	-
10.15 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on June 19, 2013(1)	50,00,00,000	-	-	-	-
9.78 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on June 17, 2013#	50,00,00,000				
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on June 12, 2013(1)&(2)	34,00,00,000	-	-	-	-
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on May 13, 2013(1)&(2)	22,00,00,000	-	-	-	-
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on April 16, 2013(1)&(2)	8,00,00,000	-	-	-	-
8.40% Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on May 28, 2012 (pre-matured on November 03, 2011)	-	-	30,00,00,000	-	-



8.40% Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on May 28, 2012	-	-	-	30,00,00,000	-
7.60% Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on May 07, 2012 (pre-matured on November 03, 2011)	-	-	7,50,00,000	-	-
7.25% Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on May 4, 2011	-	-	1,20,00,00,000	1,20,00,00,000	-
7.25% Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on May 4, 2011	-	-	40,00,00,000	40,00,00,000	-
7.35% Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on April 22, 2011	-	-	75,00,00,000	75,00,00,000	-
	85,61,10,00,000	4,85,00,00,000	2,72,50,00,000	2,65,00,00,000	-

(1) Current Maturity of Long Term Non Convertible Debentures as at March 31, 2013

(2) Redeemable at premium

\*Redeemable Non-Convertible Debentures are secured against Immovable Property / Current Assets and pool of Current and Future Loan Receivables of the Company.

\*\* As at March 31, 2013, the Company was in the process of creating the charge / security on assets.

# Short Term Non Convertible Debentures	As at	As at	As at	As at	As at
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
(ii) Term Loan / Working Capital Demand Loan from banks includes*:	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
These loans are repayable in yearly installments with a moratorium period of 2 years from the date of disbursement. The balance tenure for these loans is 50 months (average) from the Balance Sheet date.	57,18,33,33,332	-	-	-	-
These loans are repayable in yearly installments with a moratorium period of 2 years from the date of disbursement. The balance tenure for these loans is 51 months (average) from the Balance Sheet date.	-	25,00,00,00,000	-	-	-
These loans are repayable in yearly installments with a moratorium period of 2 years from the date of disbursement. The balance tenure for these loans is 55 months (average) from the Balance Sheet date.	-	-	13,50,00,00,000	-	-

These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans is 7 months (average) from the Balance Sheet date.	53,75,00,00,000	-	-	-	-
These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans is 5 months (average) from the Balance Sheet date.	-	11,00,00,00,000	-	-	-
These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans is 28 months (average) from the Balance Sheet date.	-	-	5,00,00,00,000	-	-
This loan is repayable in quarterly installments after a moratorium period of 1 year from the date of first disbursement. The balance tenure for this loan is 51 months from the Balance Sheet date.	5,97,22,22,220	-	-	-	-
This loan is repayable in 36 quarterly installments after a moratorium period of 1 year from the date of first disbursement. The balance tenure for these loans is 104 months from the Balance Sheet date.	-	1,94,44,44,444	-	-	-
This loan is repayable in 36 quarterly installments after a moratorium period of 1 year from the date of first disbursement. The balance tenure for these loans is 116 months from the Balance Sheet date.	-	-	2,00,00,00,000	-	-
These loans are repayable in quarterly installments after a moratorium period of 24 months from the date of first disbursement. The balance tenure for these loans is 76 months from the Balance Sheet date.	12,91,66,00,000	-	-	-	-
This loan is repayable in 12 quarterly installments after a moratorium period of 24 months from the date of first disbursement. The balance tenure for these loans is 49 months from the Balance Sheet date.	-	2,00,00,00,000	-	-	-
This loan is repayable in 12 quarterly installments after a moratorium period of 24 months from the date of first disbursement. The balance tenure for these loans is 61 months from the Balance Sheet date.	-	-	2,00,00,00,000	-	-

This loan is repayable in 4 half yearly installments after moratorium period of 3 years from the date of first disbursement. The balance tenure for this loans is 43 months from the Balance Sheet date.	2,00,00,00,000	-	-	-	-
This loan is repayable in 4 half yearly installments after moratorium period of 3 years from the date of first disbursement. The balance tenure for these loans is 55 months from the Balance Sheet date.	-	2,00,00,00,000	-	-	-
These loans are repayable in 18 quarterly installments with a moratorium period of 6 months from the date of first disbursement. The balance tenure for these loans is 126 months from the Balance Sheet date.	23,40,14,93,103	-	-	-	-
This loan is repayable in 18 quarterly installments with a moratorium period of 6 months from the date of first disbursement. The balance tenure for these loans is 52 months from the Balance Sheet date.	-	2,36,30,00,000	-	-	-
These loans are repayable in yearly installment after the moratorium period of 1 years from the date of disbursement. The balance tenure for these loans is 35 months from the Balance Sheet date.	15,15,00,00,000	-	-	-	-
These loans are repayable in yearly installment from the date of disbursement. The balance tenure for these loans is 28 months from the Balance Sheet date.	7,27,75,23,476	-	-	-	-
This loan is repayable in monthly installment from the date of disbursement.. The balance tenure for this loan is 31 months from the Balance Sheet date. (1)	1,63,50,00,000	-	-	-	-
These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loans is 25 months from the Balance Sheet date.	1,73,12,50,000	-	-	-	-
This loan is repayable in quarterly installment after the moratorium of 1 years from the date of disbursement.. The balance tenure for this loans is 13 months from the Balance Sheet date.	70,00,00,000	-	-	-	-
These loans are repayable in half yearly installment after the moratorium of 1 years from the date of disbursement.. The balance tenure for this loans is 7	20,00,00,000	-	-	-	-

months from the Balance Sheet date.					
Quarterly Installment with moratorium of 18 months from the date of disbursement. The balance tenure for this loans is 58 months from the Balance Sheet date. (2)	7,50,00,00,000	-	-	-	-
These Loans are repayable in quarterly installments with a moratorium period of I year from the date of disbursement. The balance tenure for these loans is 36 months (average) from the Balance Sheet date.	-	-	-	18,75,00,000	43,75,00,000
These Loans are repayable in monthly installments with a moratorium period of 1 year from the date of disbursement. The balance tenure for these loans is 35 months (average) from the Balance Sheet date.	-	-	-	34,78,25,530	86,95,65,099
These Loans are repayable in quarterly installments. The balance tenure for these loans is 36 months (average) from the Balance Sheet date.	-	-	-	83,33,00,000	1,50,00,00,000
These Loans are repayable in yearly installments after a moratorium period of 2 year from the date of disbursement. The balance tenure for these loans is 60 months (average) from the Balance Sheet date.	-	-	-	2,00,00,00,000	-
These Loans are repayable in quarterly installments. The balance tenure for these loans is 34 months (average) from the Balance Sheet date.	-	-	-	2,58,78,00,000	-
These Loans are repayable in bullet payments The balance tenure for these loans is 36 months (average) from the Balance Sheet date.	-	-	-	-	50,00,00,000
These Loans are repayable in quarterly installments. The balance tenure for these loans is 36 months (average) from the Balance Sheet date.	-	-	-	-	92,50,00,000
	1,89,41,74,22,131	44,30,74,44,444	22,50,00,00,000	5,95,64,25,530	4,23,20,65,099

\*Secured by hypothecation of Loan Receivables(Current and Future) / Current Assets / Cash and Cash Equivalents of the Company.

(1) Loan taken other than from banks for Rs. 1,63,50,00,000

(2) Includes Loan taken other than from banks for Rs. 2,99,99,99,999

(iii) Loans and Advances to Related Parties:

During the year, the Company raised Rs. Nil (Previous Year Rs. 3,00,00,00,000) through an issue of Perpetual Subordinated Debt instruments by way of Unsecured Non- Convertible Redeemable Debentures of Face Value of Rs. 1,00,000 each. These Debentures were issued to Indiabulls Financial Services Limited, the Erstwhile Holding Company and had a tenure of minimum 15 years subject to call option with the lender to be exercised only after 10 years with the prior approval of the NHB. This instrument qualifies as Upper Tier II Capital under the NHB Directions, 2010, for assessing capital adequacy. The claims of the investors in Upper Tier II instruments shall be a) Superior to the claims of investors in instruments eligible for inclusion in Tier I Capital; and b) subordinate to the claims of all other creditors. The same has been cancelled pursuant to the Scheme of Arrangement (Refer Note 39).

(iv) Subordinated Debt	As at	As at	As at	As at	As at
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
10.65% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on November 15, 2027	32,60,00,000	-	-	-	-
10.65% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on June 30, 2027	49,65,00,000	-	-	-	-
10.25% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on June 28, 2027	1,00,00,00,000	-	-	-	-
10.65% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on June 05, 2027	1,10,03,00,000	-	-	-	-
10.10% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on March 28, 2023	25,00,00,000	-	-	-	-
10.10% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on March 06, 2023	20,00,00,000	-	-	-	-
10.10% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on February 18, 2023	25,00,00,000	-	-	-	-
10.65% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on January 30, 2023	10,00,00,000	-	-	-	-
10.10% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on January 14, 2023	25,00,00,000	-	-	-	-
10.20% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on December 04, 2022	20,00,00,000	-	-	-	-
10.65% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on November 15, 2022	1,10,00,000	-	-	-	-
10.30% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on October 31, 2022	25,00,00,000	-	-	-	-
10.30% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on October 22, 2022	40,00,00,000	-	-	-	-
10.30% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on October 09, 2022	35,00,00,000	-	-	-	-
10.65% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on June 05, 2022	15,00,00,000	-	-	-	-
11.00% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on March 30, 2022	15,00,00,000	-	-	-	-
11.85% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on February 22, 2022	20,00,00,000	-	-	-	-

11.85% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on January 31, 2022	36,20,00,000	-	-	-	-
10.50% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on March 26, 2018	1,25,00,00,000	1,25,00,00,000	-	-	-
11.60% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on June 22, 2017	10,00,000	-	-	-	-
11.60% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on May 31, 2017	15,00,00,000	-	-	-	-
	7,44,68,00,000	1,25,00,00,000	-	-	-

	As at	As at	As at	As at	As at
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>(v) Commercial Papers</b>					
10.20% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable July 17, 2013	30,00,00,000	-	-	-	-
9.60% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable June 20, 2013	75,00,00,000	-	-	-	-
10.20% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable June 20, 2013	3,00,00,00,000	-	-	-	-
10.00% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable June 20, 2013	2,00,00,00,000	-	-	-	-
9.85% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable June 18, 2013	50,00,00,000	-	-	-	-
9.95% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable June 17, 2013	50,00,00,000	-	-	-	-
9.85% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable June 14, 2013	50,00,00,000	-	-	-	-
10.35% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable June 6, 2013	3,75,00,00,000	-	-	-	-
10.15% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable May 31, 2013	25,00,00,000	-	-	-	-
10.20% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable May 31, 2013	1,25,00,00,000	-	-	-	-
11.00% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable May 30, 2013	1,00,00,00,000	-	-	-	-
10.20% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable May 24, 2013	2,00,00,00,000	-	-	-	-
9.95% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable May 21, 2013	50,00,00,000	-	-	-	-
9.82% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable May 17, 2013	50,00,00,000	-	-	-	-
9.12% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable May 15, 2013	75,00,00,000	-	-	-	-

9.50% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable May 14, 2013	50,00,00,000	-	-	-	-
9.03% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable April 30, 2013	25,00,00,000	-	-	-	-
10.25% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable April 30, 2013	50,00,00,000	-	-	-	-
10.13% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable April 25, 2013	2,00,00,00,000	-	-	-	-
8.97% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable April 23, 2013	50,00,00,000	-	-	-	-
9.65% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable April 19, 2013	50,00,00,000	-	-	-	-
10.80% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable April 17, 2013	15,00,00,000	-	-	-	-
11.30% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on June 28, 2012	-	25,00,00,000	-	-	-
11.60% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on June 25, 2012	-	1,00,00,00,000	-	-	-
11.80% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on June 21, 2012	-	25,00,00,000	-	-	-
12.05% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on June 21, 2012	-	1,50,00,00,000	-	-	-
12.05% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on June 18, 2012	-	25,00,00,000	-	-	-
12.00% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on June 13, 2012	-	50,00,00,000	-	-	-
11.75% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on June 13, 2012	-	50,00,00,000	-	-	-
11.50% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on June 06, 2012	-	50,00,00,000	-	-	-
11.30% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on June 04, 2012	-	50,00,00,000	-	-	-
10.10% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on May 28, 2012	-	30,00,00,000	-	-	-
10.10% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on May 07, 2012	-	7,50,00,000	-	-	-
10.15% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on May 04, 2012	-	50,00,00,000	-	-	-
12.00% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on April 20, 2012	-	50,00,00,000	-	-	-
11.60% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on April 13, 2012	-	25,00,00,000	-	-	-
7.15% Commercial Paper of Face value of Rs. 5,00,000 each Redeemable on March 30, 2011	-	-	-	50,00,00,000	-
	21,95,00,00,000	6,87,50,00,000	-	50,00,00,000	-

			As at	As at	As at	As at	As at
			March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
			Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
(vi) Current Investments							
(a) Investment in Bonds (Quoted)							
Particulars	Quantity	Face Value (Rs.)	Amount (Rs.)				
Yes Bank Ltd. 10.5 BD Perpetual FVR 10 Lacs	1500	1,50,00,00,000	1,50,00,00,000	-	-	-	-
Yes Bank Ltd. 10.5 BD Perpetual FVR 10 Lacs	1400	1,40,00,00,000	1,40,00,00,000	-	-	-	-
Yes Bank Ltd. 10.25 BD 29JU27 FVR 10 Lacs	320	32,00,00,000	32,00,00,000	-	-	-	-
Total (a)			3,22,00,00,000	-	-	-	-
(b) Investment in Certificate of Deposits(Quoted)							
Particulars	Quantity	Face Value (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
IDBI Bank Limited CD 19MR14	2,500	25,00,00,000	23,01,15,500	-	-	-	-
IDBI Bank Limited CD 14FB14	2,500	25,00,00,000	22,90,06,250	-	-	-	-
IDBI Bank Limited CD 28AG13	5,000	50,00,00,000	48,17,67,000	-	-	-	-
IDBI Bank Limited CD 10JU13	2,500	25,00,00,000	24,51,90,250	-	-	-	-
IDBI Bank Limited CD 07JU13	5,000	50,00,00,000	49,03,28,000	-	-	-	-
Punjab National Bank CD 25MR14	2,500	25,00,00,000	22,90,74,250	-	-	-	-
Punjab National Bank CD 20MAR14	2,500	25,00,00,000	23,02,70,500	-	-	-	-
Punjab National Bank CD 10MR14	2,500	25,00,00,000	22,94,17,750	-	-	-	-
Punjab National Bank 23DEC13	2,500	25,00,00,000	23,43,95,000	-	-	-	-
Punjab National Bank CD 17SP13	5,000	50,00,00,000	47,94,93,500	-	-	-	-
Punjab National Bank CD 10SP13	7,500	75,00,00,000	72,04,94,000	-	-	-	-
Punjab National Bank CD14JU13	12,500	1,25,00,00,000	1,22,71,07,500	-	-	-	-
Punjab National Bank 10MAY13	5,000	50,00,00,000	49,45,52,500	-	-	-	-
Allahabad Bank CD 26JU13	10,000	1,00,00,00,000	97,86,68,000	-	-	-	-



Allahabad Bank 17JU13	2,500	25,00,00,000	24,51,04,500	-	-	-	-
Allahabad Bank 31MAY13	7,500	75,00,00,000	73,82,20,500	-	-	-	-
IDBI Bank 12SEP13	5,000	50,00,00,000	48,01,11,500	-	-	-	-
IDBI Bank 21JU13	2,500	25,00,00,000	24,48,67,750	-	-	-	-
IDBI Bank 29MAY13	10,000	1,00,00,00,000	98,45,72,000	-	-	-	-
IDBI Bank Limited CD 27MY13	5,000	50,00,00,000	49,22,65,500	-	-	-	-
Central Bank of India 25MAR14	5,000	50,00,00,000	45,96,55,000	-	-	-	-
Central Bank of India CD 07MY13	5,000	50,00,00,000	49,47,90,500	-	-	-	-
Vijaya Bank 19JU13	10,000	1,00,00,00,000	97,99,45,000	-	-	-	-
Vijaya Bank CD 13JU13	2,500	25,00,00,000	24,48,20,000	-	-	-	-
Vijaya Bank CD 27MAY13	5,000	50,00,00,000	49,24,31,500	-	-	-	-
State Bank of Patiala CD 18SP13	2,500	25,00,00,000	23,97,68,250	-	-	-	-
State Bank of Patiala 27MAY13	5,000	50,00,00,000	49,23,91,500	-	-	-	-
State Bank of Patiala 24MAY13	2,500	25,00,00,000	24,64,40,000	-	-	-	-
Canara Bank 24MAR14	2,500	25,00,00,000	22,94,61,250	-	-	-	-
Canara Bank 14MAY13	5,000	50,00,00,000	49,42,72,000	-	-	-	-
Canara Bank 22APR-13	2,000	20,00,00,000	19,87,68,000	-	-	-	-
Punjab and Sind Bank 14JU13	2,500	25,00,00,000	24,52,82,500	-	-	-	-
Punjab and Sind Bank 10JU13	2,500	25,00,00,000	24,54,71,250	-	-	-	-
UCO Bank 13JU13	2,500	25,00,00,000	24,53,41,750	-	-	-	-
Oriental Bank of Commerce 7JU13	2,500	25,00,00,000	24,56,98,500	-	-	-	-
Andhra Bank 10AP13	10,000	1,00,00,00,000	99,66,10,000	-	-	-	-
ING Vysya Bank 24MAY13	5,000	50,00,00,000	49,27,66,500	-	-	-	-
<b>Total (b)</b>			<b>16,72,89,35,250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(c) Investment in Government Securities(Quoted)</b>							
<b>Particulars</b>	<b>Quantity</b>	<b>Face Value (Rs.)</b>	<b>Amount (Rs.)</b>	<b>Amount (Rs.)</b>	<b>Amount (Rs.)</b>	<b>Amount (Rs.)</b>	<b>Amount (Rs.)</b>

8.15% GOVT.STOCK 2022	45,00,000	45,00,00,000	45,40,79,659	-	-	-	-
8.33% GOVT.STOCK 2026	5,00,000	5,00,00,000	5,13,52,955	-	-	-	-
Total (c)			50,54,32,614	-	-	-	-
Total (a)+(b)+(c)'			20,45,43,67,864	-	-	-	-

(30) Contingent Liability not provided for in respect of:

(a) Contingent Liabilities not provided for in respect of Capital commitments for acquisition of fixed assets at various branches as at the year end (net of capital advances paid) Rs. 30,0,41,74,116 (2011-12 Rs.2,02,372, 2010-11 Rs. 29,40,733, 2009-10 Rs. 1,82,412, 2008-09 Rs. 10,62,005).

(b) Demand pending u/s 143(3) of the Income Tax Act,1961 in relation to the merged company "IBFSL"

(i) For Rs. 24,14,210 with respect to FY 2007-08 against disallowance U/s 14A of the Income Tax Act,1961, against which appeal is pending before ITAT.

(ii) For Rs.1,78,07,253 with respect to FY 2009-10 against disallowance U/s 14A of the Income Tax Act,1961, against which appeal is pending before CIT ( Appeals)

(c) Demand pending u/s of 25, 55, 56 & 61 of Rajasthan Sales Tax Act,2003 in relation to the merged company "IBFSL" for Rs. 1,45,05,873 ( Including interest & Penalty)with respect to FY 2007-08 to FY 2012-13 against which appeal is pending before DC( Appeals).The company has paid tax alongwith interest for Rs. 62,31,069 under protest.

(d) Arbitration award passed by the international arbitrator against the Company for Rs. 1,92,00,07,000 (Previous Year N.A.) for purchase of 42.50% stake in Indiabulls Finance Company Private Limited (IFCPL), which is disputed by the Company. The Company currently holds 57.50% Equity stake in IFCPL(Refer Note 15(2)).

(e) Corporate counter guarantees outstanding in respect of securitisation/ assignment agreements entered by the Company / Holding Company with different assignees as at March 31,2013 is Rs.3,04,47,92,269 (2011-12 Rs.30,23,66,480, 2010-11 Rs. Nil 2009-10 Rs. Nil, 2008-09 Rs. 1,04,31,795) against which collateral deposit of Rs 17,29,08,806 (2011-12 Rs.1,90,48,758, 2010-11 Rs. Nil, 2009-10 Rs. Nil, 2008-09 Rs. Nil) is being provided to the assignees by the Company in the form of Fixed Deposit Receipts. The Company does not anticipate any losses on account of the said corporate guarantees, in the event of the rights under guarantee being exercised by the assignees.

(31) Segment Reporting:			
Segment information, as per Accounting Standard (AS)-17 "Segment Reporting", as notified by the Companies (Accounting Standards) Rules, 2006, as amended.			
(a) Primary segment information (by business segments)			
Particulars	Investing and financing related activities Amount (Rs.)	Fee Income Amount (Rs.)	Total Amount (Rs.)
Segment Revenue	46,40,00,96,654	18,05,33,541	46,58,06,30,195
	7,14,09,80,905*	71,40,86,624*	7,85,50,67,529*
	2,79,66,59,443**	30,57,30,625**	3,10,23,90,068**

	16,06,19,86,171	2,55,75,287	16,08,75,61,458
Segment Result	2,75,95,31,372*	71,29,33,864*	3,47,24,65,236*
	81,17,59,809**	30,48,72,404**	1,11,66,32,213**
			4,63,94,908
Less: Unallocated expenditure net of other unallocated income			1,98,04,327*
			(2,51,66,295)**
			3,76,20,96,996
Less: Income taxes and Deferred tax (credit)			95,27,87,551*
			30,31,91,729**
			12,27,90,69,554
Profit after tax			2,49,98,73,358*
			78,82,74,190**
	3,82,74,63,55,520	1,81,35,980	382,76,44,91,500
Segment Assets	74,18,06,39,652*	73,891*	74,18,07,13,543*
	36,13,82,25,090**	-	36,13,82,25,090**
			2,71,93,76,430
Unallocated Corporate Assets			18,26,50,711*
			5,34,93,388**
			385,483,867,930
Total Assets			74,36,33,64,254*
			36,19,17,18,479**
	3,31,71,02,47,035	19,20,00,000	3,31,90,22,47,035
Segment Liabilities	64,26,84,71,884*	-	64,26,84,71,884*
	28,55,35,63,314**	-	28,55,35,63,314**
			4,19,12,58,228
Unallocated Corporate Liabilities			54,40,49,831*
			30,31,13,143**
			336,093,505,263
Total Liabilities			64,81,25,21,715*
			28,85,66,76,457**
	6,17,19,219	-	6,17,19,219
Capital Expenditure	1,11,20,930*	-	11,120,930*

	2,69,02,358**	-	2,69,02,358**
			5,07,56,881
Unallocated Capital Expenditure			26,00,277*
			1,56,42,712**
			11,24,76,100
Total Capital Expenditure			1,37,21,207*
			4,25,45,070**
	7,69,94,303	18,966	7,70,13,269
Depreciation / Amortisation	89,16,612*	8,859*	8,925,471*
	1,50,14,620**	-	1,50,14,620**
			1,50,96,925
Unallocated Depreciation			16,26,123*
			11,77,060**
			9,21,10,194
Total Depreciation / Amortisation			1,05,51,594*
			1,61,91,680**
	1,34,04,93,053	-	1,34,04,93,053
Non-Cash expenditure other than depreciation	19,43,84,454*	-	19,43,84,454*
	14,77,69,616**	-	14,77,69,616**
			34,73,853
Unallocated Non-Cash expenditure other than depreciation			38,39,333*
			-**
			1,34,39,66,906
Total Non-Cash Expenditure other than depreciation			19,83,23,787*
			14,77,69,616**
* Figures relate to Financial year 2011-2012			
** Figures relate to Financial year 2010-2011			
For the Financial Years 2008-09 and 2009-10 the Company was operating in one reportable business segment, hence no separate information for segment is given.			

b) The Company operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.

c) The Company's primary business segment is reflected based on principal business activities carried on by the Company. The Company's primary business comprises of investing and financing related activities (investing in various subsidiaries, financing of loans and credit activities) and fee income which mainly comprises of financial service related fee based advisory services income, commission on insurance and other fee based activities.

d) Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis.

e) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in Significant Accounting Policies (Refer Note 1) above.

(32) Disclosures in respect of AS – 18 'Related Party Disclosures'					
a) Names of the Related Parties and Nature of Relationships as per the Accounting Standard – 18 "Related Party Disclosures" as notified by the Companies (Accounting Standards) Rules, 2006, as amended					
Particulars	Year Ended				
	31st Mar 13	31st Mar 12	31st Mar 11	31st Mar 10	31st Mar 09
Holding Company	-	Indiabulls Financial Services Limited	Indiabulls Financial Services Limited	Indiabulls Financial Services Limited	Indiabulls Financial Services Limited
Fellow Subsidiary/Subsidiary	Ibulls Sales Limited*	Ibulls Sales Limited	Ibulls Sales Limited	Ibulls Sales Limited	Ibulls Sales Limited (Previously known as Fast Loans services limited)
Fellow Subsidiary/Subsidiary	Indiabulls Advisory Services Limited*	Indiabulls Advisory Services Limited	Indiabulls Advisory Services Limited	Indiabulls Advisory Services Limited	Indiabulls Advisory Services Limited
Fellow Subsidiary/Subsidiary	Indiabulls Alternative Asset Management Private Limited (upto February 7, 2013)*	Indiabulls Alternative Asset Management Private Limited	Indiabulls Alternative Asset Management Private Limited	-	-
Fellow Subsidiary/Subsidiary	Indiabulls Asset Holding Company Limited*	Indiabulls Asset Holding Company Limited	Indiabulls Asset Holding Company Limited	Indiabulls Asset Holding Company Limited	Indiabulls Asset Holding Company Limited
Fellow Subsidiary/Subsidiary	Indiabulls Asset Management Company Limited*	Indiabulls Asset Management Company Limited	Indiabulls Asset Management Company Limited	Indiabulls Asset Management Company Limited	Indiabulls Asset Management Company Limited
Fellow Subsidiary/Subsidiary	Indiabulls Capital Services Limited*	Indiabulls Capital Services Limited	Indiabulls Capital Services Limited	Indiabulls Capital Services Limited	Indiabulls Capital Services Limited
Fellow Subsidiary/Subsidiary	Indiabulls Collection Agency Limited*	Indiabulls Collection Agency Limited	Indiabulls Collection Agency Limited	Indiabulls Collection Agency Limited	Indiabulls Collection Agency Limited
Fellow Subsidiary/Subsidiary	Indiabulls Finance Company Private Limited*	Indiabulls Finance Company Private Limited	Indiabulls Finance Company Private Limited	Indiabulls Finance Company Private Limited	Indiabulls Finance Company Private Limited
Fellow Subsidiary/Subsidiary	Indiabulls Holdings Limited*	Indiabulls Holdings Limited	Indiabulls Holdings Limited	-	-

Fellow Subsidiary/Subsidiary	Indiabulls Infrastructure Credit Limited*	Indiabulls Infrastructure Credit Limited	Indiabulls Infrastructure Credit Limited	Indiabulls Infrastructure Credit Limited	Indiabulls Infrastructure Credit Limited
Fellow Subsidiary/Subsidiary	Indiabulls Insurance Advisors Limited*	Indiabulls Insurance Advisors Limited	Indiabulls Insurance Advisors Limited	Indiabulls Insurance Advisors Limited	Indiabulls Insurance Advisors Limited
Fellow Subsidiary/Subsidiary	Indiabulls Life Insurance Company Limited*	Indiabulls Life Insurance Company Limited	Indiabulls Life Insurance Company Limited	Indiabulls Life Insurance Company Limited	Indiabulls Life Insurance Company Limited
Fellow Subsidiary/Subsidiary	Indiabulls Trustee Company Limited*	Indiabulls Trustee Company Limited	Indiabulls Trustee Company Limited	Indiabulls Trustee Company Limited	Indiabulls Trustee Company Limited
Fellow Subsidiary/Subsidiary	Indiabulls Venture Capital Management Company Limited * (Subsidiary of Indiabulls Holdings Limited)	Indiabulls Venture Capital Management Company Limited (Subsidiary of Indiabulls Holdings Limited)	Indiabulls Venture Capital Management Company Limited (Subsidiary of Indiabulls Holdings Limited)	Indiabulls Venture Capital Management Company Limited (Subsidiary of Indiabulls Holdings Limited)	-
Fellow Subsidiary/Subsidiary	Indiabulls Venture Capital Trustee Company Limited * (Subsidiary of Indiabulls Holdings Limited)	Indiabulls Venture Capital Trustee Company Limited (Subsidiary of Indiabulls Holdings Limited)	Indiabulls Venture Capital Trustee Company Limited (Subsidiary of Indiabulls Holdings Limited)	Indiabulls Venture Capital Trustee Company Limited (Subsidiary of Indiabulls Holdings Limited)	-
Fellow Subsidiary/Subsidiary	Nilgiri Financial Consultants Limited* (Subsidiary of Indiabulls Insurance Advisors Limited)	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)
Fellow Subsidiary/Subsidiary	Indiabulls Asset Reconstruction Company Limited from January 11, 2013 (Associate upto January 10, 2013)(Subsidiary of Indiabulls Advisory Services Limited)*	-	-	-	International Multi Commodity Exchange Limited
Associate of Holding Company	-	Indiabulls Asset Reconstruction Company Limited	Indiabulls Asset Reconstruction Company Limited	Indiabulls Asset Reconstruction Company Limited	Indiabulls Asset Reconstruction Company Limited

Associate of Holding Company	-	-	Indian Commodity Exchange Limited (till December 12, 2010)	Indian Commodity Exchange Limited	-
Key Management Personnel	Mr. Ashwini Omprakash Kumar, Deputy Managing Director (Managing Director till March 19, 2013)	Mr. Ashwini Omprakash Kumar, Managing Director (w.e.f. August 23, 2011)	-	-	-
Key Management Personnel	Mr. Gagan Banga, CEO & Managing Director (Non Executive Chairman till March 19, 2013)	Mr. Gagan Banga, Director	Mr. Gagan Banga, Director	Mr. Gagan Banga, Director	Mr. Gagan Banga, Director
Key Management Personnel	Mr. Sachin Chaudhary (CEO-Executive Director till March 19, 2013)	Mr. Sachin Chaudhary, Whole Time Director / CEO	Mr. Sachin Chaudhary, Whole Time Director / CEO	Mr. Sachin Chaudhary, Whole Time Director / CEO	Mr. Sachin Chaudhary, Whole Time Director / CEO (w.e.f January 15, 2008)
Key Management Personnel	Mr. Sameer Gehlaut, Chairman & Executive Director	Mr. Sameer Gehlaut – Person exercising significant influence over the Company	Mr. Sameer Gehlaut – Person exercising significant influence over the Company	Mr. Sameer Gehlaut – Person exercising significant influence over the Company	Mr. Sameer Gehlaut – Person exercising significant influence over the Company
Key Management Personnel	Mr. Saurabh Kumar Mittal, Non -Executive Director	Mr. Saurabh Mittal – Person exercising significant influence over the Company	Mr. Saurabh Mittal – Person exercising significant influence over the Company	Mr. Saurabh Mittal – Person exercising significant influence over the Company	Mr. Saurabh Mittal – Person exercising significant influence over the Company
Key Management Personnel	Mr. Rajiv Rattan, Non -Executive Director	Mr. Rajiv Rattan – Person exercising significant influence over the Company	Mr. Rajiv Rattan – Person exercising significant influence over the Company	Mr. Rajiv rattan, Director upto December 18, 2009, and Person exercising significant control over the Company	Mr. Rajiv Rattan, Director
Key Management Personnel	-	-	Mr. Tejinderpal Singh Miglani, Director	Mr. Tejinderpal Singh Miglani, Director	Mr. Tejinderpal Singh Miglani, Director
Key Management Personnel	-	-	Mr. Manish Rathi, Additional Director w.e.f. Nov. 15, 2010	-	-
Key Management Personnel	-	-	Mr. Ashish Bhardwaj, Director	Mr. Ashish Bhardwaj Additional Director (w.e.f. December 18, 2009)	-

Key Management Personnel	-	-	Mr. Aishwarya Katoch, Director (till Nov. 15, 2010)	-	-
Key Management Personnel	-	-	-	-	Mr. Kamal Batra, Additional Director (till January 6, 2009)
Key Management Personnel	Mr. Ajit Kumar Mittal, Executive Director (Non Executive Chairman till March 19, 2013)	-	-	-	-
* These companies were fellow subsidiaries of Indiabulls Housing Finance Limited till March 31, 2012					

b) Significant transactions with related parties during the year					
Amount Rs.					
Nature of Transactions	Year Ended				
	31st Mar 13	31st Mar 12	31st Mar 11	31st Mar 10	31st Mar 09
Finance					
Loan taken (Maximum balance outstanding during the year)					
-Holding Company	-	4,28,00,00,000	5,19,40,00,000	2,78,80,00,000	1,30,95,00,000
-Subsidiary Companies	68,80,00,000	-	-	-	-
-Fellow Subsidiary Companies	-	29,80,00,000	88,00,00,000	48,00,00,000	48,00,00,000
-Key Management Personnel	-	-	-	-	-
<b>Total</b>	<b>68,80,00,000</b>	<b>4,57,80,00,000</b>	<b>6,07,40,00,000</b>	<b>3,26,80,00,000</b>	<b>1,78,95,00,000</b>
Loan given (Maximum balance outstanding during the year)					
-Holding Company	-	-	50,00,00,000	40,00,00,000	-
-Subsidiary Companies	1,40,00,00,000	-	-	-	-
-Fellow Subsidiary Companies	-	-	-	40,00,00,000	-
-Key Management Personnel	-	-	-	-	38,08,121



Total	1,40,00,00,000	-	50,00,00,000	80,00,00,000	38,08,121
Share Capital					
Issue of Equity Share Capital					
-Holding Company	-	-	3,00,00,00,120	-	-
Total	-	-	3,00,00,00,120	-	-
Non Convertible Debentures					
Issue of Perpetual Debentures					
-Holding Company	-	3,00,00,00,000	-	-	-
Total	-	3,00,00,00,000	-	-	-
Income					
Income from Service Fee					
-Holding Company	-	53,50,000	-	-	-
Total	-	53,50,000	-	-	-
Interest Income on Loan					
-Holding Company	-	-	61,05,863	28,29,853	-
-Subsidiary Companies	13,26,027	-	-	-	-
-Fellow Subsidiary Companies	-	-	-	6,57,530	-
Total	13,26,027	-	61,05,863	34,87,383	-
Reimbursement of Expenses Incurred					
-Holding Company	-	20,23,843	19,27,42,736	10,75,692	21,925
-Subsidiary Companies	1,60,50,792	-	-	-	-
Total	1,60,50,792	20,23,843	19,27,42,736	10,75,692	21,925
Expenses					
Interest Expense on Loan					
-Holding Company	-	-	-	5,09,41,585	2,17,84,150
-Subsidiary Companies	4,88,78,190	-	-	-	-
-Fellow Subsidiary Companies	-	3,31,63,880	6,67,03,508	5,83,11,780	57,91,676

Total	4,88,78,190	3,31,63,880	6,67,03,508	10,92,53,365	2,75,75,826
Reimbursement of Expenses Paid					
-Holding Company		5,55,95,792	25,52,783	4,53,047	2,40,498
Total	-	5,55,95,792	25,52,783	4,53,047	2,40,498
Commission /Consultancy Paid					
-Subsidiary Companies	3,65,17,000	-	-	-	-
-Fellow Subsidiary Companies	-	-	4,50,00,000	-	-
Total	3,65,17,000	-	4,50,00,000	-	-
Other receipts and payments					
Investment in Compulsory Convertible Cumulative Preference Shares					
-Subsidiary Companies	2,02,50,00,000	-	-	-	-
Bond Sales					
-Subsidiary Companies	66,48,03,715	-	-	-	-
Sale of Loan Receivables					
-Holding Company	-	17,83,13,42,549	12,18,59,04,104	1,97,98,97,060	1,25,42,03,276
-Subsidiary Companies	3,18,24,02,959	-	-	-	-
Total	3,18,24,02,959	17,83,13,42,549	12,18,59,04,104	1,97,98,97,060	1,25,42,03,276
Purchase of Loan Receivables					
-Holding Company	-	13,22,64,282	2,81,96,603	51,75,91,929	1,60,79,68,841
-Fellow Subsidiary Companies	-	-	-	-	-
-Key Management Personnel	-	-	-	-	-
Total	-	13,22,64,282	2,81,96,603	51,75,91,929	1,60,79,68,841
Salary / Remuneration (including perquisite and retirement					

benefits)					
-Key Management Personnel	32,23,18,746	1,16,64,633	95,89,379	55,01,875	64,30,852
Total	32,23,18,746	1,16,64,633	95,89,379	55,01,875	64,30,852
Purchase of Certificate of Deposit					
-Holding Company	-	73,47,02,250	-	-	-
-Fellow Subsidiary Companies	-	-	-	-	-
-Key Management Personnel	-	-	-	-	-
Total	-	73,47,02,250	-	-	-
Sale of Certificate of Deposit					
-Holding Company	-	73,80,89,250	-	-	-
-Fellow Subsidiary Companies	-	-	-	-	-
-Key Management Personnel	-	-	-	-	-
Total	-	73,80,89,250	-	-	-

c) Balances outstanding as at year end

Amount Rs.					
Nature of Transactions	Year Ended				
	31st Mar 13	31st Mar 12	31st Mar 11	31st Mar 10	31st Mar 09
Loan taken					
-Holding Company	-	-	-	-	40,50,48,000
-Fellow Subsidiary Companies	-	-	28,00,00,000	28,00,00,000	48,00,00,000
-Key Management Personnel	-	-	-	-	-
Total	-	-	28,00,00,000	28,00,00,000	88,50,48,000
Loan Given					
-Holding Company	-	-	-	-	-
-Subsidiary Companies	1,40,00,00,000	-	-	-	-
-Fellow Subsidiary Companies	-	-	-	-	-
-Key Management Personnel	-	-	-	-	1,90,160

Total	1,40,00,00,000	-	-	-	1,90,160
Perpetual Debentures Issued					
-Holding Company		3,00,00,00,000	-	-	
-Fellow Subsidiary Companies		-	-	-	
-Key Management Personnel		-	-	-	
Total	-	3,00,00,00,000	-	-	-
Assignment Payable (Net)					
-Holding Company	-	-	11,77,08,407	-	24,90,008
-Subsidiary Companies	4,48,34,095				
-Fellow Subsidiary Companies	-	-	-	-	-
-Key Management Personnel	-	-	-	-	-
Total	4,48,34,095	-	11,77,08,407	-	24,90,008
Assignment Receivable (Net)					
-Holding Company	-	3,29,74,528	-	2,51,58,152	-
-Fellow Subsidiary Companies	-	-	-	-	-
-Key Management Personnel	-	-	-	-	-
Total	-	3,29,74,528	-	2,51,58,152	-
Corporate counter guarantees given to third parties by the Company					
-Holding Company	-	-	-	-	1,04,31,795
-Fellow Subsidiary Companies	-	-	-	-	-
-Key Management Personnel	-	-	-	-	-
Total	-	-	-	-	1,04,31,795
Corporate counter guarantees given to third parties for the Company					

-Holding Company	-	50,00,00,000	6,95,36,145	25,61,62,252	52,45,09,016
-Fellow Subsidiary Companies	-	-	70,63,276	1,18,83,629	9,43,77,248
-Key Management Personnel	-	-	-	-	-
<b>Total</b>	-	50,00,00,000	7,65,99,421	26,80,45,881	61,88,86,264
Cash collateral given for the Company					
-Holding Company	-	-	1,57,36,614	6,12,22,332	12,61,47,935
-Fellow Subsidiary Companies	-	-	42,37,966	71,30,177	5,66,26,349
-Key Management Personnel	-	-	-	-	-
<b>Total</b>	-	-	1,99,74,580	6,83,52,509	18,27,74,284

d) Statement of Material transactions during the Year					
					Amount Rs.
Particulars	Year Ended				
	31st Mar 13	31st Mar 12	31st Mar 11	31st Mar 10	31st Mar 09
Loan Taken (Maximum balance outstanding during the year)					
– Indiabulls Financial Services Limited	-	4,28,00,00,000	5,19,40,00,000	2,78,80,00,000	1,30,95,00,000
– Indiabulls Finance Company Private Limited	68,80,00,000	29,80,00,000	28,00,00,000	32,00,00,000	32,00,00,000
– Indiabulls Advisory Services Limited	-	-	-	16,00,00,000	16,00,00,000
– Indiabulls Infrastructure Credit Limited	-	-	60,00,00,000	-	-
Loan Given (Maximum balance outstanding during the year)					
– Indiabulls Financial Services Limited		-	50,00,00,000	40,00,00,000	-

– Indiabulls Finance Company Private Limited	1,40,00,00,000	-	-	40,00,00,000	-
– Indiabulls Infrastructure Credit Limited	25,00,00,000	-	-	-	-
– Ibulls Sales Limited	55,00,000	-	-	-	-
Reimbursement of Expenses Paid					
– Indiabulls Financial Services Limited	-	5,55,95,792	25,52,783	4,53,047	2,40,498
Reimbursement of Expenses Incurred					
– Indiabulls Financial Services Limited	-	20,23,843	19,27,42,736	10,75,692	21,925
– Indiabulls Advisory Services Limited	40,40,045	-	-	-	-
– Indiabulls Capital Services Limited	45,22,629	-	-	-	-
– Indiabulls Finance Company Private Limited	74,88,118	-	-	-	-
Commission Paid					
– Ibulls Sales Limited	28,09,000	-	4,50,00,000	-	-
– Indiabulls Asset Management Limited	3,37,08,000	-	-	-	-
Interest paid on Loan					
– Indiabulls Financial Services Limited			-	5,09,41,585	2,17,84,150
– Indiabulls Finance Company Private Limited	4,88,78,190	3,31,63,880	6,11,57,534	5,54,95,896	48,84,280
– Indiabulls Advisory Services Limited		-	-	28,15,884	9,07,396
– Indiabulls Infrastructure Credit Limited		-	55,45,974	-	-
Interest Income on Loan					

- Indiabulls Financial Services Limited		-	61,05,863	28,29,853	-
- Indiabulls Finance Company Private Limited	13,26,027		-	6,57,530	-
Investment in Compulsory Convertible Cumulative Preference Shares					
- Indiabulls Infrastructure Credit Limited	2,02,50,00,000	-	-	-	-
Bond Sales					
- Indiabulls Finance Company Private Limited	66,48,03,715	-	-	-	-
Income from Service Fees					
- Indiabulls Financial Services Limited	-	53,50,000	-	-	-
Shares Issued					
- Indiabulls Financial Services Limited	-	-	3,00,00,00,120	-	-
Perpetual Debentures Issued					
- Indiabulls Financial Services Limited	-	3,00,00,00,000	-	-	-
Salary / Remuneration					
Remuneration to Directors					
- Sameer Gehlaut	82,75,997	-	-	-	-
- Gagan Banga	15,43,641	-	-	-	-
- Ajit Kumar Mittal	5,31,165	-	-	-	-
- Ashwini Omprakash Kumar	1,91,14,066	-	-	-	-
- Sachin Chaudhary	1,25,85,979	1,16,64,633	95,89,379	55,01,875	64,30,852
Salary					
- Sameer Gehlaut	22,40,88,545	-	-	-	-
- Gagan Banga	4,17,97,040	-	-	-	-

– Ajit Kumar Mittal	1,43,82,313	-	-	-	-
Sale of Loan Receivables					
– Indiabulls Financial Services Limited	-	17,83,13,42,549	12,18,59,04,104	1,97,98,97,060	1,25,42,03,276
– Indiabulls Infrastructure Credit Limited	2,48,39,46,709	-	-	-	-
– Indiabulls Finance Company Private Limited	69,84,56,250	-	-	-	-
Purchase of Loan Receivables					
– Indiabulls Financial Services Limited		13,22,64,282	2,81,96,603	51,75,91,929	1,60,79,68,841
Loans and Advances (Maximum balance outstanding during the year)					
– Sachin Chaudhary		-	-	1,90,160	13,92,889
– Kamal Batra		-	-	-	24,15,232
Purchase of Certificate of Deposit					
– Indiabulls Financial Services Limited		73,47,02,250	-	-	-
Sale of Certificate of Deposit					
– Indiabulls Financial Services Limited		73,80,89,250	-	-	-

Related Party relationships as given above are as identified by the Company.

(e) Breakup of outstanding Balances					Amount (Rs.)
Particulars	For the Year ended March 31, 2013	For the Year ended March 31, 2012	For the Year ended March 31, 2011	For the Year ended March 31, 2010	For the Year ended March 31, 2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)



Loan given					
Subsidiaries					
- Indiabulls Finance Company Private Limited	1,40,00,00,000	-	-	-	-
Loan taken					
Holding Company					
- Indiabulls Financial Services Limited	-	-	-	-	40,50,48,000
Subsidiaries					
- Indiabulls Finance Company Private Limited	-	-	28,00,00,000	28,00,00,000	48,00,00,000
Perpetual Debentures Issued					
Holding Company					
- Indiabulls Financial Services Limited	-	3,00,00,00,000	-	-	-
Assignment (Payable)/ Receivable (Net)					
Holding Company					
- Indiabulls Financial Services Limited	-	3,29,74,528	(11,77,08,407)	2,51,58,152	(24,90,008)
Subsidiaries					
- Indiabulls Finance Company Private Limited	1,84,60,080	-	-	-	-
Assignment Receivable					
- Indiabulls Infrastructure Credit Limited	(6,32,94,175)	-	-	-	-
(Assignment Payable)					
Corporate counter guarantees given to third parties for the Company					
Holding Company					
- Indiabulls Financial Services Limited	-	50,00,00,000	6,95,36,145	25,61,62,252	52,45,09,016
- Indiabulls Capital Services Limited	-	-	70,63,276	1,18,83,629	9,43,77,248
Cash collateral given for the Company					
- Indiabulls Financial Services Limited	-	-	1,57,36,614	6,12,22,332	12,61,47,935

- Indiabulls Capital Services Limited	-	-	42,37,966	71,30,177	5,66,26,349
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(33) (a) Expenditure in Foreign Currency:	Year ended	Year ended	Year ended	Year ended	Year ended
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
Particulars	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Professional Expenses	3,92,16,246	-	-	-	-
GDRs listing / Issue related Expense	8,03,670	-	-	-	-
Travelling Expenses	53,32,405	-	-	-	-
Commission Expense	12,89,759	-	-	-	-
Interest Expense on Foreign Currency Loan	1,38,10,479	-	-	-	-
Advertisement/Corporate Sponsorship Expenses	76,35,651	-	-	-	-
Total	6,80,88,210	-	-	-	-

(b) Remittances during the year in foreign currency on account of dividends:

Final Dividend by erstwhile Holding company Indiabulls Financial Services Limited (Year ended March 31, 2012)

Number of Shareholders: 2 (Previous Year Nil)

Equity Shares held on which dividend is remitted: - 89,67,321 Equity Shares (Previous Year Nil)

Amount Remitted- Rs. 6,27,71,247 (Previous Year Rs. Nil)

Ist Interim Dividend (During the year ended March 31, 2013)

Number of Shareholders: 2 (Previous Year Nil)

Equity Shares held on which dividend is remitted: - 1,01,67,993 Equity Shares (Previous Year Nil)

Amount Remitted- Rs. 8,13,43,944 (Previous Year Rs. Nil)

2nd Interim Dividend (During the year ended March 31, 2013)

Number of Shareholders: 2 (Previous Year Nil)

Equity Shares held on which dividend is remitted: - 1,03,29,200 Equity Shares (Previous Year Nil)

Amount Remitted- Rs. 5,68,10,600 (Previous Year Rs. Nil)

Note: The Company does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividends have been made by non- resident shareholders.

(34) Earnings Per Equity Share (EPS):

The basic earnings per share is computed by dividing the net profit attributable to Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year. 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 year, unless they have been issued at a later date. The number of Equity Shares and potential diluted Equity Shares are adjusted for potential dilutive effect of Employee Stock Option Plan as appropriate. Potential dilutive Equity Shares on account of Share warrants are not adjusted being anti dilutive in nature.

Particulars	For the Year ended March 31, 2013	For the Year ended March 31, 2012	For the Year ended March 31, 2011	For the Year ended March 31, 2010	For the Year ended March 31, 2009
Profit available for Equity Shareholders as restated (Rs.)	12,27,89,69,201	2,50,00,29,234	78,15,34,720	19,05,89,343	22,61,25,844
Weighted average number of Shares used in computing Basic Earnings per Equity Share (Nos.)	31,21,18,479	15,56,89,656	13,69,83,940	13,50,00,000	13,50,00,000
Add: Potential number of Equity share that could arise on exercise of Employee Stock Options / Share Warrants (Nos.)	99,99,303	-	-	-	-
Weighted average number of shares used in computing Diluted Earnings per Equity Share (Nos.)	32,21,17,782	15,56,89,656	13,69,83,940	13,50,00,000	13,50,00,000
Face Value of Equity Shares - (Rs.)	2.00	10.00	10.00	10.00	10.00
Basic Earnings Per Equity Share - (Rs.)	39.34	16.06	5.71	1.41	1.68
Diluted Earnings Per Equity Share - (Rs.)	38.12	16.06	5.71	1.41	1.68

(35) 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 the respective year ends.

(36) Disclosures in terms of Circular no. NHB/ND/DRS/Pol-No. 35/2010-11 dated October 11, 2010:

(i) Disclosure for Capital to Risk Asset Ratio (CRAR) :-					
CRAR	As on March 31, 2013	As on March 31, 2012	As on March 31, 2011	As on March 31, 2010	As on March 31, 2009
Items					
i) CRAR (%)	18.47%	19.22%	19.71%	32.72%	39.73%
ii) CRAR - Tier I capital (%)	14.96%	12.96%	19.71%	32.72%	39.73%
iii) CRAR - Tier II Capital (%)	3.51%	6.26%	0.00%	0.00%	0.00%
(ii) Exposure to Real Estate Sector:-*					
Category	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at March 31, 2010
a)	Direct exposure				
	(i)	Residential Mortgages - Lending fully secured by mortgages on residential property that is			
	1,24,43,08,23,818	65,58,22,92,251	33,44,29,46,592	7,74,90,06,110	

		or will be occupied by the borrower or that is rented;				
	(ii)	Commercial Real Estate - Lending secured by mortgages on commercial real estates	1,46,48,61,10,923	6,47,73,32,534	70,38,86,551	38,52,20,578
	(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -				
	a.	Residential	-	-	-	-
	b.	Commercial Real Estate.	-	-	-	-
b)		Indirect Exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	25,00,00,000	-	-	-

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission.

#### Asset Liability Management\*

Maturity Pattern of Assets and Liabilities as at March 31, 2013:-											
Amount (Rs. In crores)											
Particulars	1 day to 30/31 days (1 month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Grand Total
<b>Liabilities</b>											
Borrowing from banks	20.19	406.92	353.49	1,355.32	2,939.80	8,719.83	4,879.54	212.80	265.07	332.05	19,485.01
Market borrowings	203.00	359.50	684.00	1,860.00	745.00	3,754.50	985.20	-	2,716.30	293.28	11,600.78
<b>Assets</b>											
Advances	1,228.41	419.05	742.11	1,495.03	3,048.62	13,002.03	6,012.99	2,093.94	1,898.19	1,571.91	31,512.28
Investments	118.62	-	-	1,050.77	1,005.00	283.67	219.47	5.00	-	319.93	3,002.46

#### Asset Liability Management\*

Maturity Pattern of Assets and Liabilities as at March 31, 2012:-											
Amount (Rs. In crores)											
Particulars	1 day to 30/31 days (1 month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Total
Liabilities											
Borrowing from banks	80.73	150.00	413.90	19.46	205.76	2,389.99	1,463.93	169.44	38.89	-	4,932.10
Market borrowings	-	-	-	-	687.50	35.00	-	100.00	300.00	-	1,122.50
Assets											
Advances	232.27	166.45	559.96	441.20	935.67	2,612.76	1,638.04	670.30	0.95	22.51	7,280.11
Investments	43.00	-	17.15	0.37	16.18	-	27.80	-	-	-	104.50

## Asset Liability Management\*

Maturity Pattern of Assets and Liabilities as at March 31, 2011:-											
Amount (Rs. In crores)											
Particulars	1 day to 30/31 days (1 month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Total
Liabilities											
Borrowing from banks	100.00	-	-	50.20	130.54	1,227.79	911.10	44.44	61.11	-	2,525.18
Market borrowings	75.00	160.00	-	-	68.50	37.50	-	-	-	-	341.00
Assets											
Advances	126.29	112.94	90.57	264.47	468.03	1,322.89	768.04	258.33	3.59	31.50	3,446.64
Investments	61.46	70.00	-	-	-	14.28	-	-	-	-	145.74

## Asset Liability Management\*

Maturity Pattern of Assets and Liabilities as at March 31, 2010:-											
Amount (Rs. In crores)											
Particulars	1 day to 30/31 days (1 month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Total
Liabilities											
Borrowing from banks	112.64	263.14	10.60	19.29	14.95	200.00	-	-	-	-	620.62
Market borrowings	-	-	-	-	78.00	265.00	-	-	-	-	343.00

Assets											
Advances	30.23	18.84	19.59	55.18	100.50	306.07	210.12	82.07	8.57	24.86	856.04
Investments	373.05	-	-	19.78	1.15	14.28	-	-	-	-	408.26

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission.

\*Since the disclosure requirement came in effect from the Financial Year 2010-11, the figures in respect of Financial Year 2008-09 are not presented

(37) As per the Housing Finance Companies (NHB) Directions 2010, non-performing assets are recognised on the basis of ninety days and above overdue of interest/installment. The Company has made the Provision for Loans and Other Credit Facilities in respect of Housing and Non-Housing Loans in terms of paragraph 28 of the Housing Finance Companies (NHB) Directions 2010 and NHB Notification No. NHB.HFC.DIR.3/CMD/2011 dated August 05, 2011 and NHB.HFC.DIR.4/CMD/2012 dated January 19, 2012. The same is disclosed in terms of paragraph 29(2) of the Housing Finance Companies (NHB) Directions, 2010 and NHB Circular No. NHB(ND)/DRS/Pol.No.41/2010-11 dated September 26, 2011.

Particulars	Housing Loans			Non Housing Loans		
	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Substandard Assets	3,49,04,572	34,66,637	46,03,464	19,32,28,906	1,45,29,074	1,34,72,217
Doubtful Assets-upto one Year	33,94,680	48,06,129	30,35,556	39,11,88,614	1,24,66,516	5,05,46,530
Doubtful Assets-one to three Years	84,74,211	24,06,706	-	8,53,94,100	7,89,46,363	33,96,742
Doubtful Assets-more than three Years	-	-	-	2,26,68,634	-	-
Loss Assets	-	-	-	-	-	-
Provision of Depreciation on Investments	-	-	-	-	-	-
Total	4,67,73,463	1,06,79,472	76,39,020	69,24,80,254	10,59,41,953	6,74,15,489

Further the Company has made an additional provision as at March 31, 2013 of Rs. 82,23,49,495 (2011-12 Rs. 3,14,80,057, 2010-11 Rs. 3,47,13,662)

The balance loan outstanding as at March 31, 2013 for sub-standard assets is Rs. 1,52,08,89,853 (2011-12 Rs. 11,99,71,406, 2010-11 Rs. 18,07,56,806) out of which housing loan is Rs 23,36,97,149 (Previous Year Rs 23,110,915, 2010-11 Rs. 4,60,34,636) and Non housing loan is Rs 1,28,81,92,704 (2011-12 Rs 9,68,60,491, 2010-11 Rs.13,47,22,170).

The balance loan outstanding as at March 31, 2013 for doubtful assets upto one year category is Rs. 929,664,370 (2011-12 Rs 6,90,90,578, 2010-11 Rs. 26,79,10,427 ) out of which housing loan is Rs 1,35,78,721 (2011-12 Rs 1,92,24,515, Rs. 1,51,77,779) and Non housing loan is Rs 91,60,85,649 (2011-12 Rs. 4,98,66,063, 2010-11 Rs. 25,27,32,649).

The balance loan outstanding as at March 31, 2013 for doubtful assets one to three years category is Rs. 23,46,70,779 (2011-12 Rs. 20,33,82,674, 2010-11 Rs. 1,13,22,474) out of which housing loan is Rs. 2,11,85,529 (2011-12 Rs 60,16,765, 2010-11 Rs. Nil ) and Non housing loan is Rs 21,34,85,250 (2011-12, Rs.19,73,65,908, 2010-11 Rs. 1,13,22,474).

The balance outstanding as at March 31, 2013 for doubtful assets more than three years category is Rs. 2,26,68,634 (2011-12 Rs. Nil, 2010-11 Rs. Nil) out of which housing loan is Rs Nil (2011-12 Rs Nil, 2010-11, Rs. Nil ) and Non housing loan is Rs 2,26,88,634 (2011-12 Rs. Nil, 2010-11 Rs. Nil).

(38) Provision for contingencies on standard assets and loan assets as on March 31, 2013 amounting to Rs. 4,59,15,98,678 (2011-12 Rs. 51,04,59,152, 2010-11 Rs. 21,09,89,866) includes provisions for non-performing assets, standard assets and all other contingencies.

The Company has entered into various agreements for the assignment/securitisation of loans with assignees, wherein it has assigned/securitised a part of its secured loan portfolio amounting to Rs. 56,29,16,85,659 (2011-12 Rs. 37,23,74,47,576, 2010-11 Rs. 21,26,15,85,779, 2009-10 Rs.13,63,07,47,622, 2008-09 Rs. 11,79,44,79,992) upto March 31, 2013, being the principal value outstanding as on the date of the deals that are outstanding as on the Balance Sheet date.

The Company assigned/securitised various loan portfolios to banks and/or other institutions which are derecognised in the books of accounts of the Company in terms of accounting policy mentioned at Note 1 (v) above and residual income on these Loans is being recognised over the life of the underlying loans and not on an upfront basis.

(39) The Board of Directors at their meeting held on April 27, 2012 had approved the Scheme of Arrangement involving the merger of Indiabulls Financial Services Limited (IBFSL, the Holding Company) with the Company in terms of the provisions of Sections 391 to 394 of the Companies Act, 1956 (the "Scheme of Arrangement"). The Appointed Date of the proposed merger fixed under the Scheme of Arrangement was April 1, 2012. The Hon'ble High Court of Delhi, vide its Order dated December 12, 2012, received by the Company on February 8, 2013, approved the Scheme of Arrangement (Order). In terms of the Court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 8, 2013 with the office of ROC, NCT of Delhi & Haryana (the Effective Date), IBFSL, as a going concern, stands amalgamated with IBHFL with effect from the Appointed Date, being April 1, 2012 (Under the Accounting Standard 14 - Pooling of interest method). Consequent to the Scheme of Arrangement becoming effective, the Board of Directors of the Company, at their meeting held on March 25, 2013, issued and allotted -

- i) 31,25,11,167 Equity Shares of Rs. 2 each of the Company,
- ii) 2,75,00,000 Warrants of the Company (against the listed warrants of IBFSL), and
- iii) 2,07,00,000 Warrants of the Company (against the unlisted warrants of IBFSL held by certain promoter group entities and Key Management Personnel of IBFSL)

to the Equity Shareholders / Warrants holders of IBFSL, against their holdings in such Equity Shares / Warrants, as on March 20, 2013 i.e. the record date fixed by IBFSL in this regard. The issue of Equity Shares / warrants by the Company was in terms of the share exchange ratio as mentioned in the Court approved Scheme of Arrangement. The Company is in the process of getting its Shares and Warrants (issued in lieu of listed warrants of IBFSL) listed with National Stock Exchange of India Limited and BSE Limited, for which the necessary applications are being finalised to be filed with the Stock Exchanges.

(40) The Company being a Housing Finance Company has to follow the concentration of Credit Norms as per the NHB guidelines. Post merger of Indiabulls Financial Services Limited (the holding company) with the Company, the company has followed these norms based on the combined Balance sheet of the Company as merged with the Holding company from March 8, 2013 being the effective date of the merger as per the Order of the Hon'ble High Court of Delhi.

(41) The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial information. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation and disclosures made in the financial information. This has significantly impacted the disclosure and presentation made in the financial information. Accordingly, figures for the years ended March 31, 2012, March 31, 2011, March 31, 2010 and March 31, 2009 have been regrouped / reclassified wherever necessary to correspond with the year ended March 31, 2013, classifications / disclosures.

(42) Restated Adjustments and Material Regrouping:-

Restated Adjustments:-	For the Year Ended				
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)

Net profit after Tax as per audited accounts(a)	12,27,90,69,554	2,49,98,73,358	78,82,74,190	18,40,64,172	22,35,86,064
Restated Adjustments relating to short/excess provision for tax(b)	1,00,353	(1,55,876)	67,39,470	(65,25,171)	(25,39,780)
Adjusted Profit after tax(a-b)	12,27,89,69,201	2,50,00,29,234	78,15,34,720	19,05,89,343	22,61,25,844

### Material Regrouping

In the Statement of Profit and Loss as Restated, for the years ended March 31, 2011, March 31, 2010 and March 31, 2009, Dividend Income on units of mutual funds, Profit on appreciation of Mutual Fund Investments and Profit on sale of Investments has been regrouped under the head Revenue from Operations in line with grouping for years ended March 31, 2012 and March 31, 2013 (Refer Note 24).

In the Statement of Assets and Liabilities as Restated, for the years ended March 31, 2012, March 31, 2011, March 31, 2010 and March 31, 2009, Provision for Loan Assets has been regrouped and netted off under the head Loans and Advances in line with the grouping for the year ended March 31, 2013 (Refer Note 17).

In the Statement of Profit and Loss as Restated, for the years ended March 31, 2012, March 31, 2011, March 31, 2010 and March 31, 2009, DSA Commission has been regrouped and netted off under the Other Operating Income in line with the grouping for the year ended March 31, 2013 (Refer Note 24).

In the Statement of Profit and Loss as restated, for the years ended March 31, 2012, March 31, 2011, March 31, 2010 and March 31, 2009, Other Bank Charges has been regrouped and disclosed under the head Other Expenses in line with the grouping of year ended March 31, 2013 (Refer Note 28).

In the Statement of Assets and Liabilities as Restated, for the years ended March 31, 2012, Deposits Accounts has been regrouped and disclosed under the head Other current Asset in line with the grouping for the year ended March 31, 2013 (Refer Note 23).

In the Statement of Assets and Liabilities as Restated, for the years ended March 31, 2012, Advance Interest on Short term borrowings, Security Deposit for Rented Premises and Security Deposit with others has been regrouped and disclosed under the head Short term Loans and Advances in line with the grouping for year ended March 31, 2013 (Refer Note 22).

(43) Figures for the years ended March 31, 2009 to March 31, 2012 are not comparable with figures and Earnings per Share for the year ended March 31, 2013 due to the Scheme of Arrangement between the Company and the erstwhile Holding company. (Refer Note 39)

(44) The restated financial information has been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956

(45) Previous years figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

Annexure IX -Restated Statement of Standalone Accounting and Other Ratios					
Particulars	Amounts in Rs.				
	As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Face Value of Equity Share	2.00	10.00	10.00	10.00	10.00
Earnings per share					
-Basic earnings per share as restated	39.34	16.06	5.71	1.41	1.68
-Diluted earnings per share as restated	38.12	16.06	5.71	1.41	1.68
Return on net worth (%)	25.70%	26.47%	10.70%	5.37%	6.74%
Net assets value per	152.88	60.66	46.89	26.29	24.85



Equity share					
Weighted average number of Equity Shares used in calculating Basic Earnings per share	31,21,18,479	15,57,00,000	13,69,83,940	13,50,00,000	13,50,00,000
Weighted average number of Equity Shares used in calculating Diluted Earnings per share	32,21,17,782	15,57,00,000	13,69,83,940	13,50,00,000	13,50,00,000
Total number of Equity Shares outstanding as at the end of the year	31,25,11,167	15,56,89,656	15,56,89,656	13,50,00,000	13,50,00,000

Notes:

1. The ratios have been computed as below:

Basic Earnings Per Share =  $\frac{\text{Net Profit as restated attributable to Equity Shareholders}}{\text{Total Weighted Average Nos. of Equity Shares outstanding during the year}}$

Diluted Earnings Per Share =  $\frac{\text{Net Profit as restated attributable to Equity Shareholders}}{(\text{Total Weighted Average Nos. of Equity Shares outstanding during the year} + \text{Potential Weighted Average Nos. of Equity Shares outstanding during the year})}$

Return on Net Worth =  $\frac{\text{Net Profit as restated available to Equity Shareholders}}{\text{Net Worth as restated at the end of the year}}$

Return on Net Worth =  $\frac{\text{Net Worth as restated at the end of the year}}{\text{Number of Equity Share outstanding at the end of the year}}$

Net worth - Comprises of Paid-up Equity Share Capital, plus Monies received against Share Warrants, plus Free Reserves including Securities Premium but excluding Revaluation Reserves if any, plus credit balance in the Statement of Profit & Loss, less Foreign Currency Monetary Item Translation Difference Account, Intangible Assets and Net Deferred Tax Asset.

Annexure X -Restated Statement of Standalone Tax Reconciliation					
Particulars	Amounts in Rs.				
	Year ended				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Profit Before Tax excluding Long Term Capital Gains (LTCG)	15,86,12,66,550	3,45,26,60,909	1,09,14,65,919	25,41,59,038	28,22,26,853
Long Term Capital Gain	17,99,00,000	-	-	-	-
Tax rate on Business Profit	32.445%	32.445%	33.218%	33.990%	33.990%
Tax rate on LTCG	10.815%	-	-	-	-
Tax at Applicable Tax Rates (A)	5,16,56,44,117	1,12,02,15,832	36,25,57,692	8,63,88,657	9,59,28,907
<u>Permanent Differences</u>					
Employee Compensation Expenses	75,63,100	-	-	-	-
Interest on Taxes / FBT	3,79,659	85,08,987	2,06,66,852	1,78,349	25,21,612
Loss on Sale of Fixed Assets	41,58,906	9,92,001	10,945	12,38,246	2,41,162
Disallowance under section 14 A, of the Income Tax Act, 1961	90,00,000	40,00,000	18,52,328	15,07,187	12,86,917

Tax Free Income	(2,19,00,96,784)	(9,16,61,496)	(2,80,15,220)	(2,68,36,580)	(4,49,84,538)
Donation	15,02,500	-	-	-	-
Premium / Discount / Expenses on Issue of Debentures (Net of Tax Impact)	(76,53,84,239)	(1,86,77,189)	-	-	-
Other Deductions	(1,26,61,14,068)	(42,56,28,175)	(15,53,32,036)	(3,65,25,959)	(6,04,79,556)
Total (B)	(4,19,89,90,927)	(52,24,65,872)	(16,08,17,131)	(6,04,38,756)	(10,14,14,404)
<b>Timing Differences</b>					
Disallowance under Section 40A(7) of the Income-Tax Act, 1961	1,05,94,731	26,93,461	25,85,126	10,97,109	30,90,814
Disallowance under Section 43B of the Income-Tax Act, 1961	10,27,18,992	(20,18,746)	5,88,567	6,55,914	16,05,692
Difference between book value of Depreciation and tax value of Depreciation	1,70,47,302	13,15,927	60,45,451	41,01,301	24,13,198
Bad Debts (Net of Provision)	(70,14,37,773)	10,90,22,196	8,58,45,680	(7,64,92,963)	2,07,78,809
Others	48,85,860	12,19,78,887	23,24,11,054	26,11,38,742	49,01,37,352
Total (C)	(56,61,90,888)	23,29,91,725	32,74,75,878	19,05,00,103	51,80,25,865
Total (B+C)	(4,76,51,81,815)	(28,94,74,147)	16,66,58,747	13,00,61,347	41,66,11,461
Other Tax impacts					
Deffered Tax charge for the year	14,26,16,472	(7,35,63,917)	(10,79,86,362)	(6,70,26,814)	(17,65,13,351)
Tax expense	(1,54,60,63,240)	(9,39,19,887)	5,53,59,869	4,42,07,852	14,16,06,236
Prior period tax adjustments	-	55,523	-	-	-
Total (D)	(1,40,34,46,768)	(16,74,28,281)	(5,26,26,493)	(2,28,18,962)	(3,49,07,115)
Tax expense for the year as per Restated Statement of Profit and Loss (A+D)	3,76,21,97,349	95,27,87,551	30,99,31,199	6,35,69,695	6,10,21,792

## Annexure XI - Restated Standalone Capitalisation Statement

Particulars	Amounts in Rs.	
	Pre- issue as at March 31, 2013	Post- issue
Short Term Debt	63,81,01,39,094	63,81,01,39,094
Long Term Debt (Including Current Maturities)	2,47,04,76,98,655	2,47,04,76,98,655
Total Debt	3,10,85,78,37,749	3,10,85,78,37,749
Equity Share Capital	62,50,22,334	62,50,22,334
Reserves excluding Foreign Currency Monetary Item Translation Difference Account	47,66,47,13,808	47,66,47,13,808
Money received against share warrants	1,12,81,50,000	1,12,81,50,000
Total Shareholders' Funds	49,41,78,86,142	49,41,78,86,142
Long Term Debt/Total Shareholders' Funds	5.00	5.00

## Annexure XII -Statement of Standalone Dividends

Particulars	As at				
	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Mar-09
Equity Dividend					
Equity shares (In nos)					

	31,25,11,167	15,56,89,656	15,56,89,656.00	13,50,00,000	13,50,00,000
Face value (Rs.)	2.00	10.00	10.00	10.00	10.00
Equity Share Capital (Amount in Rs. )	62,50,22,334	1,55,68,96,560	1,55,68,96,560	1,35,00,00,000	1,35,00,00,000
Rate of Dividend %	999.59%	0.00%	0.00%	0.00%	0.00%
Dividend per Equity Share (Rs.)	20.00	-	-	-	-
Amount of Dividend (Rs.)	6,24,76,34,270	0.00	-	0.00	0.00
Dividend Distribution Tax(Amount in Rs.)	1,02,92,14,438	-	-	-	-

**Annexure V: Restated Consolidated Summary Statement of Assets and Liabilities**

Particulars	Note No.	As at March 31, 2013
		Amount (Rs.)
<b>I. EQUITY AND LIABILITIES</b>		
<b>(1) Shareholders' funds</b>		
Share capital	3	62,50,22,334
Reserves and surplus	4	49,93,26,06,625
Money received against share warrants	5	1,12,81,50,000
<b>(2) Minority Interest</b>	3(viii)	1,44,87,11,226
<b>(3) Non-current liabilities</b>		
Long-term borrowings	6	1,82,34,45,98,867
Other long-term liabilities	7	7,83,79,523
Long-term provisions	8	3,69,98,98,484
<b>(4) Current liabilities</b>		
Short-term borrowings	9	65,81,01,39,094
Trade payables	10	2,85,29,227
Other current liabilities	11	77,94,34,71,270
Short-term provisions	12	8,24,86,67,870
<b>Total</b>		<b><u>3,91,28,81,74,520</u></b>
<b>II. ASSETS</b>		
<b>(1) Non-current assets</b>		
Fixed assets	13	
(i) Tangible assets		44,43,42,423
(ii) Intangible assets		1,13,33,882
(iii) Capital work-in-progress		4,00,000
Non-current investments	14	15,15,55,854
Deferred tax assets (net)	15	1,64,12,86,277
Long-term loans and advances	16	2,71,54,75,48,721
Other non-current assets	17	4,83,72,87,544
<b>(2) Current assets</b>		
Current investments	18	22,92,73,39,063
Trade receivables	19	2,24,47,293
Cash and bank balances	20	48,88,18,06,215
Short-term loans and advances	21	37,26,04,59,122
Other current assets	22	3,56,23,68,126
<b>Total</b>		<b><u>3,91,28,81,74,520</u></b>

Note: The above statement should be read with the Notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Summary Statement of Profit and Loss and Summary Statement of Cash Flows as appearing in Annexure – VIII.

**Annexure VI: Restated Consolidated Summary Statement of Profit and Loss**

Particulars	Note No.	For the Year ended March 31, 2013 Amount (Rs.)
(1) Revenue from operations	23	47,29,41,57,642
(2) Other income	24	48,53,53,542
(3) Total revenue (1+2)		<b><u>47,77,95,11,184</u></b>
(4) Expenses		
Employee benefits expense	25	2,24,54,72,772
Finance costs	26	25,99,08,79,085
Depreciation and amortisation expense	13	9,38,45,876
Other expenses	27	2,89,79,41,515
Total expenses		<b><u>31,22,81,39,248</u></b>
(5) Profit before tax (3-4)		16,55,13,71,936
(6) Tax expense		
Current tax expense		3,75,29,34,475
Current tax expense relating to prior years		16,55,042
Deferred tax charge (Net)	15	13,61,33,548
Total Tax Expense		<b><u>3,89,07,23,065</u></b>
(7) Restated Adjustments(Refer Note 37)		(16,55,042)
(8) Profit after tax (5-6-7)		<b><u>12,66,23,03,913</u></b>
(9) Minority Interest		7,62,42,468
(10) Profit after Minority interest (8-9)		<b><u>12,58,60,61,445</u></b>
(11) Earnings Per Equity share:		
Basic	33	40.20
Diluted		38.95
Face value per Equity share		2.00

Note: The above statement should be read with the Notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Summary Statement of Profit and Loss and Summary Statement of Cash Flows as appearing in Annexure – VIII.

Restated Consolidated Summary Statement of Cash Flows

For the Year ended  
March 31, 2013

	Amount (Rs.)	Amount (Rs.)
<b>A Cash flows from operating activities :</b>		
Profit before tax		16,55,13,71,936
Adjustments for :		
Share of (Profit) in Associate	(7,77,845)	
Employee Stock Compensation	75,63,100	
Provision for Gratuity	1,28,50,578	
Provision for Compensated Absences	60,76,184	
Provision for Superannuation	9,79,72,503	
Provision for Loan Assets	32,35,12,490	
Contingent Provisions against Standard Assets	23,95,88,041	
Depreciation / Amortisation	9,38,45,876	
Bad Loans / Advances written off	66,90,07,097	
Loss on sale on Fixed Assets	41,58,906	
(Unrealised) gains on appreciation of Mutual Fund Investments (Current Investments)	(10,58,801)	
	<u>1,45,27,38,129</u>	<u>18,00,41,10,065</u>
Operating Profit before working capital changes		18,00,41,10,065
Adjustments for:		
Trade and Other Receivables	90,53,75,180	
Loans and Advances	(56,28,65,90,971)	
Trade Payables and other liabilities (Refer Note No. 2 below)	4,37,17,26,098	
	<u>(51,00,94,89,693)</u>	<u>(51,00,94,89,693)</u>
Cash used in operations		(33,00,53,79,628)
Income taxes paid (Net)		(3,08,21,17,434)
<b>Net cash used in operating activities</b>		<b>(36,08,74,97,062)</b>
<b>B Cash flows from investing activities :</b>		
Purchase of Fixed Assets		(11,41,25,143)
Sale of Fixed Assets		51,70,554
Capital Advances		2,44,677
Net receipts from Investment in deposit accounts		(2,84,45,31,813)
Proceeds from Investments in Mutual Funds / Other Current Investments (Net)		1,91,81,21,441
Aggregate cash flows consequent to conversion of Associate to Subsidiary (Net)		4,23,69,007
		<u>(99,27,51,277)</u>
<b>Net cash used in investing activities</b>		<b>(99,27,51,277)</b>
<b>C Cash flows from financing activities :</b>		
Proceeds from Issue of Equity Share through ESOPs (Including Securities Premium)		6,81,87,021
Proceeds from Issue of Share Warrants		1,12,81,50,000
Distribution of Equity Dividends (including Corporate Dividend Tax thereon)		(7,43,10,26,841)
Debenture issue expenses		(96,29,62,366)
Proceeds from Term loans-(Net)		17,14,76,90,906
Repayment of Commercial Papers (Net)		(96,50,00,000)
Net proceeds from issue of Secured Redeemable Non-Convertible Debentures		23,45,39,18,000
Net proceeds from issue of Subordinated Debt		5,33,38,00,000
Proceeds from issue of Perpetual Debt		1,00,00,00,000
Net proceeds from Working capital loans		13,50,00,00,000
		<u>52,27,27,56,720</u>
<b>Net cash flows from financing activities</b>		<b>52,27,27,56,720</b>
<b>D Exchange difference on translation of balances denominated in foreign currency</b>		<b>(64,341)</b>
<b>E Net increase in cash and cash equivalents (A+B+C+D)</b>		<b>15,19,24,44,040</b>
<b>F Cash and cash equivalents received under Scheme of Arrangement</b>		<b>51,14,16,72,832</b>
<b>G Cash and cash equivalents at the end of the year (E + F) (Refer Note 5 below)</b>		<b>66,33,41,16,872</b>

**Notes:**

- 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.
- Trade payables and other liabilities include Rs. 2,06,35,68,150 being amount payable (net) on assigned loans.
- Margin Deposits of Rs. 4,72,56,08,142 have been placed as collateral for Assignment deals on which assignees have a paramount lien.
- Deposits of Rs. 39,77,205 are under lien with Bank.
- Cash and cash equivalents at the end of the year include:

Cash and Bank Balances <sup>(Refer Note 20)</sup>	48,88,18,06,215
Current Investments in Units of Mutual Funds / Other Current Investments considered as temporary deployment of funds <sup>(Refer Note 18)</sup>	17,83,23,39,063
	<u>66,71,41,45,278</u>
Less: In deposit accounts having maturity of more than 3 months	37,81,57,207
Less: Unrealised gains on appreciation of Mutual Fund Investments (Current Investments)	18,71,199
Cash and cash equivalents as restated	<u>66,33,41,16,872</u>
- Unclaimed Dividend account balances in designated bank accounts are not available for use by the Company. <sup>(Refer Note 20)</sup>
- The above Cash Flow Statement has been presented after giving effect to the Scheme of Arrangement. <sup>(Refer Note 36)</sup>
- Since this is the first year of preparation of Consolidated Financial Statements of the Company, previous year figures have not been presented.

Note: The above statement should be read with the Notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Summary Statement of Profit and Loss and Summary Statement of Cash Flows as appearing in Annexure – VIII.

**Annexure VIII: Notes forming part of Restated Consolidated Summary Statements**

**(1) Significant Accounting Policies**

**i.) Basis of Consolidation:**

The consolidated financial informations are prepared in accordance with Accounting Standard (AS) - 21 on 'Consolidated Financial Statements' and Accounting Standard (AS) - 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements' as notified by the Companies (Accounting Standards) Rules, 2006, as amended. Reference in these notes to the Company, Holding Company, Companies or Group shall mean to include Indiabulls Housing Finance Limited ("the Company", "IBHFL") and / or any of its subsidiaries, unless otherwise stated.

**ii.) Principles of Consolidation:**

The Consolidated Financial Information relate to Indiabulls Housing Finance Limited (the 'Company' 'Parent') and its direct and indirect subsidiaries and associate company (collectively referred to as 'the Group'). The consolidated financial information have been prepared using uniform accounting policies and on the following basis:

(i) The financial informations of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group transactions and intra-group balances and resultant unrealised profits/ losses.

(ii) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to the shareholders of the Company.

(iii) Investments of the Group in associate companies is accounted as per the Equity Method under Accounting Standard 23 – 'Accounting for Investments in Associates in Consolidated Financial Statements'.

(iv) The financial informations of the subsidiaries and associate company used in the consolidated financial statements are consolidated from the date of the acquisition and are drawn up to the same reporting date as of the Company.

**iii.) Goodwill / Capital Reserve on consolidation:**

Goodwill / Capital Reserve represents the difference between the Company's share in the net worth of subsidiaries, and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Company's share of net worth is determined on the basis of the latest financial informations prior to the acquisition after making necessary adjustments for material events between the date of such financial informations and the date of the respective acquisition. Capital Reserve on consolidation is adjusted against Goodwill on consolidation, if any. The Goodwill on consolidation is evaluated for impairment whenever events or changes in circumstances indicate that its carrying amount may have been impaired.

**iv.) Investment in Associates**

Investment in entities in which the holding Company has significant influence but not a controlling interest are reported according to the equity method i.e. the investment is initially recorded at cost, identifying any goodwill / capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee. The consolidated Statement of Profit and Loss includes the investor's share of results of the operations of the investee.

**The particulars of investment in associate companies as at March 31, 2013 are as under:**

Name of Associates	Country of Incorporation	Year / Period	Ownership interest (%)	Original cost of investment (Rs.)	Share of post acquisition Reserves and Surplus (Rs.)	Carrying cost of Investment (Rs.)	Statutory Auditor
Indiabulls Asset Reconstruction Company Limited*	India	01-April-12 to 10-January-13	24.02%	1,22,50,000	41,71,968	-	A Sardana & Co.

\*Refer Note 14(2)

**v.) Companies included in consolidation:**

Name of subsidiaries	Country of Incorporation	Year / Period ended included In consolidation	Proportion of Ownership Interest	Statutory Auditor
Indiabulls Collection Agency Limited	India	01-April-2012 to 31-March-2013	100%	A Sardana & Co.
Indiabulls Sales Limited	India	01-April-2012 to 31-March-2013	100%	A Sardana & Co.
Indiabulls Insurance Advisors Limited	India	01-April-2012 to 31-March-2013	100%	Sumit Mohit & Company
Indiabulls Finance Company Private Limited	India	01-April-2012 to 31-March-2013	57.50%	Deloitte Haskins & Sells
Indiabulls Capital Services Limited	India	01-April-2012 to 31-March-2013	100%	Sumit Mohit & Company
Nilgiri Financial Consultants Limited	India	01-April-2012 to 31-March-2013	100%	A Sardana & Co.
Indiabulls Infrastructure Credit Limited	India	01-April-2012 to 31-March-2013	100%	A Sardana & Co.
Indiabulls Advisory Services Limited	India	01-April-2012 to 31-March-2013	100%	Sumit Mohit & Company
Indiabulls Asset Holding Company Limited	India	01-April-2012 to 31-March-2013	100%	A Sardana & Co.
Indiabulls Life Insurance Company Limited	India	01-April-2012 to 31-March-2013	100%	A Sardana & Co.
Indiabulls Asset Management Company Limited	India	01-April-2012 to 31-March-2013	100%	A Sardana & Co.
Indiabulls Trustee Company Limited	India	01-April-2012 to 31-March-2013	100%	Sharma Goel & Co.
Indiabulls Holdings Limited	India	01-April-2012 to 31-March-2013	100%	Sharma Goel & Co.
Indiabulls Venture Capital Management Company Limited	India	01-April-2012 to 31-March-2013	100%	Sharma Goel & Co.
Indiabulls Venture Capital Trustee Company Limited	India	01-April-2012 to 31-March-2013	100%	Sharma Goel & Co.
Indiabulls Asset Reconstruction Company Limited*	India	11-January-2013 to 31-March-2013	75.00%	A Sardana & Co.
Indiabulls Alternative Asset Management Private Limited**	Singapore	01-April-2012 to 07-February-2013	100%	

The consolidated financial informations are presented, to the extent possible, in the same format as that adopted by the holding Company for its independent financial informations.

\*Refer Note 14(2)

\*\* Struck off from the records of Accounting and Corporate Regulatory Authority of Singapore on February 7, 2013 (Refer Note 14(3)).

**vi.) Basis of Accounting:**

The financial informations are prepared under the historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and Accounting Standards (AS) as notified by the Companies (Accounting Standards) Rules, 2006, as amended.

**vii.) Prudential Norms:**

The Company follows The Housing Finance Companies (NHB) Directions, 2010 ("NHB Directions, 2010") as amended from time to time, in respect of income recognition, income from investments, accounting of investments, asset classification, disclosures in the Balance Sheet and provisioning. The Non Banking Financial Companies in the Group follows the Reserve Bank of India ("RBI") Directions in respect of "Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 dated February 22, 2007 and as amended from time to time ("RBI Directions, 2007"), in respect of income recognition, income from investments, accounting of investments, asset classification, disclosures in the Balance Sheet and provisioning. Accounting Standards (AS) as notified by the Companies (Accounting Standards) Rules, 2006, as amended and Guidance Notes issued by The Institute of Chartered Accountants of India ("ICAI") are followed insofar as they are not inconsistent with the NHB Directions, 2010 / RBI Directions, 2007 .

**viii.) Use of Estimates:**

The preparation of financial informations in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial informations and the reported amount of revenues and expenses during the reporting period. Differences between the actual result and estimates are recognised in the year in which the results are known / materialised.

**ix.) Revenue Recognition:**

Interest Income from financing and investing activities and others is recognised on an accrual basis. In terms of the NHB Directions, 2010 / RBI Directions, 2007 interest income on Non-performing assets ('NPAs') is recognised only when it is actually realised.

Processing Fees in respect of loans given is recognised on sanction / disbursement as per the terms of the contract.

Income from Fee based Advisory Services is recognised on an accrual basis.

Commission on insurance policies sold is recognised when the Company under its agency code sells the insurance policies and when the same is accepted by the principal insurance company.

Repayment of loans is as stipulated in the respective loan agreements or by way of Equated Monthly Installments (EMI's) comprising principal and interest. EMI's commence once the entire loan is disbursed. Pending commencement of EMI's, Pre-EMI interest is payable every month and accounted for on accrual basis.

Dividend income on Equity Shares is recognised when the right to receive the dividend is unconditional as at the Balance Sheet date. In terms of the Housing Finance Companies (NHB) Directions 2010 / RBI Directions, 2007 wherever applicable, Dividend Income on units of Mutual Fund(s) held by the Company are recognised on cash basis as per the NHB Directions, 2010.

Interest Income on Inter Corporate Deposits and Deposit Accounts are recognised on accrual basis.

Transactions in respect of Investment / Dealing in Securities are recognised on trade dates.

Income from management fees are recognised on an accrual basis in accordance with the SEBI regulations.

**x.) Securitisation / Assignment of Loan portfolio:**

Derecognition of loans assigned/securitised in the books of the Company, recognition of gain / loss arising on securitisation /assignment and accounting for credit enhancements provided by the Company is based on the guidelines issued by Institute of Chartered Accountants of India.

Derecognition of loans assigned / securitised in the books of the Company is based on the principle of surrender of control over the loans resulting in a "true sale" of loans.

Residual income on Assignment / Securitisation of Loans is recognised over the life of the underlying loans and not on an upfront basis.

Credit enhancement in the form of cash collateral, if provided by the Company, by way of deposits is included under Cash and bank balances / Loans and Advances, as applicable.

**xi.) Fixed Assets:**

**(a) Tangible Assets:**

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

**(b) Intangible Assets:**

Intangible assets are stated at cost, net of tax / duty credits availed, less accumulated amortisation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

**xii.) Depreciation / Amortisation:**

Depreciation on tangible fixed assets is provided on straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on additions to fixed assets is provided on a pro-rata basis from the date the asset is put to use. Leasehold improvements are amortised over the period of Lease. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction, as the case may be. Assets costing less than Rs. 5,000 each are fully depreciated in the year of capitalisation.

Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.



**xiii.) Impairment of Assets:**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**xiv.) 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 accounting income and taxable income is accounted for at the tax rates and the tax laws substantively enacted as at the Balance Sheet date, to the extent that the timing differences are expected to crystallise / capable of reversal in one or more subsequent periods..

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 virtual certainty of realisation backed by convincing evidence that there will be sufficient future taxable income available to realise such assets. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

**xv.) Share/Debenture Issue Expenses and Premium/Discount on Issue:**

Share/Debenture issue expenses, net of tax, are adjusted against the Securities Premium Account, as permissible under Section 78(2) of the Companies Act, 1956, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred.

Premium/Discount on Issue of debentures, net of tax, are adjusted against the Securities Premium Account, as permissible under Section 78(2) of the Companies Act, 1956, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred.

**xvi.) Investments:**

Investments are classified as long term and current investments. Long term investments are carried individually at cost less provision, if any, for diminution other than temporary in the value of such investments. In terms of NHB Directions, 2010, quoted Current investments are valued at lower of cost or market value. Unquoted current investments in units of Mutual Funds are valued as per Net Asset Value of the Plan. Provision for diminution in value of investments is made in accordance with the NHB Directions, 2010 and Accounting Standard (AS) - 13 'Accounting for Investments' as notified by the Companies (Accounting Standards) Rules, 2006, as amended.

**xvii.) Employee benefits:**

The Company's contribution to Provident Fund is charged to the Statement of Profit and Loss. The Company has unfunded defined benefit plans as Compensated Absences and Gratuity for all eligible employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the 'Projected Unit Credit Method'. Actuarial gains and 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, as applicable. Superannuation (Pension & Medical coverage) payable to a Director on retirement is actuarially valued at the end of the year using the Projected Unit Credit Method. Actuarial gains and 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 as applicable.

**xviii.) Commercial Papers:**

The liability is recognised at the face value of the Commercial Paper at the time of its issue. The discount on issue of Commercial Papers is amortised over the tenure of the instrument.

**xix.) Borrowing Cost:**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of the asset. All other borrowing costs are charged to the Statement of Profit and Loss.

**xx.) Deferred Employee Stock Compensation Cost:**

Deferred employee stock compensation cost for stock options are recognised on the basis of generally accepted accounting principles and are measured by the difference between the intrinsic value of the Company's shares of stock options at the grant date and the exercise price to be paid by the option holders. The compensation expense is amortised over the vesting period of the options. The fair value of options for disclosure purpose is measured on the basis of a valuation certified by an independent firm of Chartered Accountants in respect of stock options granted.

**xxi.) Leases:**

In case of assets taken on operating lease, the lease rentals are charged to the Statement of Profit and Loss on a straight line basis in accordance with Accounting Standard (AS) 19 – Leases as notified by the Companies (Accounting Standards) Rules, 2006, as amended.

**xxii.) Segment Reporting:**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

**xxiii.) Derivative Transactions:**

The Company has entered into Interest Rate Swap (IRS) and Foreign Currency Options(FCO). All outstanding IRS contracts and FCO contracts are marked-to-market as at the year end. Losses are recognised in the Statement of Profit and Loss based on category of contracts and gains towards category of contracts are ignored, in line with the Announcement made by the ICAI dated March 29, 2008. Any profit/loss arising on cancellation/unwinding of IRS contracts and FCO contract are recognised as income or expenses for the period. Premium / discount on IRS / FCO contract which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date, except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

**xxiv.) Foreign Currency Transactions and Translations :**

- i. Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.
- ii. Monetary items denominated in foreign currencies at the year end are translated at year end rates. In case of Forward Foreign Exchange Contract (FEC), the difference between the year-end rate and the rate on the date of the contract is recognised as exchange difference and the premium on such forward contracts is recognised over the life of the forward contract. Any profit/loss arising on cancellation or renewal of forward contract is recognised as income or expense for the period.
- iii. Non monetary foreign currency items are carried at cost.
- iv. Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.
- v. The exchange differences arising on settlement / restatement of long-term monetary items which do not relate to acquisition of depreciable fixed assets are amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss. The unamortised exchange differences are carried in the Balance Sheet as "Foreign Currency Monetary Item Translation Difference Account" net of the tax effect thereon, where applicable.

**xxv.) Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) 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 can not be made. Contingent Assets are neither recognised nor disclosed.

**xxvi.) Stock of Securities:**

Stock of securities is valued at lower of cost and net realisable value. Cost is determined on weighted average basis.

**xxvii.) Equity Index / Stock Futures:**

a) Initial Margin – Equity Index/ Stock Futures, representing the initial margin paid, and Margin Deposits representing additional margin paid over and above the initial margin, for entering into a contract for equity index/ stock futures which are released on final settlement/squaring-up of the underlying contract, are disclosed under Loans and Advances.

b) Equity index/ stock futures are marked-to-market on a daily basis. Debit or credit balance disclosed under Loans and Advances or Current Liabilities, respectively, in the Mark-to-Market Margin – Equity Index/ Stock Futures Account, represents the net amount paid or received on the basis of movement in the prices of index/ stock futures till the Balance Sheet date.

c) As on the Balance Sheet date, profit/loss on open positions in equity index/ stock futures is accounted for as follows:

- Credit balance in the Mark-to-Market Margin – Equity Index/Stock Futures Account, being the anticipated profit, is ignored and no credit for the same is taken in the Statement of Profit and Loss.
- Debit balance in the Mark-to-Market Margin – Equity Index/Stock Futures Account, being the anticipated loss, is adjusted in the Statement of Profit and Loss.

d) On final settlement or squaring-up of contracts for equity index/stock futures, the profit or loss is calculated as the difference between the settlement/squaring-up price and the contract price. Accordingly, debit or credit balance pertaining to the settled/squared-up contract in Mark-to-Market Margin – Equity Index/Stock Futures Account after adjustment of the provision for anticipated losses is recognised in the Statement of Profit and Loss. When more than one contract in respect of the relevant series of equity index/stock futures contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared-up is determined using the weighted average cost method for calculating the profit/loss on squaring-up.

**(2) Corporate Information:**

The Board of Indiabulls Housing Finance Limited (100% subsidiary of "IBFSL") and Indiabulls Financial Services Limited ("IBFSL") at their meeting held on April 27, 2012 had approved the Scheme of Arrangement involving the reverse merger of IBFSL with the Company in terms of the provisions of Sections 391 to 394 of the Companies Act, 1956 (the "Scheme of Arrangement"). The Appointed Date of the proposed merger fixed under the Scheme was April 1, 2012. The Hon'ble High Court of Delhi, vide its Order dated December 12, 2012, received by the Company on February 8, 2013, approved the Scheme of Arrangement. In terms of the Court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 8, 2013, with the office of ROC, NCT of Delhi & Haryana (the Effective Date), IBFSL, as a going concern, stands amalgamated with IBHFL with effect from the Appointed Date, being April 1, 2012. Since this is the first year of preparation of Consolidated Financial Informations of the Company, therefore previous year figures are not presented.

Indiabulls Financial Services Limited ("IBFSL") was incorporated on January 10, 2000 as a Private Limited Company. On March 30, 2001, the Company was registered under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934 to carry on the business of a Non-Banking Financial Company. The Company was converted into a public limited Company pursuant to Section 44 of the Companies Act, 1956 on February 03, 2004.

Indiabulls Housing Finance Limited ("the Company") ("IBHFL") was incorporated on May 10, 2005. On December 28, 2005 the Company was registered under Section 29A of the National Housing Bank Act, 1987 to commence / carry on the business of a Housing Finance Institution without accepting public deposits. The Company is required to comply with provisions of the National Housing Bank Act, 1987, the Housing Finance Companies (NHB) Directions, 2010 and other guidelines / instructions / circulars. issued by the National Housing Bank from time to time.

The Company is engaged in the business to provide finance and to undertake all lending and finance to any person or persons, co-operative society, association of persons, body of individuals, companies, institutions, firms, builders, developers, contractors, tenants and others either at interest or without and/or with or without any security for construction, erection, building, repair, remodeling, development, improvement, purchase of houses, apartments, flats, bungalows, rooms, huts, townships and/or other buildings and real estate of all descriptions or convenience there on and to equip the same or part thereof with all or any amenities or conveniences, drainage facility, electric, telephonic, television, and other installations, either in total or part thereof and /or to purchase any free hold or lease hold lands, estate or interest in any property and such other activities as may be permitted under the Main Objects of the Memorandum of Association of the Company.

March 31, 2013  
Amount (Rs.)

**(3) Share Capital**

**Authorised**

3,00,00,00,000 Equity Shares of face value Rs. 2 each	6,00,00,00,000
1,00,00,00,000 Preference Shares of face value Rs.10 each	10,00,00,00,000

**Issued, subscribed and fully paid up<sup>(i) to (viii)</sup>**

31,25,11,167 Equity Shares of Face Value Rs. 2 each fully paid up	62,50,22,334
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The Company has only one class of Equity Shares of face value Rs. 2 each each fully paid up. Each holder

of Equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any,

is subject to the approval of the Shareholders in the ensuing Annual General Meeting, if applicable.

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.

**62,50,22,334**

(i) Indiabulls Financial Services Limited ("Erstwhile Holding Company") had issued Global Depository Receipts (GDR's) which were transferred under the Scheme of Arrangement. As at March 31, 2013 56,08,131 GDR's were outstanding and were eligible for conversion into Equity Shares. The Company does not have information with respect to holders of these GDR's. Holders of Global Depository Receipts (GDRs) will be entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of Equity Shares, less the fees and expenses payable under such Deposit Agreement and any Indian tax applicable to such dividends. Holders of GDRs will not have voting rights with respect to the Deposited Shares. The GDRs may not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.

(ii) 31,25,11,167 Equity Shares were allotted by the Company, for consideration other than cash to the shareholders of Erstwhile Holding Company pursuant to and in terms of the Scheme of Arrangement, approved by the Hon'ble High Court of Delhi vide its Order dated December 12, 2012, which came into effect on March 8, 2013 from the Appointed Date April 1, 2012. (Refer Note 36)

**(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of financial year:-**

Particulars	Equity Shares	
	No. of Shares	Amount (Rs.)
Equity Shares of Rs. 2 Each issued during the year to under the Scheme of Arrangement*	31,25,11,167	62,50,22,334
<b>Closing Balance</b>	<b>31,25,11,167</b>	<b>62,50,22,334</b>

\*Includes 7,06,596 Equity Shares of Rs. 2 each issued during the year, under various ESOP Schemes by the Erstwhile Holding Company aggregating to Rs. 14,13,192.

**(iv) Shares held by each Shareholder holding more than 5% shares**

	As at	
	No. of Shares held	% of Holding
<b>March 31, 2013</b>		
<b><u>Promoters and promoter group company</u></b>		
Mr. Sameer Gehlaut	3,76,01,278	12.03%
Mr. Saurabh Kumar Mittal	1,89,87,083	6.08%
Mr. Rajiv Rattan	1,87,80,253	6.01%
Orthia Land Development Private Limited	1,57,17,165	5.03%
<b><u>Non - Promoters</u></b>		
Copthall Mauritius Investment Limited	2,18,48,131	6.99%
HSBC Global Investment Funds A/C HSBC Global Investment Funds Mauritius Limited	1,89,62,353	6.07%

**(v) Employees Stock Options Schemes:**

Indiabulls Financial Services Limited ("Erstwhile Holding Company") (Refer Note 36) and its erstwhile subsidiary, Indiabulls Credit Services Limited ("ICSL") had announced ESOS / ESOP schemes for its employees and the employees of other group companies whereas each option represents one Equity Share of the Company. The Company has adopted the ESOS / ESOP schemes in respect of its employees. A Compensation Committee constituted by the Board of Directors administers each of the plans.

**(a) Stock option schemes of the Erstwhile Holding Company including schemes in lieu of stock options schemes of erstwhile fellow subsidiary Indiabulls Credit Services Limited transferred under the Court approved Scheme of Arrangement (Refer Note 36) :**

S. No.	ERSTWHILE ICSL PLANS
1	IBFSL – ICSL Employees Stock Option Plan 2006
2	IBFSL - ICSL Employees Stock Option Plan II – 2006
3	Employees Stock Option Plan - 2008

**(b) IHFL ESOS - 2013**

The members of the Company at their Meeting dated March 6, 2013 approved the IHFL ESOS - 2013 scheme consisting of 3,90,00,000 stock options representing 3,90,00,000 fully paid up Equity Shares of Rs. 2 each of the Company to be issued in one or more tranches to eligible employees of the Company or to eligible employees of the subsidiaries of the Company. The same has not yet been granted till March 31, 2013.

**(c) The other disclosures in respect of the ESOS / ESOP Schemes are as under:-**

Particulars	IBFSL – ICSL Employees Stock Option Plan 2006	IBFSL – ICSL Employees Stock Option Plan II – 2006	Employees Stock Option Plan - 2008	Employees Stock Option Plan - 2008 -Regrant
Total Options under the Scheme	14,40,000	7,20,000	75,00,000	N.A.
Options issued	14,40,000	7,20,000	75,00,000	N.A.
Vesting Period and Percentage	Four years,25% each year	Four years,25% each year	Ten years,15% First year, 10% for next eight years and 5% in last year	N.A.
Vesting Date	1st April	1st November	8th December	31st December
Revised Vesting Period & Percentage	Eight years, 12% each year for 7 years and 16% during the 8th year	Nine years,11% each year for 8 years and 12% during the 9th year	N.A.	Ten years, 10% for every year
Exercise Price (Rs.)	41.67	100.00	95.95	125.90
Exercisable Period	4 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	3,70,556	1,64,268	36,89,793	1,18,155
Re-grant Addition	N.A.	N.A.	N.A.	N.A.
Re-grant Date	N.A.	N.A.	N.A.	31-Dec-09
Options vested during the year (Nos.)	63,558	27,429	4,95,558	11,460
Exercised during the year (Nos.)	65,046	21,186	5,47,026	18,990
Expired during the year (Nos.)	-	-	-	-
Cancelled during the year	-	-	-	-
Lapsed during the year	8,600	10,320	99,208	11,250
Re-granted during the year	-	-	-	N.A.
Outstanding at the end of the year (Nos.)	2,96,910	1,32,762	30,43,559	87,915
Exercisable at the end of the year (Nos.)	21,492	24,328	3,39,962	12,420
Remaining contractual Life (Weighted Months)	64	80	90	97

Particulars	Employees Stock Option Plan - 2008- Regrant	IBFSL – ICSL Employees Stock Option Plan 2006- Regrant	Employees Stock Option Plan - 2008- Regrant	IBFSL – ICSL Employees Stock Option Plan II - 2006-Regrant
Total Options under the Scheme	N.A.	N.A.	N.A.	N.A.
Options issued	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	N.A.	N.A.	N.A.	N.A.
Vesting Date	16th July	27th August	11th January	27th August
Revised Vesting Period & Percentage	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	158.50	95.95	153.65	100.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	2,11,400	3,16,000	1,90,668	1,75,200
Re-grant Addition	N.A.	N.A.	N.A.	N.A.
Re-grant Date	16-Jul-10	27-Aug-09	11-Jan-11	27-Aug-09
Options vested during the year (Nos.)	22,940	39,500	20,000	21,900
Exercised during the year (Nos.)	26,680	-	27,668	-
Expired during the year (Nos.)	-	-	-	-
Cancelled during the year	-	-	-	-
Lapsed during the year	13,000	-	-	-
Re-granted during the year	N.A.	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	1,71,720	3,16,000	1,63,000	1,75,200
Exercisable at the end of the year (Nos.)	200	39,500	3,000	21,900
Remaining contractual Life (Weighted Months)	105	95	110	95

N.A. - not applicable

The Fair value of the options as determined by an Independent firm of Chartered Accountants, which has been regranted by the Erstwhile Holding Company under the respective plans using the Black-Scholes Merton Option Pricing Model based on the following parameters are as under:-

Particulars	ESOP – 2008 Regrant	ESOP – 2008 Regrant	IBFSL – ICSL Employees Stock Option Plan 2006-Regrant	IBFSL – ICSL Employees Stock Option Plan II 2006-Regrant	ESOP – 2008 Regrant
Exercise price	Rs 125.90	Rs. 158.50	Rs. 95.95	Rs. 100.00	Rs. 153.65
Expected volatility*	99.61%	99.60%	75.57%	75.57%	99.60%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
Option Life (Weighted Average)	9.80 Years	9.80 Years	9.80 Years	9.80 Years	9.80 Years
Expected Dividends yield	3.19%	2.89%	4.69%	4.50%	2.98%
Weighted Average Fair Value (Rs.)	83.48	90.24	106.3	108.06	84.93
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%

\*The expected volatility was determined based on historical volatility data.

#### Fair Value Methodology:

As the erstwhile ICSL Plans / erstwhile Plans were issued based on the fair value of the options on the date of the grant, there is no impact of the same on the net profit and earnings per share. The ESOP - 2008 (including re-grant) were issued at the Intrinsic value of the options on the date of the grant. Had the compensation cost for the stock options granted under ESOP – 2008 (including re-grant) been determined based on the fair value approach, the Company's net profit and earnings per share would have been as per the pro forma amounts indicated below:-

Particulars	For the year ended March 31, 2013
	Amount (Rs.)
Net Profit After Tax	12,66,23,03,913
Less: Share of Minority (including share of Reserve Fund)	11,66,22,031
Net Profit available to Equity Share holders (as reported)	12,54,56,81,882
Less : Stock-based compensation expense determined under fair value based method: [Gross Rs.39,08,50,276] (Pro forma)	4,09,85,070
Net Profit available to Equity Shareholders (as per Pro forma)	12,50,46,96,812
Basic earnings per share (as reported)	40.20
Basic earnings per share (Pro forma)	40.06
Diluted earnings per share (as reported)	38.95
Diluted earnings per share (Pro forma)	38.82

(vi) Pursuant to the Scheme of Arrangement the Authorised Capital of the Company has been rearranged to Rs.16,00,00,00,000 divided into 3,00,00,00,000 Equity Shares of Rs. 2 each and 1,00,00,00,000 Preference shares of Rs.10 each.

(vii) 5,25,87,066 Equity Shares of Rs. 2 each are reserved for issuance as follows:-

- 43,87,066 shares of Rs. 2 each towards Employees Stock options granted.
- 4,82,00,000 shares of Rs. 2 each towards outstanding share warrants.

#### (viii) Minority Interest includes:

- As at March 31, 2013, 32,33,696 Equity Shares of Face Value Rs.10 each fully paid up issued by subsidiary company Indiabulls Finance Company Private Limited.
- As at March 31, 2013, 12,75,000 Equity Shares of Face Value Rs.10 each fully paid up issued by subsidiary company Indiabulls Asset Reconstruction Company Limited.
- Proportionate share in the movement in Reserves & Surplus of the said subsidiary.

As at  
March 31, 2013  
Amount (Rs.)

#### (4) Reserves and Surplus

##### Capital Reserve

Transfer from Indiabulls Financial Services Limited Group pursuant to Scheme of Arrangement <sup>(Refer Note.36)</sup>	13,91,96,727
Closing Balance	13,91,96,727

##### Capital Reserve on consolidation

Transfer from Indiabulls Financial Services Limited Group pursuant to Scheme of Arrangement <sup>(Refer Note.36)</sup>	44,90,38,269
Add: Addition during the year <sup>(1)</sup>	88,54,788
Closing Balance <sup>5</sup>	45,78,93,057

##### Capital Redemption Reserve

Transfer from Indiabulls Financial Services Limited Group pursuant to Scheme of Arrangement <sup>(Refer Note.36)</sup>	6,36,27,392
Closing Balance	6,36,27,392

	As at March 31, 2013 Amount (Rs.)
<b>Securities Premium Account</b>	
Transfer from Indiabulls Financial Services Limited Group pursuant to Scheme of Arrangement <sup>(Refer Note.36)</sup>	32,21,81,92,509
Add: Additions during the year on account of Shares issued under ESOP Schemes	<u>6,67,73,829</u>
	32,28,49,66,338
Less: Debenture issue expenses (Net of tax effect of Rs. 22,76,18,812)	68,29,30,943
Less: Premium on Redemption of Non Convertible Debentures (Including Discount) (Net of tax effect of Rs. 60,59,62,066)	1,81,80,84,554
Closing Balance	<u>29,78,39,50,841</u>
<b>Stock Compensation Adjustment<sup>(Refer Note 36)</sup></b>	
Employee Stock options outstanding	6,14,03,350
Less: Deferred Employee Stock Compensation expense	1,87,94,365
Less: Transferred to Securities Premium account	<u>1,22,80,670</u>
Closing Balance	3,03,28,315
<b>General Reserve</b>	
Transfer from Indiabulls Financial Services Limited Group pursuant to Scheme of Arrangement <sup>(Refer Note.36)</sup>	2,39,62,32,769
Add: Amount transferred during the year from Surplus in the Statement of Profit and Loss	<u>1,22,80,00,000</u>
Closing Balance	3,62,42,32,769
<b>Foreign Currency Monetary Item Translation Difference Account<sup>(2)</sup></b>	
Transfer during the Year	<u>(2,75,23,476)</u>
Closing Balance	(2,75,23,476)
<b>Other Reserves:-</b>	
<b>Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961</b>	
Transfer from Indiabulls Financial Services Limited Group pursuant to Scheme of Arrangement <sup>(Refer Note.36)</sup>	89,00,00,000
Add: Amount transferred during the year from Surplus in the Statement of Profit and Loss <sup>(3)</sup>	4,80,48,204
Less: Transferred to Minority Interest	<u>1,72,58,062</u>
Closing Balance	92,07,90,142
<b>Statutory Reserve</b>	
<b>Reserve (I)<sup>(4)</sup></b>	
Transfer from Indiabulls Financial Services Limited Group pursuant to Scheme of Arrangement <sup>(Refer Note.36)</sup>	96,38,08,922
Add: Amount transferred during the year from Surplus in the Statement of Profit and Loss	<u>2,45,58,13,911</u>
Closing Balance	3,41,96,22,833
<b>Reserve (II)<sup>(5)</sup></b>	
Transfer from Indiabulls Financial Services Limited Group pursuant to Scheme of Arrangement <sup>(Refer Note.36)</sup>	5,32,78,10,721
Add: Amount transferred during the year from Surplus in the Statement of Profit and Loss	6,93,51,042
Less: Amount transferred to Minority Interest	<u>2,31,21,501</u>
Closing Balance	5,37,40,40,262
<b>Additional Reserve Fund (U/s 29C of the National Housing Bank Act, 1987)</b>	
Transfer from Indiabulls Financial Services Limited Group pursuant to Scheme of Arrangement <sup>(Refer Note.36)</sup>	2,06,95,52,909
Add: Additions during the year	2,00,00,00,000
Less: Amount Transferred during the year <sup>(6)</sup>	<u>1,32,02,00,000</u>
Closing Balance	2,74,93,52,909
<b>Surplus in the Statement of Profit and Loss</b>	
Transfer from Indiabulls Financial Services Limited Group pursuant to Scheme of Arrangement <sup>(Refer Note.36)</sup>	3,88,90,95,274
Net Profit for the year after tax and Minority Interest	<u>12,58,60,61,445</u>
<b>Amount available for appropriation (A)</b>	16,47,51,56,719
<b>Appropriations:</b>	
Interim Dividend paid on Equity Shares (Rs. 13.50 Per Share)	4,21,50,19,939
Interim Dividend payable on Equity Shares (Rs. 6.50 Per Share)	2,03,13,22,586
Dividend for the previous year on Equity Shares issued by the Erstwhile Holding Company after the year end pursuant to ESOPs Allotment	12,91,745
Corporate Dividend Tax on Interim Dividend paid on Equity Shares	68,37,81,610
Corporate Dividend Tax on Interim Dividend payable on Equity Shares	34,52,23,274
Corporate Dividend Tax on Dividend for the previous year on Equity Shares issued by the Erstwhile Holding Company after the year end pursuant to ESOPs Allotment	2,09,554
Transferred to General Reserve	1,22,80,00,000
Transferred to Special Reserve (U/s 36(1)(viii) of the Income Tax Act, 1961)	4,80,48,204
Transferred to Special Reserve (U/s 29C of the National Housing Bank Act, 1987)	2,45,58,13,911
Transferred to Additional Reserve (U/s 29C of the National Housing Bank Act, 1987)	2,00,00,00,000
Transferred to Reserve Fund (U/s 45-IC of the RBI Act, 1934)	6,93,51,042
<b>Total Appropriations (B)</b>	13,07,80,61,865
<b>Balance of Profit Carried Forward (A)-(B)</b>	3,39,70,94,854
	<u><u>49,93,26,06,625</u></u>

(1) Goodwill / Capital Reserve:

As transferred from the Erstwhile Holding Company (IBFSL) under the Scheme of Arrangement, the Company had recorded Capital Reserve on consolidation of Rs. 44,90,38,269. During the year, Indiabulls Advisory Services Limited (IASL), a wholly owned subsidiary of the Company has invested Rs. 2,60,00,000 by subscribing to 26,00,000 Equity Shares of face value Rs. 10/- each per Equity Share issued by Indiabulls Asset Reconstruction Company Limited (IARCL), an associate of the Company. After this issue, the stake in IARCL has increased from 24.02% to 75.00%. The Capital Reserve was increased by Rs. 88,54,788 on account of the same. After the above adjustment the net capital reserve on consolidation has increased to Rs. 45,78,93,057.

\$Net Capital Reserve on consolidation amounting to Rs. 45,78,93,057 consists of Rs. 58,18,69,039 being Capital Reserve arising on Consolidation and Rs. 12,39,75,982 being Goodwill arising on Consolidation.

(2) Pursuant to the notification dated December 29, 2011 issued by the Ministry of Corporate Affairs amending Accounting Standard 11 - The Effects of Changes in Foreign Exchange Rates as notified by the Companies (Accounting Standards) Rules 2006 as amended, the Company has exercised the option as per para 46A inserted in the said Standard for all long term monetary assets and liabilities. Consequently an amount of Rs. 2,75,23,476 representing translation difference on foreign currency loans is carried forward in the Foreign Currency Monetary Item Translation Difference Account as on March 31, 2013. This amount is to be amortised over the balance period of such monetary liabilities.

(3) In terms of Section 36(1)(viii) of the Income-tax Act, 1961, a deduction is allowed for income from eligible business viz, Income from providing long-term infrastructure finance, long-term finance for the construction or purchase of houses in India for residential purposes and the business of providing long-term finance for industrial or agricultural development etc. The Company claims the deduction as it falls under some of the categories of eligible business as defined under Section 36 (1)(viii) of the Income-tax Act, 1961. Consequently the Company has, as at the year end, transferred an amount of Rs. 4,80,48,204 to the Special Reserve created to claim deduction in respect of eligible business under the said section.

(4) In terms of Section 29C of the NHB Act, 1987, the Company is required to transfer at least 20% of its Profit after tax to a Reserve Fund before any dividend is declared. Such a Reserve Fund is also considered as an eligible transfer in terms of Section 36(1)(viii) of the Income Tax Act, 1961. The Company has transferred an amount of Rs. 2,45,58,13,911 to the Reserve Fund as at the year end. Further an additional amount of Rs. 2,00,00,00,000 has been set apart by way of transfer to Additional Reserve Fund in excess of the statutory minimum requirement as specified under Section 29C pursuant to Circular no. NHB(ND)/DRS/Pol-No. 03/2004-05 dated August 26, 2004 issued by the National Housing Bank. The additional amount so transferred may be utilised in the future for any business purpose subject to suitable disclosure in the Balance Sheet.

(5) This pertains to reserve created under section 45-IC of the RBI Act 1934, by the Erstwhile Holding Company Indiabulls Financial Services Limited and its subsidiaries transferred under the Scheme of Arrangement. In terms of Section 45-IC of the RBI Act, 1934, the Subsidiary Non Banking Finance Companies ("NBFC") Companies in the Group are required to transfer at least 20% of its Net Profits to a reserve before any dividend is declared. As at the year end, the NBFC has transferred an amount of Rs. 6,93,51,042 to the Reserve Fund during the year.

(6) During the year, in addition to the provision for loan assets and standard assets charged of Rs. 56,31,00,531 to the Statement of Profit and Loss, an amount of Rs. 1,32,02,00,000 (net of Deferred Tax of Rs. 67,98,00,000 ) being one time charge of provision for standard assets and other contingencies due to merger between the Company and the Erstwhile Holding Company (Refer Note 36) and changes in the provisioning requirements by the National Housing Bank vide Circulars no. NHB.HFC.DIR.4/CMD/2012 dated January 19, 2012 has been transferred from Additional Reserve created as per Section 29C of the National Housing Bank Act, 1987 pursuant to Circular NHB(ND)/DRS/Pol-No. 03/2004-05 dated August 26, 2004 as under;

Particulars	As at March 31, 2013
	Amount (Rs.)
Provisions for Contingencies	2,23,95,88,041
Provision for Loan Assets	32,35,12,490
<b>Total</b>	<b>2,56,31,00,531</b>

(5) In terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Erstwhile Holding Company during the current financial year, upon receipt of Shareholders approval, has on June 9, 2012, issued and allotted an aggregate of 20,700,000 warrants, to certain Promoter group entities and Key Management Personnel, at a conversion price of Rs. 218 per Equity Share, 25% of which amounting to Rs. 1,12,81,50,000 has already been received by the Company from the respective allottees as upfront amount. These warrants are convertible into an equivalent number of Equity shares of face value Rs. 2 each, in the Company, upon receipt of balance conversion price, within a period of eighteen months from the date of allotment. In the event the warrants are not converted into shares within the said period, the Company is eligible to forfeit the amount received towards the warrants. (Refer Note 36)

	As at March 31, 2013 Amount (Rs.)
<b>(6) Long-term borrowings</b>	
<b>Secured</b>	
Redeemable, Non Convertible Debentures <small>(Refer Note 28 (i))*</small>	58,07,10,00,000
Term Loans <small>(Refer Note 28 (ii))*</small>	
From Banks	1,11,82,17,98,868
From Others	4,00,49,99,999
<b>Unsecured</b>	
Loans and Advances from Others	
-10.60% Redeemable Non convertible Perpetual Debentures**	1,00,00,00,000
-Subordinated Debt <small>(Refer Note 28 (iii))</small>	7,44,68,00,000
	<b>1,82,34,45,98,867</b>

\* Secured by hypothecation of Loan Receivables/Current Assets/Cash and Cash Equivalents of the Company.

\*\*No Put / Call Option exercisable at the end of 10 years from the date of allotment (exercisable only with the prior approval of the concerned regulatory authority)

**(7) Other Long term liabilities**

Other Liabilities	27,59,578
Interest Accrued but not due on Secured Redeemable Non Convertible Debentures	7,56,19,945
	<b>7,83,79,523</b>

**(8) Long term provisions**

Provision for Contingencies <sup>(1)</sup>	2,67,18,18,448
Provision for Gratuity <sup>(Refer Note 25(1))</sup>	7,90,73,199
Provision for Compensated Absences <sup>(Refer Note 25(1))</sup>	3,54,62,489
Provision for Superannuation <sup>(Refer Note 25(1))</sup>	29,22,25,359
Premium on Redemption on Secured Non Convertible Debentures (Accrued but not due)(Sinking fund)	62,13,18,989
	<b>3,69,98,98,484</b>

(1) Provision for Contingencies includes Contingent provision against standard assets and other contingencies. As per National Housing Bank Circular No. NHB/HFC/DIR.3/CMD/2011 dated August 5, 2011 and NHB/HFC/DIR.4/CMD/ 2012 dated January 19, 2012, in addition to provision for non performing assets, all housing finance companies are required to carry a general provision. (i) at the rate of 2% on housing loans disbursed at comparatively lower rate of interest in the initial few years, after which rates are reset at higher rates; (ii) at the rate of 1% of Standard Assets in respect of Commercial Real Estates and (iii) at the rate of 0.40% of the total outstanding amount of loans which are Standard Assets other than (i) & (ii) above. Also in terms of RBI Notification No. RBI/2010-11/370 DNBS.PD.CC.No.207/ 03.02.002 /2010-11 dated January 17, 2011, every Non-Banking Financial Company is required to make an additional provision for Standard Assets at 0.25% of the outstanding standard assets. Accordingly, the Company and its subsidiaries is carrying a provision of Rs. 2,521,186,596 towards standard assets (included in Provisions for Contingencies), which is well over the required minimum provision as per the NHB Guidelines in case of the Company and on outstanding balance of Standard Assets as per RBI Directions in case of subsidiary companies.

**Movement in Provision for Contingencies Account during the year is as under :**

Particulars	As at March 31, 2013 Amount (Rs.)
Transfer from Indiabulls Financial Services Limited Group pursuant to Scheme of Arrangement <sup>(Refer Note. 36)</sup>	81,15,94,020
Add: Addition during the Year <sup>(Refer Note 4(6))</sup>	2,23,95,88,041
Closing Balance*	<b>3,05,11,82,061</b>
	<b>2,52,11,86,596</b>

\*Includes Contingent Provision Against Standard Assets

**(9) Short-term borrowings**

**Secured**

**(a) Loans Repayable on Demand**

From banks- Working Capital Demand Loan	28,50,00,00,000
From Banks - Cash Credit Facility*	5,43,26,15,618

**(b) Other Loans and Advances**

From Banks *	7,27,75,23,476
Redeemable, Non Convertible Debentures	65,00,00,000

**Unsecured**

**Other Loans and Advances**

Commercial Papers **	23,95,00,00,000
	<b>65,81,01,39,094</b>

\*Secured by hypothecation of Loan Receivables (Current and Future) / Current Assets / Cash and Cash Equivalents of the Company.

\*\*Maximum balance outstanding during the year Rs. 31,88,00,00,000

**(10) Trade payables**

(a) Dues to Micro and Small Enterprises*	-
(b) Dues to others	2,85,29,227
	<b>2,85,29,227</b>



\* Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

(a) An amount of Rs. Nil and Rs. Nil was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.

(b) 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 to Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

	<b>As at March 31, 2013 Amount (Rs.)</b>
<b>(11) Other current liabilities</b>	
Current maturities of long term debt <sup>(1)</sup>	64,70,30,99,788
Interest accrued but not due <sup>(2)</sup>	3,54,90,05,814
Temporary overdrawn bank balance as per books	6,95,76,97,476
Amount payable on assigned loans (net)	2,06,35,68,150
Other Current Liabilities for Statutory Dues and Expense Provisions	65,08,12,546
Unclaimed Dividends <sup>(3)</sup>	1,92,87,496
	<b>77,94,34,71,270</b>
<b>(1) Current maturities of long term debt</b>	
Redeemable, Non Convertible Debentures <sup>(Refer Note 28 (i))</sup>	26,89,00,00,000
<b>Term Loans</b>	
From Banks <sup>(Refer Note 28 (ii))</sup>	37,18,30,99,788
From Others <sup>(Refer Note 28 (ii))</sup>	63,00,00,000
	<b>64,70,30,99,788</b>
<b>(2) Interest accrued but not due</b>	
On Term Loans and Working Capital Demand Loans	4,21,96,097
On Secured Redeemable Non Convertible Debentures	3,10,68,59,914
On Subordinated Debt and Perpetual Debt	39,99,49,803
	<b>3,54,90,05,814</b>
<b>(3) 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 on March 31, 2013.</b>	

	<b>As at March 31, 2013 Amount (Rs.)</b>
<b>(12) Short-term provisions</b>	
Provision for Taxation (net of Advance Tax Rs 4,943,752,305)	1,60,26,58,535
Provision for Fringe Benefits Tax (net of Advance Tax Rs.78,998,036)	1,85,628
Provision for Contingencies <sup>(Refer Note. 8)</sup>	37,93,63,613
Provision for Gratuity <sup>(Refer Note 25(1))</sup>	48,20,473
Provision for Compensated Absences <sup>(Refer Note 25(1))</sup>	25,80,883
Premium on Redemption on Secured Non Convertible Debentures (Accrued but not due)(Sinking fund)	3,88,25,12,878
Interim Dividend payable on Equity Shares (Rs. 6.50 per Equity share)	2,03,13,22,586
Corporate Dividend Tax payable on Interim Dividend on Equity Shares	34,52,23,274
	<b>8,24,86,67,870</b>

Annexure VIII: Notes forming part of Restated Consolidated Summary Statements

Note No. 13

Fixed Assets

Particulars	GROSS BLOCK AT COST					DEPRECIATION / AMORTISATION					NET BLOCK	
	As at 01.04.2012	Addition on account of Scheme of Arrangement (Refer Note 36)	Additions during the Year	Adjustments/ Sales during the Year	As at 31.03.2013	As at 01.04.2012	Addition on account of Scheme of Arrangement (Refer Note 36)	Provided during the Year	Adjustments during the Year	As at 31.03.2013	As at 31.03.2013	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
<b>(i) Tangible Assets</b>												
Land*	-	30,87,000	1,31,270	-	32,18,270	-	-	-	-	-	32,18,270	
Buildings	-	1,02,55,100	-	-	1,02,55,100	-	2,19,824	1,67,158	-	3,86,982	98,68,118	
Furniture & Fixtures	-	10,02,37,602	1,45,99,096	4,48,435	11,43,88,263	-	4,41,09,912	1,93,98,514	2,62,230	6,32,46,196	5,11,42,067	
Vehicles	-	12,90,65,052	5,06,25,611	1,35,39,019	16,61,51,644	-	3,12,90,440	1,50,31,703	51,89,651	4,11,32,492	12,50,19,152	
Office Equipment	-	9,42,83,268	1,11,51,716	5,18,216	10,49,16,768	-	2,03,13,199	50,04,471	1,55,740	2,51,61,930	7,97,54,838	
Computers	-	17,94,93,895	1,49,14,240	13,44,766	19,30,63,369	-	12,99,81,178	2,24,31,862	11,28,297	15,12,84,743	4,17,78,626	
Leasehold Improvements	-	18,51,75,580	1,86,53,955	9,34,369	20,28,95,166	-	5,91,25,025	1,09,28,216	7,19,427	6,93,33,814	13,35,61,352	
<b>TOTAL (i)</b>	-	<b>70,15,97,497</b>	<b>11,00,75,888</b>	<b>1,67,84,805</b>	<b>79,48,88,580</b>	-	<b>28,50,39,578</b>	<b>7,29,61,924</b>	<b>74,55,345</b>	<b>35,05,46,157</b>	<b>44,43,42,423</b>	
<b>(ii) Intangible Assets</b>												
Software	-	19,05,20,872	40,49,255	-	19,45,70,127	-	16,23,52,293	2,08,83,952	-	18,32,36,245	1,13,33,882	
<b>TOTAL (ii)</b>	-	<b>19,05,20,872</b>	<b>40,49,255</b>	-	<b>19,45,70,127</b>	-	<b>16,23,52,293</b>	<b>2,08,83,952</b>	-	<b>18,32,36,245</b>	<b>1,13,33,882</b>	
<b>CURRENT YEAR TOTAL [(i)+(ii)]</b>	-	<b>89,21,18,369</b>	<b>11,41,25,143</b>	<b>1,67,84,805</b>	<b>98,94,58,707</b>	-	<b>44,73,91,871</b>	<b>9,38,45,876</b>	<b>74,55,345</b>	<b>53,37,82,402</b>	<b>45,56,76,305</b>	
<b>(iii) Capital Work in Progress (at cost)</b>											<b>4,00,000</b>	
*Mortgaged as Security against Secured Non Convertible Debentures (Refer Note 6, 9 & 11)												

**As at**  
**March 31, 2013**  
**Amount (Rs.)**

**(14) Non-current investments** (Refer Note 36)

**Long Term - Trade - Unquoted**

Other Long Term Investments:	
- 2,80,00,000 Fully paid up Equity Shares of face value Rs 5 each in Indian Commodity Exchange Limited <sup>(1) &amp; (4)</sup>	10,15,55,854

**Long Term - Non Trade - Unquoted**

-9.25% Unsecured Redeemable Non-Convertible Subordinated Bonds of Dena Bank of Face Value of Rs. 10,00,000 each <sup>(4)</sup>	5,00,00,000
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<b>Total</b>	<b>15,15,55,854</b>
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Aggregate market value of quoted Investments	-
Aggregate book value of quoted Investments	-
Aggregate book value of unquoted Investments	15,15,55,854
Aggregate provision for diminution in value of Investments	-

(1) On December 13, 2010 the Erstwhile Holding Company (IBFSL) had sold 26% shares held by it in Indian Commodity Exchange Limited (ICEX) to Reliance Exchange Next Limited (R-Next) for a total consideration of Rs. 47,35,00,000 against a proportionate cost of Rs. 260,00,000. As a result thereof, the stake of IBFSL in ICEX has been reduced from 40% to 14% and the same has been reclassified as a long term investment from the earlier classification of being an Associate. MMTC filed a petition before the Company Law Board (CLB) against ICEX, R-Next and IBFSL alleging that the transfer is null and void in terms of the Shareholders Agreement in view of the Forward Markets Commission (FMC) guidelines. IBFSL contends that such view of MMTC is based on the old FMC guidelines and without considering the amended FMC Guidelines dated June 17, 2010 wherein the transfer norms were relaxed. IBFSL had filed its objections on maintainability of the petition which is pending adjudication before the CLB.

(2) During the current financial year, Indiabulls Advisory Services Limited (IASL), a wholly owned subsidiary of the Company has invested Rs. 2,60,00,000 by subscribing 26,00,000 Equity Shares of face value Rs. 10 each per Equity Share issued by Indiabulls Asset Reconstruction Company Limited (IARCL), an associate of the Company. After this issue, the stake in IARCL has increased from 24.02% to 75.00% (together with IASL) and then IARCL has become a subsidiary of the Company from the earlier classification of being an Associate.

(3) During the current financial year, the Company has written off its investment in Indiabulls Alternative Asset Management Private Limited as the Company was struck off from the records of Accounting and Corporate Regulatory Authority of Singapore on February 7, 2013.

(4) Transferred from Erstwhile Holding Company (IBFSL) under the Scheme of Arrangement <sup>(Refer Note 36)</sup>.

**(15) Deferred tax Assets (Net)**

Pursuant to Accounting Standard (AS) – 22 'Accounting for Taxes on Income' as notified by the Companies (Accounting Standards) Rules, 2006, as amended, the Company has debited an amount of Rs. 13,61,33,548 as deferred tax charge (net) to the Statement of Profit and Loss arising on account of timing differences. Further Deferred Tax Asset of Rs. 67,98,00,000 (Included in provision for loan assets and contingent provision against standard assets below) has been recognised against the utilisation from Additional Reserve u/s 29C (Refer Note. 4(6)). The breakup of deferred tax into major components as at March 31, 2013 is as under:

	As at March 31, 2013 Amount (Rs.)
<b>Deferred Tax Liabilities</b>	
On difference between book balance and tax balance of fixed assets	23,90,256
<b>Deferred Tax Assets</b>	
Provision for loan assets and contingent provision against standard assets	1,50,31,52,749
Disallowance under Section 40A(7) of the Income-Tax Act, 1961	2,83,45,559
Disallowance under Section 43B of the Income-Tax Act, 1961	11,21,78,225
<b>Deferred Tax Assets (Net)</b>	<b>1,64,12,86,277</b>

**As at**  
**March 31, 2013**  
**Amount (Rs.)**

**(16) Long term loans and advances**

(i) Loans and Other Credit Facilities

(a) Secured Loans <sup>(1)</sup>

- Considered Good	2,99,90,30,10,103
- Considered Doubtful	97,07,80,847
Less: Loans Assigned	30,38,05,06,765
	2,70,49,32,84,185

	<b>As at</b>
	<b>March 31, 2013</b>
	<b>Amount (Rs.)</b>
(b) Unsecured Loans	
- Considered Good	75,61,07,049
- Considered Doubtful	21,62,22,936
	97,23,29,985
<b>Total (a) +(b)</b>	<b>2,71,46,56,14,170</b>
Less: Provision for Loan Assets <sup>(2)</sup> (Including Additional Provision made by the Company)	1,47,15,84,657
	<b>2,69,99,40,29,513</b>

(ii) Other Unsecured Loans and Advances	
Capital Advances	76,38,21,339
Security Deposit for Rented Premises	4,36,18,536
Security Deposit with others	81,73,651
Advance Fringe Benefits tax (FBT) (Net of Provision for FBT Rs. 2,471,281)	68,775
Advance Tax /Tax deducted at source (Net of Provision for Tax of Rs. 6,097,801,665)	72,16,86,815
Others including Prepaid Expenses and Employee advances	1,61,50,092
	<b>2,71,54,75,48,721</b>

(1) Secured Loans and Other Credit Facilities given to customers amounting to Rs. 2,70,49,32,84,185 are secured / partly secured by :

- (a) Equitable mortgage of property and / or
- (b) Pledge of shares, units, other securities, assignment of life insurance policies and / or
- (c) Hypothecation of assets and / or
- (d) Company guarantees or personal guarantees and / or
- (e) Negative lien and / or Undertaking to create a security.

**(2) Movement in Provision for Loan Assets is as under :**

Particulars	As at March 31, 2013 Amount (Rs.)
Transfer from Indiabulls Financial Services Limited Group pursuant to Scheme of Arrangement <sup>(Refer Note 36)</sup>	2,48,67,09,537
Add: Transfer from Statement of Profit and Loss	32,35,12,490
Less: Utilised during the year - towards Loans written off	1,24,86,18,814
<b>Closing Balance</b>	<b>1,56,16,03,213</b>

**(17) Other non-current assets**

Margin Money Accounts having maturity greater than one year	4,72,56,08,142
Interest Accrued on Deposit accounts / Margin Money	11,16,79,402
	<b>4,83,72,87,544</b>

**(18) Current investments**

Particulars	As at March 31, 2013 Amount (Rs.)
Quoted	
Investment in Mutual Funds*	1,26,50,00,000
Investments in Bonds(Quoted) <sup>(Refer Note 28(iv)(a))</sup>	3,88,00,00,000
Investments in Certificate of Deposits(Quoted) <sup>(Refer Note 28(iv)(b))</sup>	16,72,89,35,250
Investments in Government Securities(Quoted) <sup>(Refer Note 28(iv)(c))</sup>	50,54,32,614
	22,37,93,67,864
Unquoted	
Investment in Mutual Funds**	54,79,71,199
	54,79,71,199
	<b>22,92,73,39,063</b>

\*Includes Rs. 5,00,00,000 considered as Cash and Cash equivalents for Cash Flow

\*\*Considered as Cash and Cash equivalents for Cash Flow

Aggregate market value of quoted Investments	22,67,80,49,248
Aggregate book value of quoted Investments	22,37,93,67,864
Aggregate book value of unquoted Investments	54,79,71,199
Aggregate provision for diminution in value of Investments	-

**As at  
March 31, 2013  
Amount (Rs.)**

**(19) Trade receivables**

**Debts Outstanding for a period exceeding six months**

- Secured, Considered Good	74,214
- Unsecured, Considered Good	-

**Other Debts**

- Secured, Considered Good	30,50,502
- Unsecured, Considered Good	1,93,22,577

**2,24,47,293**

**As at  
March 31, 2013  
Amount (Rs.)**

**(20) Cash and bank balances**

**Cash and cash equivalents**

Cash on Hand	15,78,97,921
Cheques / Drafts on hand	3,82,96,365
Balances with banks	
- in current accounts #	48,30,74,54,722

**Other bank balances:**

- in deposit accounts having original maturity greater than three months upto one year	6,83,80,002
- in deposit accounts having original maturity greater than one year	30,58,00,000
- in deposit accounts held as margin money (under lien) <sup>(1)</sup>	39,77,205

**48,88,18,06,215**

(1) Deposits accounts with bank of Rs.39,77,205 are under lien. The Company has the complete beneficial interest on the income earned from these deposits.

# includes Rs.1,92,87,496 in designated unclaimed dividend accounts.

**As at  
March 31, 2013  
Amount (Rs.)**

**(21) Short-term loans and advances**

**Loans and Other Credit Facilities**

**(a) Secured Loans <sup>(1)</sup>**

- Considered Good	40,40,43,85,210
Less: Loans assigned	6,04,63,56,790
	<b>34,35,80,28,420</b>

**(b) Unsecured Loans**

- Considered Good	2,00,56,62,177
	<b>2,00,56,62,177</b>

Total (a) +(b)

**36,36,36,90,597**

Less: Provision for Loan Assets(Including Additional Provision made by the Company) <sup>(Refer Note.16(2))</sup>

**9,00,18,556**  
**36,27,36,72,041**

Advance Interest on Short term borrowings	39,38,67,622
Security Deposit for Rented Premises	14,12,28,217
Security Deposit with Others	3,00,00,000
Application Money for Bonds	25,00,00,000
Others including Prepaid Expenses/Cenvat Credit and Employee advances	17,16,91,242

**37,26,04,59,122**

(1) Secured Loans and Other Credit Facilities given to customers amounting to Rs. 34,358,028,420 are secured / partly secured by :

- (a) Equitable mortgage of property and / or
- (b) Pledge of shares, units, other securities, assignment of life insurance policies and / or
- (c) Hypothecation of assets and / or
- (d) Company guarantees or personal guarantees and / or
- (e) Negative lien and / or Undertaking to create a security.

**As at  
March 31, 2013  
Amount (Rs.)**

**(22) Other current assets**

FCNR Hedge Premium	8,25,42,460
Interest Accrued on Loans	3,31,78,99,677
Interest Accrued on Deposit accounts / Margin Money / Bonds	16,19,25,989

**3,56,23,68,126**

	Year ended March 31, 2013 Amount (Rs.)
<b>(23) Revenue from Operations</b>	
<b>(a) Income from Financing and Investing Activities</b>	
Interest on Financing Activities <sup>(1)</sup>	42,63,41,03,020
Dividend on Units of Mutual Funds	1,89,00,48,501
<b>(b) Income from other Financial Services</b>	
Income from Service Fees/Advisory Services	27,18,47,554
Commission on Insurance	8,42,08,441
Management fees	1,90,08,116
Profit on appreciation of Mutual Fund Investments (Current Investments)	18,71,199
Profit on sale of Current Investments	37,11,57,229
Other Operating Income <sup>(2)</sup>	2,02,19,13,582
	<b>47,29,41,57,642</b>
<b>(1) Interest from Financing Activities Includes:</b>	
Interest on Loan Financing / Income from Securitisation / Assignment	41,58,79,24,288
Interest on Deposit Accounts	27,34,65,252
Interest on Bonds / Commercial Papers (Current investments)	77,27,13,480
<b>Total</b>	<b>42,63,41,03,020</b>
<b>(2) Other Operating Income includes:</b>	
Loan processing fees	1,42,68,13,167
Foreclosure fees and other related income	82,48,20,944
Less: Direct Selling Agents Commission	22,97,20,529
	<b>2,02,19,13,582</b>

	Year ended March 31, 2013 Amount (Rs.)
<b>(24) Other Income</b>	
Sundry Balances written back	6,20,75,663
Bad debts recovered	39,19,51,789
Miscellaneous Income	2,96,73,357
Interest on Income Tax Refund	8,74,888
Share in Profit of Associate	7,77,845
	<b>48,53,53,542</b>

	Year ended March 31, 2013 Amount (Rs.)
<b>(25) Employee benefits expense</b>	
Salaries	2,08,14,48,214
Contribution to Provident Funds and Other Funds <sup>(1)</sup>	1,21,29,383
Employee Stock Compensation Expense	75,63,100
Provision for Gratuity, Compensated Absences and Superannuation Expense <sup>(1)</sup>	12,05,05,148
Staff Welfare Expenses	2,38,26,927
	<b>2,24,54,72,772</b>

**(1) Note on AS - 15 disclosure:**

Employee Benefits – Provident Fund, ESIC, Gratuity and Compensated Absences disclosures as per Accounting Standard (AS) 15 (Revised) – Employee Benefits as notified by the Companies (Accounting Standards) Rules, 2006, as amended:

Contributions are made to Government Provident Fund and Family Pension Fund, ESIC and other statutory funds which cover all eligible employees under applicable Acts. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Company has recognised an amount of Rs. 1,21,29,383 in the Statement of Profit and Loss towards Employers contribution for the above mentioned funds.

Provision for unfunded Gratuity and Compensated Absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Accounting Standard (AS) 15 (Revised) on 'Employee Benefits', as notified by the, Companies (Accounting Standards) Rules, 2006, as amended, commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Disclosures in respect of Gratuity, Compensated Absences and Superannuation are given below:

Particulars	Gratuity	Compensated Absences	Superannuation
	(Unfunded)	(Unfunded)	(Unfunded)
	2012-2013	2012-2013	2012-2013
Rs.			
<b>Reconciliation of liability recognised in the Balance Sheet:</b>			
Present Value of commitments (as per Actuarial valuation)	8,38,93,672	3,80,43,372	29,22,25,359
Fair value of plan assets	-	-	-
<b>Net liability in the Balance sheet (as per Actuarial valuation)</b>	<b>8,38,93,672</b>	<b>3,80,43,372</b>	<b>29,22,25,359</b>
<b>Movement in net liability recognised in the Balance Sheet:</b>			
Net liability as at the beginning of the year as transferred from IBFSL	7,10,43,094	3,19,67,188	19,42,52,856
Amount paid during the year	(36,05,883)	-	-
Net expenses recognised / (reversed) in the Statement of Profit and Loss	1,64,56,461	60,76,184	9,79,72,503
<b>Net liability as at the end of the year</b>	<b>8,38,93,672</b>	<b>3,80,43,372</b>	<b>29,22,25,359</b>
<b>Expenses recognised in the Statement of Profit and Loss:</b>			
Current service cost	2,23,44,055	1,32,92,312	2,64,99,538
Past service cost	-	-	-
Interest Cost	60,60,060	28,83,900	1,93,55,217
Expected return on plan assets	-	-	-
Actuarial (gains) / Losses	(1,19,47,654)	(1,01,00,028)	5,21,17,748
<b>Expenses charged / (reversal) to the Statement of Profit and Loss</b>	<b>1,64,56,461</b>	<b>60,76,184</b>	<b>9,79,72,503</b>
<b>Return on Plan assets:</b>			
Expected return on plan assets	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.	N.A.
<b>Reconciliation of defined-benefit commitments:</b>			
Commitments as at the beginning of the year	7,10,43,094	3,19,67,188	19,42,52,856
Current service cost	2,23,44,055	1,32,92,312	2,64,99,538
Past service cost	-	-	-
Interest cost	60,60,060	28,83,900	1,93,55,217
(Paid benefits)	(36,05,883)	-	-
Actuarial (gains) / losses	(1,19,47,654)	(1,01,00,028)	5,21,17,748
<b>Commitments as at the end of the year</b>	<b>8,38,93,672</b>	<b>3,80,43,372</b>	<b>29,22,25,359</b>
<b>Reconciliation of Plan assets:</b>			
Plan assets as at the beginning of the year	N.A.	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.	N.A.
Contributions during the year	N.A.	N.A.	N.A.
Paid benefits	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.
<b>Plan assets as at the end of the year</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>Experience adjustment</b>			
On plan liabilities	1,19,59,879	1,01,07,849	(5,20,33,314)
On plan assets	-	-	-
Present value of benefit obligation	8,38,93,672	3,80,43,372	29,22,25,359
Fair value of plan assets	-	-	-
<b>Excess of (obligation over plan assets) / plan assets over obligation</b>	<b>8,38,93,672</b>	<b>3,80,43,372</b>	<b>29,22,25,359</b>

The actuarial calculations used to estimate commitments and expenses in respect of unfunded Gratuity, Compensated absences and Superannuation (Pension & Medical coverage) are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

Particulars	Gratuity	Compensated Absences	Superannuation
	(Unfunded)	(Unfunded)	(Unfunded)
	2012-2013	2012-2013	2012-2013
Discount rate	8%	8%	8%
Expected return on plan assets	N.A.	N.A.	N.A.
Expected rate of salary increase	5%	5%	5%
Mortality	IALM (1994-96)	IALM (1994-96)	IALM (1994-96)
Retirement Age	60	60	60
(N.A. - not applicable)			

The employer's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity, Compensated Absences and Superannuation is Rs. 3,32,64,451, Rs. 1,17,34,060 and Rs. 5,53,46,782 respectively.

	Year ended March 31, 2013 Amount (Rs.)
<b>(26) Finance costs</b>	
Interest on Loans <sup>(1)</sup>	17,51,95,31,696
Interest on Non Convertible Debentures	5,48,17,77,232
Interest on Commercial Papers	2,35,31,63,362
Interest on Subordinate Debt	54,60,06,544
Interest on Taxes	16,78,657
Bank Charges towards Borrowings	1,63,65,310
Processing fees	7,23,56,284
	<b>25,99,08,79,085</b>

(1) During the year, the Company has recognised Premium on Options Contracts amounting to Rs. 20,085,000 (Previous Year Rs. Nil) included in Interest on Loans and unrealised marked to market loss towards derivatives (Interest Rate Swaps) amounting to Rs. 439,933 (Previous Year Rs. Nil) which has been included under Bank / Finance Charges . Derivative instruments that are outstanding as at March 31, 2013 is as given below:-

I. Forward Options contracts entered for hedging purposes as at March 31, 2013 for USD 37,277,984 (Previous Year USD Nil (Buy)) against cross currency of Rs. 2,000,000,000 (Previous Year Rs. Nil).

II. Interest Rate Swaps for Notional Principal of Rs. 4,000,000,000 (Previous Year Rs. Nil) for a total of 8 contracts (Previous Year Nil) against fluctuations in interest rate changes.

	Year ended March 31, 2013 Amount (Rs.)
<b>(27) Other Expenses</b>	
Collection Charges	69,79,947
Client Verification Charges	11,07,02,196
Demat Charges	14,75,842
Stamp Papers/Stamp Duty charges	3,32,00,952
CERSAI Charges	93,26,200
Rates and Taxes	88,62,262
Communication Expenses	6,18,34,131
Legal and Professional Charges	46,25,51,235
Rent and Other charges <sup>(1)</sup>	38,64,86,514
Electricity Expenses	4,61,50,463
Repairs & Maintenance - Others	11,00,69,962
Recruitment and Training	54,53,758
Printing and Stationery	2,92,71,523
Traveling and Conveyance Expenses	11,76,26,192
Business Promotion	12,78,84,171
Payment to Auditors comprises (net of service tax input credit Rs 1,379,451)	
As Auditors	1,29,71,309
For Certification	21,23,600
Other Services	55,21,360
Reimbursement of Expenses	22,29,780
Provision for Loan Assets <sup>(2)</sup>	32,35,12,490
Contingent Provisions against Standard Assets (Net) <sup>(2)</sup>	23,95,88,041
Advertisement	9,28,98,974
Bad Debts	66,90,07,097
Loss on sale of fixed assets	41,58,906
Trusteeship Fees	17,56,621
Donation Expenses	30,05,000
Insurance Premium	29,336
Miscellaneous Expenses	2,32,63,653
	<b>2,89,79,41,515</b>



(1) The Company has taken office premises on Lease and Leave & License basis at various locations in India. Lease rent / License fees aggregating to Rs. 34,99,80,322 in respect of the same have been charged to the Statement of Profit and Loss. The agreements are executed for periods ranging from 11 months to 9 years with a renewable clause. In many cases, the agreements also provide for termination at will by either party by giving a prior notice period between 30 to 90 days. The minimum lease rentals outstanding as at March 31, 2013, are as under:

Particulars	Minimum Lease Rentals For the Year ended March 31, 2013 Amount (Rs.)
Within one year	35,43,72,631
One to Five years	70,86,94,390
Above Five Years	16,49,89,300
	<b>1,22,80,56,321</b>

During the year, in addition to the charge of Rs. 56,31,00,531 towards provision for loan assets and standard assets to the Statement of Profit and Loss, an amount of Rs. 1,32,02,00,000 (net of Deferred Tax of Rs. 67,98,00,000) [(Previous Year Rs. 19,04,47,091) (net of deferred tax of Rs. Nil)], being one time charge of provision for standard assets and other contingencies due to merger between the Company and the Erstwhile Holding Company (Refer note 36) and changes in the provisioning requirements by the National Housing Bank vide Circulars no. NHB.HFC.DIR.4/CMD/2012 dated January 19, 2012 has been transferred from Additional Reserve created as per Section 29C of the National Housing Bank Act, 1987 pursuant to Circular No. NHB(ND)/DRS/Pol- 03/2004-05 dated August 26, 2004 as under;

Particulars	For the Year ended March 31, 2013
Contingent Provisions against Standard Assets	23,95,88,041
Provision for Loan Assets	32,35,12,490
<b>Total</b>	<b>56,31,00,531</b>

## (28) Explanatory Notes

### Particulars

#### (i) Secured Redeemable Non Convertible Debentures (payable at par unless otherwise stated) include:\*

Particulars	As at March 31, 2013 Amount (Rs.)
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 25, 2023**	5,00,00,000
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 19, 2023**	1,00,00,00,000
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 26, 2023**	25,00,00,000
10.20 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on January 16, 2023**	35,00,00,000
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 31, 2022**	50,00,00,000
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 18, 2022	15,00,00,000
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on November 19, 2022	15,00,00,000
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on November 6, 2022	15,00,00,000
10.70 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on July 6, 2022	20,00,00,000
10.70 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on June 28, 2022	8,00,00,00,000
10.75 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on April 3, 2022	1,25,00,00,000
10.15 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 27, 2022	5,00,00,00,000
10.70 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on November 22, 2021	1,00,00,00,000
10.65 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on September 7, 2021	5,00,00,00,000
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 25, 2018**	15,00,00,000
10.10 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 19, 2018**	1,00,00,00,000

	<b>As at March 31, 2013 Amount (Rs.)</b>
10.25 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on January 16, 2018**	40,00,00,000
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 28, 2017**	1,50,00,00,000
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 17, 2017	40,10,00,000
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on April 30, 2017	5,00,00,00,000
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 26, 2016**	1,00,00,00,000
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 4, 2016**	1,00,00,00,000
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on September 25, 2015	50,00,00,000
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on August 27, 2015	5,50,00,00,000
10.65 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on July 16, 2015	20,00,00,000
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on July 9, 2015**	70,00,00,000
4.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on May 8, 2015	2,00,00,00,000
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on April 24, 2015 <sup>(2)**</sup>	7,00,00,000
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 2, 2015 <sup>(2)</sup>	27,00,00,000
10.60 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 13, 2015	80,00,00,000
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on January 9, 2015**	65,00,00,000
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 18, 2014 <sup>(2)</sup>	33,00,00,000
9.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 1, 2014	1,00,00,00,000
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on November 25, 2014 <sup>(2)</sup>	60,00,00,000
9.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on November 21, 2014	2,50,00,00,000
4.65 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on November 18, 2014	3,00,00,00,000
10.85 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on October 31, 2014	50,00,00,000
10.60 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on October 10, 2014	2,00,00,00,000
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on September 26, 2014	10,00,00,000
10.75 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on September 22, 2014	45,00,00,000
10.80 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on August 22, 2014	15,00,00,000
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on July 9, 2014**	65,00,00,000
10.70 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on July 8, 2014	35,00,00,000
11.20 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on June 28, 2014	1,25,00,00,000
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on May 26, 2014	50,00,00,000

	As at March 31, 2013 Amount (Rs.)
11.20 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on April 15, 2014	50,00,00,000
10.10 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 28, 2014 <sup>(1)**</sup>	50,00,00,000
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on March 14, 2014 <sup>(1)&amp;(2)</sup>	2,00,00,00,000
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 20, 2014 <sup>(1)&amp;(2)**</sup>	2,00,00,00,000
10.40 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 14, 2014 <sup>(1)</sup>	2,50,00,00,000
10.60 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 13, 2014 <sup>(1)</sup>	60,00,00,000
10.80 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 10, 2014 <sup>(1)</sup>	25,00,00,000
10.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on February 7, 2014 <sup>(1)</sup>	50,00,00,000
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on December 9, 2013 <sup>(1)&amp;(2)</sup>	50,00,00,000
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on October 16, 2013 <sup>(1)&amp;(2)</sup>	35,00,00,000
10.25 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on October 7, 2013 <sup>(1)</sup>	25,00,00,000
10.50 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on September 9, 2013 <sup>(1)</sup>	1,50,00,00,000
10.80 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on September 6, 2013 <sup>(1)</sup>	15,00,00,000
10.25 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on August 12, 2013 <sup>(1)</sup>	50,00,00,000
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on August 10, 2013 <sup>(1)&amp;(2)</sup>	2,50,00,00,000
10.80 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on August 8, 2013 <sup>(1)</sup>	75,00,00,000
10.70 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on July 19, 2013 <sup>(1)</sup>	30,00,00,000
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on July 5, 2013 <sup>(1)&amp;(2)</sup>	10,60,00,00,000
10.15 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on June 19, 2013 <sup>(1)</sup>	50,00,00,000
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on June 12, 2013 <sup>(1)&amp;(2)</sup>	34,00,00,000
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on May 13, 2013 <sup>(1)&amp;(2)</sup>	22,00,00,000
0.00 % Redeemable Non convertible Debentures of Face value Rs. 10,00,000 each Redeemable on April 16, 2013 <sup>(1)&amp;(2)</sup>	8,00,00,000
	<b>84,96,10,00,000</b>

(1) Current Maturity of Long Term Non Convertible Debentures as at March 31, 2013

(2) Redeemable at premium

\*Redeemable Non-Convertible Debentures are secured against Freehold Land and pool of Loan Receivables of the Company.

\*\* As at the year end, the Company was in the process of creating the charge / security on assets.

**(ii) Term Loan from banks includes\*:**

**Particulars**

These loans are repayable in yearly installments with a moratorium period of 2 years from the date of disbursement. The balance tenure for these loans is 50 months (average) from the Balance Sheet date.	57,18,33,33,332
These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans is 11 months (average) from the Balance Sheet date.	25,25,00,00,000
This loan is repayable in quarterly installments after a moratorium period of 1 year from the date of first disbursement. The balance tenure for this loan is 51 months from the Balance Sheet date.	5,97,22,22,220
These loans are repayable in quarterly installments after a moratorium period of 24 months from the date of first disbursement. The balance tenure for these loans is 76 months from the Balance Sheet date.	12,91,66,00,000
This loan is repayable in 4 half yearly installments after moratorium period of 3 years from the date of first disbursement. The balance tenure for this loans is 43 months from the Balance Sheet date.	2,00,00,00,000
These loans are repayable in 18 quarterly installments with a moratorium period of 6 months from the date of first disbursement. The balance tenure for these loans is 126 months from the Balance Sheet date.	23,40,14,93,103
These loans are repayable in yearly installment after the moratorium period of 1 years from the date of disbursement. The balance tenure for these loans is 35 months from the Balance Sheet date.	15,15,00,00,000
This loan is repayable in monthly installment from the date of disbursement.. The balance tenure for this loan is 31 months from the Balance Sheet date. <sup>(1)</sup>	1,63,50,00,000
These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loans is 25 months from the Balance Sheet date.	1,73,12,50,000
This loan is repayable in quarterly installment after the moratorium of 1 years from the date of disbursement.. The balance tenure for this loans is 13 months from the Balance Sheet date.	70,00,00,000
These loans are repayable in half yearly installment after the moratorium of 1 years from the date of disbursement.. The balance tenure for this loans is 7 months from the Balance Sheet date.	20,00,00,000
Quarterly Installment with moratorium of 18 months from the date of disbursement. The balance tenure for this loans is 58 months from the Balance Sheet date. <sup>(2)</sup>	7,50,00,00,000

**1,53,63,98,98,655**

\*Secured by hypothecation of Loan Receivables/Current Assets/Cash and Cash Equivalents of the Company.

(1) Loan taken other than from banks for Rs. 1,63,50,00,000

(2) Includes Loan taken other than from banks for Rs. 2,99,99,99,999

**(iii) Subordinate Debt:-**

**Particulars**

10.65% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on November 15, 2027	32,60,00,000
10.65% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on June 30, 2027	49,65,00,000
10.25% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on June 28, 2027	1,00,00,00,000
10.65% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on June 05, 2027	1,10,03,00,000
10.10% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on March 28, 2023	25,00,00,000
10.10% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on March 06, 2023	20,00,00,000
10.10% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on February 18, 2023	25,00,00,000
10.65% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on January 30, 2023	10,00,00,000
10.10% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on January 14, 2023	25,00,00,000
10.20% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on December 04, 2022	20,00,00,000
10.65% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on November 15, 2022	1,10,00,000
10.30% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on October 31, 2022	25,00,00,000
10.30% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on October 22, 2022	40,00,00,000
10.30% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on October 09, 2022	35,00,00,000
10.65% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on June 05, 2022	15,00,00,000
11.00% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on March 30, 2022	15,00,00,000
11.85% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on February 22, 2022	20,00,00,000
11.85% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on January 31, 2022	36,20,00,000
10.50% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on March 26, 2018	1,25,00,00,000
11.60% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on June 22, 2017	10,00,000
11.60% Subordinated Debt of Face value of Rs. 1,00,000 each Redeemable on May 31, 2017	15,00,00,000

**7,44,68,00,000**

**(iv) Current Investments**
**(a) Investment in Bonds (Quoted)**

Particulars	Quantity	Face Value (Rs.)	Amount (Rs.)
Yes Bank Ltd. 10.5 BD Perpetual FVR 10 Lacs	1,500	1,50,00,00,000	1,50,00,00,000
Yes Bank Ltd. 10.5 BD Perpetual FVR 10 Lacs	1,400	1,40,00,00,000	1,40,00,00,000
Yes Bank Ltd. 10.25 BD 29JU27 FVR 10 Lacs	320	32,00,00,000	32,00,00,000
Indian Railway Finance Corporation Limited	6,60,000	1,000	66,00,00,000
		<b>Total (a)</b>	<b>3,88,00,00,000</b>

**(b) Investment in Certificate of Deposits (Quoted)**

Particulars	Quantity	Face Value (Rs.)	Amount (Rs.)
IDBI Bank Limited CD 19MR14	2,500	25,00,00,000	23,01,15,500
IDBI Bank Limited CD 14FB14	2,500	25,00,00,000	22,90,06,250
IDBI Bank Limited CD 28AG13	5,000	50,00,00,000	48,17,67,000
IDBI Bank Limited CD 10JU13	2,500	25,00,00,000	24,51,90,250
IDBI Bank Limited CD 07JU13	5,000	50,00,00,000	49,03,28,000
Punjab National Bank CD 25MR14	2,500	25,00,00,000	22,90,74,250
Punjab National Bank CD 20MAR14	2,500	25,00,00,000	23,02,70,500
Punjab National Bank CD 10MR14	2,500	25,00,00,000	22,94,17,750
Punjab National Bank 23DEC13	2,500	25,00,00,000	23,43,95,000
Punjab National Bank CD 17SP13	5,000	50,00,00,000	47,94,93,500
Punjab National Bank CD 10SP13	7,500	75,00,00,000	72,04,94,000
Punjab National Bank CD14JU13	12,500	1,25,00,00,000	1,22,71,07,500
Punjab National Bank 10MAY13	5,000	50,00,00,000	49,45,52,500
Allahabad Bank CD 26JU13	10,000	1,00,00,00,000	97,86,68,000
Allahabad Bank 17JU13	2,500	25,00,00,000	24,51,04,500
Allahabad Bank 31MAY13	7,500	75,00,00,000	73,82,20,500
IDBI Bank 12SEP13	5,000	50,00,00,000	48,01,11,500
IDBI Bank 21JU13	2,500	25,00,00,000	24,48,67,750
IDBI Bank 29MAY13	10,000	1,00,00,00,000	98,45,72,000
IDBI Bank Limited CD 27MY13	5,000	50,00,00,000	49,22,65,500
Central Bank of India 25MAR14	5,000	50,00,00,000	45,96,55,000
Central Bank of India CD 07MY13	5,000	50,00,00,000	49,47,90,500
Vijaya Bank 19JU13	10,000	1,00,00,00,000	97,99,45,000
Vijaya Bank CD 13JU13	2,500	25,00,00,000	24,48,20,000
Vijaya Bank CD 27MAY13	5,000	50,00,00,000	49,24,31,500
State Bank of Patiala CD 18SP13	2,500	25,00,00,000	23,97,68,250
State Bank of Patiala 27MAY13	5,000	50,00,00,000	49,23,91,500
State Bank of Patiala 24MAY13	2,500	25,00,00,000	24,64,40,000
Canara Bank 24MAR14	2,500	25,00,00,000	22,94,61,250
Canara Bank 14MAY13	5,000	50,00,00,000	49,42,72,000
Canara Bank 22APR-13	2,000	20,00,00,000	19,87,68,000
Punjab and Sind Bank 14JU13	2,500	25,00,00,000	24,52,82,500
Punjab and Sind Bank 10JU13	2,500	25,00,00,000	24,54,71,250
UCO Bank 13JU13	2,500	25,00,00,000	24,53,41,750
Oriental Bank of Commerce 7JU13	2,500	25,00,00,000	24,56,98,500
Andhra Bank 10AP13	10,000	1,00,00,00,000	99,66,10,000
ING Vysya Bank 24MAY13	5,000	50,00,00,000	49,27,66,500
		<b>Total (b)</b>	<b>16,72,89,35,250</b>

**(c) Investment in Government Securities(Quoted)**

Particulars	Quantity	Face Value (Rs.)	Amount (Rs.)
8.15% GOVT.STOCK 2022	45,00,000	45,00,00,000	45,40,79,659
8.33% GOVT.STOCK 2026	5,00,000	5,00,00,000	5,13,52,955
		<b>Total (c)</b>	<b>50,54,32,614</b>
		<b>Grand Total (a) + (b) + (c)</b>	<b>21,11,43,67,864</b>

**(29) Contingent liability not provided for in respect of:-**

(a) Contingent Liabilities not provided for in respect of Capital commitments for acquisition of fixed assets at various branches as at the year end (net of capital advances paid) Rs. 3,00,41,74,116.

(b) Demand pending u/s 143(3) of the Income Tax Act,1961:

(i) For Rs. 16,12,574/- with respect to FY 2006-07 against disallowance U/s 14A of the Income Tax Act 1961, against which appeal is pending before CIT (Appeals).

(ii) For Rs. 26,72,534/- with respect to FY 2007-08 against disallowance U/s 14A of the Income Tax Act 1961, against which appeal is pending before ITAT.

(iii) For Rs. 3,54,92,935/- with respect to FY 2007-08 against disallowance U/s 14A of the Income Tax Act 1961, against which appeal is pending before CIT (Appeals).

(iv) For Rs. 4,06,116/- with respect to FY 2008-09 against disallowance U/s 14A of the Income Tax Act 1961, against which appeal is pending before CIT (Appeals).

(v) For Rs. 1,78,07,253/- with respect to FY 2009-10 against disallowance U/s 14A of the Income Tax Act 1961, against which appeal is pending before CIT (Appeals).

(c) Demand pending u/s of 25, 55, 56 & 61 of Rajasthan Sales Tax Act, 2003 in relation to the merged company "IBFSL" for Rs. 1,45,05,873 (Including interest & Penalty) with respect to FY 2007-08 to FY 2012-13 against which appeal is pending before DC (Appeals). The company has paid tax alongwith interest for Rs. 62,31,069/- under protest.

(d) Arbitration award passed by the international arbitrator against the Company for Rs. 1,92,00,07,000 for purchase of 42.50% stake in Indiabulls Finance Company Private Limited (IFCPL), which is disputed by the Company. The Company currently holds 57.5% Equity stake in IFCPL.

(e) Corporate counter guarantees outstanding in respect of securitization/ assignment agreements entered by Company with different assignees as at March 31, 2013 is Rs. 3,04,47,92,269 against which collateral deposit of Rs. 17,29,08,806 for year ended March 31, 2013 is being provided to the assignees by the Company in the form of Fixed Deposit Receipts. The Company does not anticipate any losses on account of the said corporate guarantees, in the event of the rights under guarantee being exercised by the assignees.

**(30)** The Company holds 57.50% of the capital of Indiabulls Finance Company Private Limited (IFCPL), which has become a subsidiary of the Company pursuant to the Scheme of Arrangement. The balance 42.50% or 32,33,696 Equity Shares are held by Amaprop Limited (Amaprop), vide a Share Subscription and Shareholders Agreement (SHA) entered into between the Erstwhile Holding Company [Indiabulls Financial Services Limited (IBFSL)], IFCPL and Amaprop. Certain disputes arose between IBFSL and Amaprop on Amaprop exercising its put option under the SHA as the put price arrived at in accordance with the SHA was rejected by the Reserve Bank of India (RBI) being in excess of the Fair Market Value as per the then prevailing RBI pricing guidelines. The disputes were adjudicated in an arbitration held in New York, USA where the Arbitral Tribunal passed an Award requiring IBFSL to pay Rs. 1,92,00,07,000 alongwith interest and costs thereon (as given in the Award) to Amaprop, for acquiring the 42.50% stake held by Amaprop in IFCPL. The award was later confirmed by the US District Court under the US laws. Amaprop has thereafter initiated proceedings for enforcement / recognition of the Award in the US and UK for which proceedings are pending. Implementation of the Award would result in IFCPL becoming a 100% subsidiary of IBFSL.

This Award has simultaneously been challenged by IBFSL before the Hon'ble High Court of Delhi ("High Court") in a petition filed under Section 34 of the Arbitration and Conciliation Act, 1996. During the course of the hearing the High Court had suggested that IBFSL should prefer an application to the RBI for its approval to remit Rs. 11,90,000,128, which in the opinion of the Arbitration Tribunal is the value likely to be accepted by the RBI, as is recorded by it to be in compliance with the RBI Circular No. 49 dated May 4, 2010. On an application preferred to the RBI seeking its approval for purchase of the abovementioned shares in IFCPL from Amaprop at a cost of Rs. 1,19,00,00,128, the RBI directed the parties to conclude the transaction as per the then extant pricing guidelines. The valuation of IFCPL shares held by Amaprop as per the then extant pricing guidelines being lower than Rs. 1,92,00,07,000 the transaction could not be completed. The High Court has since heard the petition and the award was dismissed by the High Court. IBFSL has filed an appeal against the said Order before the Divisional Bench of High Court, which was listed on January 28, 2013 and was then adjourned to May 21, 2013. On the other hand Amaprop has filed enforcement proceedings before the High Court where the Company have filed objections and the matter was listed on Mar 22, 2013 which got adjourned to April 11, 2013 on which date the Company advanced its arguments on the objections. The matter is now listed on May 2, 2013 for arguments by Amaprop.

**(31) Segment Reporting:**

Segment information for the Year ended March 31, 2013, as per Accounting Standard AS-17, Segment Reporting, as notified by the Companies (Accounting Standards) Rules, 2006, as amended.

(a) Primary segment information (by business segments)

Particulars	Amount (Rs.)		
	Investing and financing related activities	Fee Income	Total
Segment Revenue	46,91,90,93,531	37,50,64,111	47,29,41,57,642
Segment Result	16,61,98,38,066	1,38,35,492	16,63,36,73,558
Less: Unallocated expenditure net of other unallocated income			8,23,01,622
Less: Income taxes and Deferred tax (credit)			3,88,90,68,023
Profit after tax			12,66,23,03,913
Segment Assets	3,88,26,69,07,445	10,41,97,644	3,88,37,11,05,089
Unallocated Corporate Assets			2,91,70,69,431
Total Assets			3,91,28,81,74,520
Segment Liabilities	3,33,68,91,45,701	19,91,88,522	3,33,88,83,34,223
Unallocated Corporate Liabilities			4,26,53,50,112
Total Liabilities			3,38,15,36,84,335
Capital Expenditure	6,17,19,219	14,04,366	6,31,23,585
Unallocated Capital Expenditure			5,07,56,881
Total Capital Expenditure			11,38,80,466
Depreciation / Amortisation	7,70,20,427	16,13,501	7,86,33,928
Unallocated Depreciation			1,52,11,948
Total Depreciation / Amortisation			9,38,45,876
Non-Cash expenditure other than depreciation	1,35,94,70,139	13,90,789	1,36,08,60,928
Unallocated Non-Cash expenditure other than depreciation			34,73,853
Total Non-Cash Expenditure other than depreciation			1,36,43,34,781

b) The Company operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.

c) The group's primary business segments are reflected based on principal business activities carried on by the Group. The Group's primary business activities are to carry on business of investing and finance related activities (investing in various subsidiaries, financing of loans and credit activities) and fee income which mainly comprises of financial service related fee based advisory services income, selling of Insurance products as a Licensed Corporate Agent; and other related ancillary services.

d) Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis.

e) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in Significant Accounting Policies (1) above.

**(32) Disclosures in respect of Related Parties as per Accounting Standard, AS-18, 'Related Parties Disclosures' as notified by the Companies (Accounting Standards) Rules, 2006, as amended:**

Nature of relationship	Related party
<b>a) Related Party where significant influence exists:</b>	
Associate Company	Indiabulls Asset Reconstruction Company Limited (Associate till January 10,2013)
<b>b) Other related parties:</b>	
Key Management Personnel	Mr. Sameer Gehlaut, Chairman & Executive Director Mr. Gagan Banga, CEO & Managing Director (Non Executive Chairman upto March 19, 2013) Mr. Ashwini Omprakash Kumar, Deputy Managing Director (Managing Director upto March 19, 2013)  Mr. Sachin Chaudhary (CEO-Executive Director upto March 19, 2013) Mr. Ajit Kumar Mittal, Executive Director (Non Executive Chairman upto March 19, 2013) Mr. Rajiv Rattan, Non -Executive Director Mr. Saurabh Kumar Mittal, Non -Executive Director

**(c) Significant transactions with related parties during the year ended March 31, 2013:**

Nature of Transaction	Amount (Rs.)	
	Associate	Key Management Personnel
<b>Other receipts and payments</b>		
Salary / Remuneration (including perquisite and retirement benefits)	-	32,23,18,746
		32,23,18,746

**(d) Statement of Material transactions during the Year:-**

Particulars	Amount (Rs.)
	For the Year ended March 31, 2013
<b>Salary / Remuneration</b>	
<b>Remuneration to Directors</b>	
Mr. Sameer Gehlaut	82,75,997
Mr. Gagan Banga	15,43,641
Mr. Ajit Kumar Mittal	5,31,165
Mr. Ashwini Omprakash Kumar	1,91,14,066
Mr. Sachin Chaudhary	1,25,85,979
<b>Salary</b>	
Mr. Sameer Gehlaut	22,40,88,545
Mr. Gagan Banga	4,17,97,040
Mr. Ajit Kumar Mittal	1,43,82,313

Related Party relationships as given above are as identified by the Company.

**(33) Earnings Per Equity Share (EPS):**

The basic earnings per Equity Share is computed by dividing the net profit attributable to Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year. Diluted earnings per Equity 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 year, unless they have been issued at a later date. The number of Equity Shares and potential diluted Equity Shares are adjusted for potential dilutive effect of Employee Stock Option Plan as appropriate. Potential dilutive Equity Shares on account of Share warrants are not adjusted being anti dilutive in nature.

Particulars	Year ended March 31, 2013 Amount (Rs.)
Profit After Tax and prior period adjustments (Rs.)	12,66,23,03,913
Less: Share of Minority (including share of Reserve Fund) (Rs.)	11,66,22,031
Profit available for Equity Shareholders (For Basic / Dilutive EPS) (Rs.)	12,54,56,81,882
Weighted average number of Shares used in computing Basic earnings per share (Nos.)	31,21,18,479
Add: Potential number of Equity Share that could arise on exercise of Employee Stock Options (Nos.)	99,99,303
Weighted average number of Shares used in computing Diluted earnings per share (Nos.)	32,21,17,782
Face Value of Equity Shares (Rs.)	2.00
Basic Earnings Per Equity Share (Rs.)	40.20
Diluted Earnings Per Equity Share (Rs.)	38.95



(34) In respect of amounts as mentioned under Section 205C of the Indian Companies Act, 1956, there were no dues required to be credited to the Investor Education and Protection Fund as on March 31, 2013.

**(35) Note relating to Assignment:**

The Company has entered into various agreements for the assignment/securitisation of loans with assignees, wherein it has assigned/securitised a part of its secured loan portfolio amounting to Rs. 53,10,92,82,699 upto March 31, 2013, being the principal value outstanding as on the date of the deals that are outstanding as on the Balance Sheet date.

The Company assigned/securitised various loan portfolios to banks and/or other institutions which are derecognised in the books of accounts of the Company in terms of accounting policy mentioned in Significant Accounting policies in Note 1 (x) above and residual income on these Loans is being recognised over the life of the underlying loans and not on an upfront basis.

(36) The Board of Directors at their meeting held on April 27, 2012 had approved the Scheme of Arrangement involving the merger of Indiabulls Financial Services Limited (IBFSL, the Holding Company) with the Company in terms of the provisions of Sections 391 to 394 of the Companies Act, 1956 (the "Scheme of Arrangement"). The Appointed Date of the proposed merger fixed under the Scheme of Arrangement was April 1, 2012. The Hon'ble High Court of Delhi, vide its Order dated December 12, 2012, received by the Company on February 8, 2013, approved the Scheme of Arrangement (Order). In terms of the Court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 8, 2013 with the office of ROC, NCT of Delhi & Haryana (the Effective Date), IBFSL, as a going concern, stands amalgamated with IBHFL with effect from the Appointed Date, being April 1, 2012 (Under the Accounting Standard 14 - Pooling of interest method). Consequent to the Scheme of Arrangement becoming effective, the Board of Directors of the Company, at their meeting held on March 25, 2013, issued and allotted –

i) 31,25,11,167 Equity Shares of Rs. 2 each of the Company,

ii) 2,75,00,000 Warrants of the Company (against the listed warrants of IBFSL), and

iii) 2,07,00,000 Warrants of the Company (against the unlisted warrants of IBFSL held by certain promoter group entities and Key Management Personnel of IBFSL)

to the Equity Shareholders / Warrants holders of IBFSL, against their holdings in such Equity Shares / Warrants, as on March 20, 2013 i.e. the record date fixed by IBFSL in this regard. The issue of Equity Shares / warrants by the Company was in terms of the share exchange ratio as mentioned in the Court approved Scheme of Arrangement. The Company is in the process of getting its shares and warrants (issued in lieu of listed warrants of IBFSL) listed with National Stock Exchange of India Limited and BSE Limited, for which the necessary applications are being finalised to be filed with the Stock Exchanges.

**(37) Restated Adjustments:-**

	<b>For the Year Ended March 31, 2013 (Rs.)</b>
Net profit after Tax as per audited accounts(a)	12,66,06,48,871
Restated Adjustments relating to short/excess provision for tax(b)	<u>(16,55,042)</u>
Adjusted Profit after tax(a-b)	12,66,23,03,913

(38) Since this is the first year of preparation of Consolidated Financial Informations of the Company, preceeding four years figures have not been presented.

## 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) 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, 1<sup>st</sup> Floor, Connaught Place, New Delhi – 110001.

#### Financial Performance (Standalone)

(Amount in Rs. Lacs)

Particulars	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Authorised Equity Capital	5,00,000.00	5,00,000.00	5,00,000.00	5,00,000.00
Authorised Preference Capital	-	-	-	-
Paid up Equity Capital	2,64,273.00	2,22,732.29	2,02,293.27	2,02,129.65
Reserves and Surplus (excluding revaluation reserves)	2,71,320.65	2,09,750.25	1,90,813.57	1,89,944.07
Sales/Total Income	3,468.23	7,396.72	3,039.63	7,082.41
Profit/(Loss) after Tax (PAT)	(2,628.33)	5,242.25	966.42	3,772.43
Basic Earnings per Share (In Rs.)	(0.10)	0.251	0.048	0.208
Diluted Earnings per Share (In Rs.)	(0.10)	0.251	0.047	0.206
NAV per share (In Rs.)	20.27	19.42	19.43	19.40

Source: Audited Financial Statements (the figures for 2013 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	22-Jan-2013	14.20	48,75,403	672.16
Low Price	28-Jun-2013	6.40	25,75,920	173.94

##### BSE

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
High Price	23-Jan-2013	15.00	17,42,353	234.18
Low Price	28-Jun-2013	6.40	8,85,580	59.69

**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 made a loss of Rs 2,628.33 lacs in FY 2012-13.

**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.**

**2) 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, 2<sup>nd</sup> Floor, Connaught Place, New Delhi-110 001.

**Financial Performance (Standalone)**

**(Amount in Rs. lacs)**

Particulars	31.03.2013	31.03.2012	31.03.2011	31.03.2010
<b>Authorised Equity Capital</b>	10,000.00	10,000.00	10,000.00	10,000.00
<b>Paid up Equity Capital</b>	8,480.21	9,480.21	8,044.84	8,030.78
<b>Reserves and Surplus (excluding revaluation reserves)</b>	560,659.48	568,770.57	585,979.52	633,392.94
<b>Sales/Total Income</b>	58,866.23	22,249.97	17,372.68	13,343.71
<b>Profit/(Loss) after Tax (PAT)</b>	26,856.10	1,445.34	4,580.54	2,244.45
<b>Basic Earnings per Share (In Rs.)</b>	6.08	0.34	1.14	0.38
<b>Diluted Earnings per Share (In Rs.)</b>	6.07	0.34	1.13	0.37
<b>NAV per share (In Rs.)</b>	134.23	121.99	147.68	159.74

*Source: Audited Financial Statements (the figures for 2013 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)
<b>High Price</b>	17-May-13	87.30	7,371,551	6,327.57
<b>Low Price</b>	10-Apr-13	50.20	4,946,544	2,577.36

**BSE**

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
<b>High Price</b>	17-May-13	87.30	1,748,747	1,500.84
<b>Low Price</b>	10-Apr-13	50.15	702,907	367.08

**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 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.**

**3) Indiabulls Infrastructure and Power Limited**

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.

**Brief Description of Business:**

The Company 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 registered office of the Company is located at M- 62 & 63, 1<sup>st</sup> Floor, Connaught Place, New Delhi 110 001.

**Financial Performance (Standalone)**

**(Amount in Rs. Lacs)**

Particulars	31.03.2013	31.03.2012	For the Period 09.11.2010 to 31.03.2011
<b>Authorised Equity Capital</b>	30,000.00	30,000.00	5.00
<b>Paid up Equity Capital</b>	25,459.13	25,459.13	5.00
<b>Reserves and Surplus (excluding revaluation</b>	36,514.57	36,730.34	13.14

reserves)			
<b>Sales/Total Income</b>	246.86	51.65	21.20
<b>Profit/(Loss) after Tax (PAT)</b>	(215.77)	(347.20)	13.14
<b>Basic Earnings per Share (In Rs.)</b>	(0.02)	(0.10)	26.27
<b>Diluted Earnings per Share (In Rs.)</b>	(0.02)	(0.10)	26.26
<b>NAV per share (In Rs.)</b>	4.87	4.36	36.27

Source: Audited Financial Statements (the figures for 2013 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)
<b>High Price</b>	21-Jan-2013	7.15	6,23,962	43.44
<b>Low Price</b>	20-Jun-2013	2.55	8,39,198	22.03

**BSE**

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
<b>High Price</b>	18-Jan-2013	7.20	1,88,220	13.29
<b>Low Price</b>	20-Jun-2013	2.53	2,40,225	6.34

**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 Infrastructure and 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 Infrastructure and Power Limited has incurred a loss of Rs. 215.77 Lacs in FY 2012-13.

**Indiabulls Infrastructure and 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 Infrastructure and Power Limited during the three years preceding the date of filing the Information Memorandum.**

**4) 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 in the business of stock and share broking, commodities trading, depository service, distribution of Mutual Funds/IPOs and other investments and tax planning products. The registered office of the Company is located at F-60, Malhotra Building, 2nd Floor, Connaught Place, New Delhi 110 001.

### Financial Performance (Standalone)

Particulars	(Amount in Rs. Lacs)			
	31.03.2013	31.03.2012	31.03.2011	31.03.2010
<b>Authorised Equity Capital</b>	10,000.00	10,000.00	10,000.00	10,000.00
<b>Paid up Equity Capital</b>	4,622.25	4,622.25	4,622.25	4,598.81
<b>Reserves and Surplus (excluding revaluation reserves)</b>	15,037.70	17,488.57	18,617.40	17,394.30
<b>Sales/Total Income</b>	13,198.71	16,545.24	33,758.47	34,475.41
<b>Profit/(Loss) after Tax (PAT)</b>	5,583.55	(1,160.21)	3,737.28	6,121.75
<b>Basic Earnings per Share (In Rs.)</b>	2.42	(0.50)	1.62	2.43
<b>Diluted Earnings per Share (In Rs.)</b>	2.42	(0.50)	1.60	2.34
<b>NAV per share (In Rs.)</b>	8.51	9.57	10.06	9.56

Source: Audited Financial Statements (the figures for 2013 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)
<b>High Price</b>	30/01/2013	12.70	19,13,611	239.19
<b>Low Price</b>	14/02/2013	7.70	6,30,422	59.00

### BSE

	Date	Price (Rs.)	No. of Shares	Total Turnover (Rs. Lacs)
<b>High Price</b>	30/01/2013	12.69	5,42,915	67.92
<b>Low Price</b>	25/03/2013	7.75	2,05,489	16.48

### 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 not incurred a loss in the immediately preceding year.

**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.**

### 5) 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 engaged into the business of providing property and facility management, plant and machinery management and its rental services, providing infrastructure resources, wholesale trading activities and travel agency services. The registered office of the Company is located at M- 62 & 63, First Floor, Connaught Place, New Delhi-110 001.

#### Financial Performance (Standalone)

(Amount in Rs. Lacs)

Particulars	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Authorised Equity Capital	2,800.00	2,500.00	2,500.00	2,500.00
Authorised Preference Capital	400.00	400.00	-	-
Paid up Equity Capital	2,320.00	2,000.00	2,000.00	2,000.00
Paid up Preference Capital	297.34	312.25	-	-
Reserves and Surplus (excluding revaluation reserves) and net of debit balance in the Profit & Loss Account	5,977.03	2882.43	(25,466.81)	(21,949.68)
Sales/Total Income	9,368.01	5,142.02	595.29	1,885.67
Profit/(Loss) after Tax (PAT)	3,766.21	1,183.93	(3,517.12)	(5,119.71)
Basic Earnings per Share (In Rs.)	17.76	5.92	(17.59)	(25.60)
Diluted Earnings per Share (In Rs.)	17.40	5.92	(17.59)	(25.60)
NAV per share (In Rs.)	35.76	24.41	(117.33)	(99.75)

Source: Audited Financial Statements (the figures for 2013 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	23-Jan-13	48.55	1,701	0.80
Low Price	25-Mar-13	24.60	7,957	2.07

**BSE**

	<b>Date</b>	<b>Price (Rs.)</b>	<b>No. of Shares</b>	<b>Total Turnover (Rs. Lacs)</b>
<b>High Price</b>	22-Jan-13	48.50	13,296	6.32
<b>Low Price</b>	25-Mar-13	24.40	22,335	5.78

**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 not made a 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.**



## **CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS**

There has been no change in the accounting policies of Indiabulls Housing Finance Limited in the last three years.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

For the purpose of the Management Discussion and Analysis, Indiabulls Housing Finance (IBHFL) is defined as the consolidated merged entity, post merger of Indiabulls Financial Services Limited, and other subsidiaries. The terms 'the Company' and 'Indiabulls' also refer to the consolidated entity. HFC refers to Housing Finance Company.

### ECONOMIC SCENARIO:

The GDP growth rate for FY 12-13 is estimated at 5.9%. But it is expected that several initiatives taken by the government during the course of the year will prove to be catalysts in spurring the growth rate. Some of these initiatives are FDI in multi brand retail and aviation sectors, diesel price partial deregulation, capping the number of subsidized LPG gas cylinders and proposed measures like opening of the pension sector to foreign investments and raising the FDI cap in insurance to 49%.

Monetary policy has finally begun to show a pro growth inclination. With inflation moderating to sub 7% levels, in the second half of the year, RBI moved to address the liquidity deficit issue which was constraining growth. Over the course of the last financial year, the Reserve bank dropped repo rate by 100 basis points to 7.50% and cut the CRR by 75 basis points to 4.00% from year opening figure of 8.50% and 4.75% respectively.

Headline WPI inflation is expected to further reduce to sub 6% levels over FY13-14 especially on the back of normal monsoons. This will afford the RBI more headroom in reducing repo rate and CRR.

### INDUSTRY OVERVIEW:

The home loan industry in India mainly comprises of banks and Housing Finance Companies (HFCs). The National Housing Bank (NHB) operates as the nodal regulatory agency to promote, regulate and provide financial and other support to HFCs at local and regional levels. HFCs primarily depend on funding sources such as loans from banks and financial institutions, refinance from NHB, borrowing through bonds and debentures, commercial paper, subordinate debt, besides their own equity and reserves.

A decade of steady economic growth driven by the industrial and service sector has resulted in steady growth in per capita income. This has triggered a migration towards urban areas chasing expanding job opportunities in the service and non-agricultural sectors. Cascading effects of this are growing income levels and fragmentation of traditionally large family structures into smaller nuclear units. Economic growth has also meant that availability of finance is now easier, quicker and more customer centric. All these factors, coupled with a large housing shortfall, have converged to trigger an unprecedented boom in the housing market, and resultantly in the housing loan market.

Indeed, the housing finance sector has witnessed high levels of sustained growth over the last several years. Housing finance disbursements have grown at a CAGR of 30% in the ten years between 2000-01 and 2010-11. The total outstanding domestic housing credit has grown at a CAGR of 20% in the five years between 2004-05 and 2010-11.

Being specialist finance companies, HFCs have processes and procedures completely tuned to their products. They have the optimal distribution network with presence in locations and localities where demand and potential is the highest. Key personnel such as the sales teams, credit teams and the collection network are extensively trained to administer and manage housing loans. And indeed, housing loans as a product is unique in many respects.

Housing loans require continuous and constant engagement with the customer, unlike fixed interest, fixed EMI retail individual loans. Housing loans are almost always extended at a variable rate of interest and have tenures of over 15 years. Constant customer engagement is necessitated by factors such as changing EMIs due to changes in rates of interest; customers having the option to opt for a change in tenure or change in EMI with changes in interest rates; customers opting to pre-pay over the long duration of the loan; customers opting to transfer in, from another lender, or transfer their balance out, to another lender, in the search of more favourable terms.

As most of the housing loans extended towards under-construction properties is construction linked, on the loan appraisal and disbursal part of the operations, HFCs have to have the ability to assess various residential real estate developers to effectively estimate construction and other project related risks. Though the customer bears the responsibility for complete servicing and repayment of the loan irrespective of completion and delivery of the housing unit, construction and project risks nevertheless have a bearing on proper loan repayment and collateral realization in the event of a default.

With increasing competition finance companies and banks that are best placed to manage the unique dynamics of the housing loan product are at an advantage. HFCs, having built their operations exclusively around housing loans, have been witnessing a steady growth in market share. In FY 2012-13, HFCs contributed 47% of the domestic housing finance growth over the previous year, up from only 22% in FY 2005-06. This trend is expected to continue with HFCs capturing an ever increasing share of the mortgage finance market.

Promoting home ownership, especially in the affordable housing segment has been a high government priority. Underlining this, the Finance Minister raised tax deduction limit by Rs. 1 lakh for first-time home buyers. This translates to reduction in the effective rate of interest that the home purchaser has to pay on any loan that he avails.

### **BUSINESS OVERVIEW:**

The Company, as an incorporated legal entity came into existence on May 10, 2005, under the Companies Act, 1956, having been registered on such date with the Registrar of Companies, NCT of Delhi and Haryana vide registration no. U65922DL2005PLC136029 and obtained the certificate for commencement of business on January 10, 2006, to enable it to carry on the business of housing finance, upon receipt of the license to do so from the National Housing Bank. Indiabulls Financial Services Limited (IBFSL), the erstwhile promoter of the Company, incorporated on January 10, 2000 and since March 30, 2001, had already been functioning, as a non banking finance company. The merger of IBFSL with the Company, on a going concern basis, therefore ensured a continuity of the Company's business, since March 30, 2001.

The Company is India's 3rd largest Housing Finance Company post the merger with its wholly owned erstwhile parent Company, Indiabulls Financial Services Limited. The company manages loan assets of Rs 34,425 Cr as on March 31, 2013 (consolidated basis).

In the year end March 31, 2013 the company clocked a PAT of Rs 1,266 Cr, an increase of 25.8% over FY 2011-12's PAT of the erstwhile holding company IBFSL of Rs 1,006 Cr (consolidated basis).

Indiabulls has nationwide presence through its network of 200 branches spread across 20 states and union territories. Over the last decade the company has expanded its branch network to effectively cover geographical areas relevant to its suite of products.

### **Stable, Long-term and diversified liability profile:**

The company has a diversified liability profile. The company raises long term finances through bonds and term loans.

The company counts many leading banks (including PSU banks, Private banks and Foreign banks) and leading Financial Institutions amongst its lenders.

### **Loan Sell Down:**

A significant proportion of the company's sub 25 lakh home loan sourcing and its commercial vehicle loans qualify as priority sector lending for banks. The company regularly sells down such assets thus helping its banking partners in meeting their priority sector lending targets.

### **An Asset base of high quality secured assets:**

The company continues to have stable, low levels of non-performing assets. Focus on low risk home loans and other mortgage backed lending has ensured that incremental book has contributed very low levels of incremental delinquencies.

### **Prudential Norms for Housing Finance Companies:**

National Housing Bank (NHB) regulates the HFCs and issues guidelines on income recognition, asset classifications, provisioning, provisioning for bad and doubtful debts, capital adequacy, accounting and disclosure policies, fair practice code and asset liability management.

As against the regulatory requirement of 12%, IBHFL's capital adequacy ratio stands at 18.47% of the risk weighted assets (of which Tier 1 capital is 14.96%).

### **Awards and Accolades:**

Indiabulls Housing Finance Limited (IBHFL) was recently awarded the "Housing Finance Company of the year" award by the Accommodation Times. This was in recognition of IBHFL's contribution to the housing industry by providing affordable home loans while maintaining high quality of customer service.

IBHFL was conferred the prestigious "Best Employer Brand" award for its human resource practice by The Institute of Public Enterprises.

### **Experienced Senior Management Team:**

IBHFL has had low levels of attrition within its key departments and especially among the experienced senior management team. With an average vintage of 5 years the mortgage credit appraisal team has been instrumental in the loan book's steady growth with low levels of incremental delinquency.

All of the company's loan recovery efforts in-housed with no cases being allocated to external collection agencies. This experienced collection team has been a big factor in the company being able to maintain healthy asset quality.

The company's senior management team that manages key products has remained unchanged since the initiation of their respective business lines. From time to time the company has recruited laterally from within the industry to bolster its growth. As a result, today the middle and the senior management team of the company have rich experience within the financial services industry, have been with the company for several years and form the stable and reliable backbone of the company.

### **Marketing Initiatives:**

#### **Property Fair:**

In 2012, IBHFL for the first time, hosted an exhibition on its own, Indiabulls Home Loans "Awas 2012 - A Budget Home Show" 25 lakh Mein Ghar - A dream home. The event had participation from 24 reputed developers across Mumbai and Navi Mumbai. This was very well received by both prospective home buyers and the real estate development community.

#### **Going Beyond India:**

- Indiabulls group has entered into an agreement with Qatar's Doha Bank for offering mortgage loans to Doha bank's NRI customers for purchasing properties in India. The tie-up with Doha bank gives the company access to the affluent gulf-based NRI population.
- This partnership with Doha bank marks an important milestone in Indiabulls quest for a global footprint. The middle East Gulf region in general and Qatar, Kuwait and UAE in particular are strategic markets for us in view of burgeoning Indian Diaspora in these countries.
- IBHFL recently opened an office in London. This is again with the objective of making home loans available to the NRI community looking to purchase properties in India.

#### **Focused Distribution Network:**

The financial year 2012-12, saw the company further expanding its branch network. The company now has 200 branches spread across 20 states. These well-appointed branches are located in localities which are accessible to the company's focused customer segment.

IBHFL sources its home loans and other retail mortgage and commercial vehicle loans through a well-trained Direct Sales Team of over 1,800 employees. The company also relies on the tie-ups with external direct sourcing agents to source some portion of its business.

The company entered into sourcing tie-ups with Yes Bank and Doha Bank during FY12-13. This vastly enhances the company's distribution search, giving it immediate presence in 430 of Yes Bank's branches across the country. The tie-up with Doha Bank gives the company access to the affluent Indian diaspora in the Middle East.

### **Business Strategy**

Indiabulls lending business aims to continue to grow as a leading Home Loans provider and build a stable, secure and sustainable business that is focused on maximizing growth opportunities within the financial services industry. It is our intention to adopt a cautious credit underwriting approach while maintaining high growth rates and profitability in all our business segments. The company focuses on operational excellence, prudent credit policies, adequate fraud control, and an effective collection mechanism.

### **Indiabulls is one of India's Leading Home Loan Providers**

A growing population and a rapidly expanding economy have led to a sustained demand for home ownership. This demand is further driven by changes in demographic profile including increase in the rate of household formation due to a structural shift from a joint family system to smaller nuclear families, rapid urbanization and rise in disposable income levels.

To encourage home purchase, especially in the affordable housing segment, the Finance Minister recently raised the tax deduction limit by Rs.1 lakh for first-time home buyers. An individual availing a loan of upto Rs 25 lakh for his first home from a bank or a housing finance corporation during April 1, 2013 to March 31, 2014, will be entitled to an additional deduction of interest of up to Rs.1 lakh over and above the current limit of Rs.1.5 lakh. If the limit is not exhausted, the balance may be claimed in 2014-15. This move is likely to encourage home buyers and promote home ownership. This will benefit IBHFL, as a majority of the home loan business comes from the sub 25 loan segment.

IBHFL's diversified and long term liabilities with stable cost of funding, leverage from high team productivity and operational competencies will enable the company to offer competitively priced home loans to its customers.

An expanding branch network and a growing sales force completes the product delivery and fulfillment. Sourcing tie-ups with Yes Bank and Doha Bank have further extended the company's reach.

Expanding our home loans business successfully and profitably not only helps in servicing the financial needs of millions of aspiring home owners but also allows us to positively contribute to the Indian growth story.

### **Continue to Grow our Client Base and Maintain a High-quality Loan Portfolio**

The Company is focused on long term low risk secured lending, such as mortgage-backed loans and commercial vehicle financing. As the Company continues to grow its client base, it will maintain its focus on secured lending to low risk segments in order to maintain high-quality loan portfolio and minimize client delinquencies and defaults. It will continue to pursue a Stable Liability Mix. This is important as IBHFL is a Housing Finance Company and relies on short, mid and long-term funding from banks and FIIs and from the bonds and Commercial Paper market. The Company has sufficient funds to meet the short-term funding needs. The Company continues to identify various alternative sources of funding to diversify its funding sources and maintain stable, low cost of borrowing.

### **Perceived Business Risks**

The Company's business activities expose it to a variety of risks including liquidity risk and interest rate risks. Identification and management of these risks are essential to its success and financial soundness.

## **Internal Control Systems**

The Company has adequate system of internal controls for business processes, with regard to operations, financial reporting, fraud control, compliance with applicable laws and regulations, etc. Regular internal audits and checks ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the existing control system in view of changing business needs from time to time.

## **Real Estate Industry**

With increasing urbanization, growing demand for residential spaces; the real estate industry witnesses a continually changing landscape. The sector is particularly sensitive to interest rate movements, credit availability and land acquisition, and building & construction norms. While the supply side is characterized by long-gestation periods and is exposed to execution and financing risks, the demand side is sharply affected by prevailing interest rates and buyers' expectation of price movements. The Company's disbursements are directly linked to credit offtake that funds new real estate purchases and as such is exposed to the factors laid out above.

## **Human Resources**

IBHFL firmly believes that its employees are key to driving performance and developing competitive advantage. The emphasis has been on proper recruitment of talent and empowerment while devoting resources for their continuous development.

The Company aims to build a team of dedicated employees who work with passion and a sense of belongingness and play a defining role in accelerating the growth of the Company.

## **Indiabulls CSR Initiative - Drug Access Program for cancer patients in partnership with Novartis**

### **Novartis Oncology Access (NOA) program:**

The NOA program is a drug access program to help patients, for the treatment of Ph+ chronic myeloid leukemia (CML) in chronic phase, accelerated phase and the blast crisis, who cannot afford to pay for the entire treatment cost. This program is run by Novartis along with its partner Physicians, who enroll patients under this program after diagnosis. The MAX Foundation, an independent NGO, assists patients throughout the program in completing formalities and procurement of medicines. The Company, as a NOA partner performs the task of local credit evaluation agency which works as an independent and unbiased body for the financial analysis and assessment of the patient and his family members' earning capacity to ascertain their affordability of the medical expenses on such critical disease. In doing this the company follows standard operating procedure (SOP) prescribed by Novartis based on the WHO guidelines for drug donation programs.

## **Cautionary Statement**

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

The Company is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

## **SECTION VI- LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

#### **LITIGATIONS AGAINST INDIABULLS HOUSING FINANCE LIMITED ("IBHFL")**

Indiabulls Housing Finance Limited ("IBHFL") and its subsidiaries are subjected to various legal proceedings from time to time, mostly arising in the ordinary course of its business. Cases filed against IBHFL and its subsidiaries, currently pending before various legal foras, are primarily in the nature of consumer complaints, arbitration claims, civil cases, labour cases, insolvency cases etc.

Apart from the above, IBHFL is subjected to the below mentioned 2 cases;

- (i) Amaprop Ltd. has filed a petition against IBHFL under section 48 of Arbitration & Conciliation Act, 1996 whereby the petitioner has sought enforcement of an Arbitral Award to which IBHFL has filed its objections. The petition is currently pending adjudication before the High Court of Delhi at New Delhi. The pleadings have been completed in the said matter and arguments have commenced.
- (ii) MMTC Ltd., a public sector undertaking, with whom IBHFL has incorporated a public limited company (with the objective of setting up an integrated online national level commodities exchange under the Forward Contracts (Regulation) Act, 1952), has moved the Company Law Board by way of a company petition under Sections 397/398 of the Companies Act, 1956 inter alia challenging the induction of a new anchor investor in the joint venture concern and has further alleged that IBHFL has acted/ conducted the affairs of the joint venture concern in a manner which amounts to oppression/mismanagement.

IBHFL has vehemently refuted the allegations leveled against it and sought outright dismissal of the petition by way of an application questioning the maintainability of the company petition inter alia on the grounds that there is no violation by induction of the new anchor investor and that the company petition cannot be entertained by the Board. Arguments on the said maintainability application have commenced.

Except as described above, IBHFL and its subsidiaries are not involved in any legal proceedings and in its opinion no proceedings are threatened, which may have a material adverse effect on the business, financial position, profitability or results of operations of IBHFL and its subsidiaries.

#### **LITIGATIONS AGAINST PROMOTERS AND DIRECTORS OF INDIABULLS HOUSING FINANCE LIMITED**

The Promoters / Directors of IBHFL, in their capacity as director of other companies / alleged to be director of other companies, are / were parties in few insignificant litigations in the nature of complaints, recovery suit, consumer complaint etc, which may not have any material adverse effect on their financial position, capabilities etc or in the business or operations of IBHFL and its subsidiaries.

#### **LITIGATIONS AGAINST INDIABULLS SECURITIES LIMITED ("ISL")**

Indiabulls Securities Limited ("ISL") and its subsidiaries are subjected to various legal proceedings from time to time, mostly arising in the ordinary course of their business, which are primarily in the nature of consumer complaints, arbitration claims/appeals criminal complaints and civil cases. These litigations primarily relate to disagreement with respect to certain transactions executed in the trading account of the clients.

Few clients have filed criminal complaint in relation to disputes regarding certain transactions executed in their securities trading account. The details are as under:

- (i) Satya Narayan Singh had filed a complaint before the Judicial Magistrate, Ist class, Vrindawan, Mathura. The police have filed the investigation closure report stating that no cognizable offence has been made out. The matter is currently pending for closure before the Judicial Magistrate.

- (ii) Ramesh Kumar Gupta had filed a complaint before the court of Judicial Magistrate, Kaithal (Haryana). The police have filed its investigation closure report stating that no cognizable offence has been made out. The matter is currently pending for closure before the Judicial Magistrate.
- (iii) K. Bharathi had filed a complaint before the court of Chief Metropolitan Magistrate, Chennai (Tamil Nadu). The Hon'ble High Court on a petition by the Company has stayed the proceedings of the complaint before Chief Metropolitan Magistrate.
- (iv) Gurinder Singh Sahota alongwith his brother & a company in which they are directors had filed a complaint before the court of Metropolitan Magistrate, Delhi. The Hon'ble High Court on a petition by the Company has stayed the proceedings of the complaint before the Metropolitan Magistrate.
- (v) A complaint filed by Manisha Phaltnakar is pending adjudication before the District Judge, Kalyan, Thane.

Apart from the above litigations, SEBI has filed an appeal before Hon'ble Supreme Court of India against the order passed by Securities Appellate Tribunal setting aside SEBI's adjudication order imposing penalty. The Hon'ble Supreme Court has issued notices, however no stay has been granted.

Except as described above, ISL and its subsidiaries are not involved in any legal proceedings and in their opinion no proceedings are threatened, which may have a material adverse effect on the business, financial position, profitability or results of operations of ISL or its subsidiaries.

#### **LITIGATIONS AGAINST INDIABULLS REAL ESTATE LIMITED ("IREL")**

Indiabulls Real Estate Limited ("**IREL**") and its subsidiaries are subjected to various legal proceedings from time to time, mostly arising in the ordinary course of their business. The legal proceedings initiated by various parties are primarily in the nature of consumer complaints, arbitration claims, civil cases, cases under section 138 of Negotiable Instrument Act etc. These litigations do not have any material adverse effect on the business or financial position of IREL.

Apart from the above, IREL is subjected to the below mentioned cases

- (i) Vijaybhai Mohanlal Shah and few others who have made provisional reservations for apartment(s) in a proposed residential project of Albina Real Estate Pvt. Ltd, a subsidiary of IREL have filed complaint(s) before the Learned Magistrate, Ahmedabad. The Hon'ble High Court of Gujarat on petitions preferred for quashing of the complaints, has been pleased to stay the proceedings before the Learned Magistrate."
- (ii) Sushma Kapoor who had made provisional reservations for a apartment in a proposed residential project of Selene Constructions Limited, a subsidiary of IREL, has besides other proceedings also Metropolitan Magistrate, New Delhi. The allegations have been vehemently refuted and outright dismissal of the complaint has been sought. The matter is currently pending adjudication.

Except as described above, IREL including its subsidiaries are not involved in any legal proceedings and in their opinion no proceedings are threatened, which may have a material adverse effect on the business, financial position, profitability or results of operations of IREL or its subsidiaries.

#### **LITIGATIONS AGAINST STORE ONE RETAIL INDIA LIMITED ("SORIL")**

Store One Retail India Limited ("**SORIL**") is subjected to various legal proceedings from time to time, mostly arising in the ordinary course of its business.. The legal proceedings initiated by various parties are primarily in the nature of consumer complaints, arbitration claims, civil cases etc. primarily relating to disputes with regard to marketing schemes, disputes with vendors, recovery of money, etc.

Except as described above, SORIL is not involved in any legal proceedings and in its opinion no proceedings are threatened, which may have a material adverse effect on the business, financial position, profitability or results of operations of SORIL.



### **LITIGATIONS AGAINST INDIABULLS POWER LIMITED. (“IPL”)**

Except as described below, there are no legal proceedings against Indiabulls Power Limited. (“IPL”) and its subsidiaries and no proceedings in the opinion of IPL are threatened, which may have a material adverse effect on the business, financial position, profitability or results of operations of IPL or its subsidiaries.

Cases filed against IPL and its subsidiaries are in the nature of public interest litigations, arbitration claim, writ petition and suits. Some of the significant cases are as follows:

- (i) A public interest litigation filed by the Society for Environmental Protection, Amravati, before the Nagpur Bench of the Bombay High Court claiming that the Power Plant project being set up by IPL at Amravati may result in environmental hazards, and therefore inter alia sought that State of Maharashtra should reconsider the permission granted to IPL. The High Court has transferred the case to the National Green Tribunal, Delhi.
- (ii) A Public Interest Litigation has been filed before Aurangabad Bench of the High Court of Bombay by few agriculturists from Kopergaon challenging allocation of water to Power Plant being setup by IRL, subsidiary of IPL, at Sinnar, Nasik.
- (iii) An appeal has been filed by Wardha Power Company Ltd. before the Appellate Tribunal for Electricity (“APTEL”) against the order of Maharashtra Electricity Regulatory Commission approving purchase of additional quantum of electricity by MSEDCL from IRL on a long term basis. Pleadings are being completed in the matter.

### **LITIGATIONS AGAINST INDIABULLS WHOLESALE SERVICES LIMITED (“IWSL”)**

Indiabulls Wholesale Services Limited (“IWSL”) is subjected to various legal proceedings from time to time, mostly arising in the ordinary course of their business, which are primarily in the nature of consumer complaints and other miscellaneous cases.

Except as described above, IWSL is not involved in any legal proceedings and in its opinion no proceedings are threatened which may have a material adverse effect on the business, financial position, profitability or result of operation of IWSL.

## 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 Housing Finance Limited	Registrar of Companies, NCT of Delhi and Haryana	U65922DL2005PLC136029
2.	Registration with National Housing Bank under section 29A of the National Housing Bank Act, 1987	National Housing Bank	02.0063.05
3.	Permanent Account Number	Income Tax Department, Government of India	AABCI3612A
4.	TDS Account Number	National Securities Depository Limited, Mumbai.	DELI05455C
5.	Service Tax Code	Assistant Commissioner, Central Excise	AABCI3612AST002

**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 December 12, 2012, has approved the Scheme of Arrangement among Indiabulls Financial Services Limited, Indiabulls Housing Finance Limited and their respective Shareholders and Creditors, whereby the Amalgamating Company has been amalgamated with the Amalgamated Company with effect from April 01, 2012 (i.e. the Appointed Date under the Scheme) pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956, as contemplated under the Scheme.

The Scheme is operative from the Appointed Date i.e., April 01, 2012. However it came into effect from the date of filing of Form 21 with the Registrar of Companies, NCT of Delhi and Haryana, which was March 8, 2013.

### **Prohibition by the SEBI / RBI**

There is no prohibition on the Indiabulls Housing Finance 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 / RBI against the Directors of Indiabulls Housing Finance Limited.

Indiabulls Housing Finance 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/DIL/HB/MT/15061/2013 dated June 21, 2013, 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. The Information Memorandum would also be made available on the website of BSE, [www.bseindia.com](http://www.bseindia.com) and NSE, [www.nseindia.com](http://www.nseindia.com) and the Company's website <http://www.indiabulls.com>.

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

None

### **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 Housing Finance 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 June 28, 2012, 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 June 07, 2012, 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 and Warrants of the Company. The Company has nominated BSE as the designated Stock Exchange for the aforesaid listing of the Equity Shares and Warrants. 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 Housing Finance 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 Housing Finance Limited outstanding as on the date of offer document.**

Nil

**Stock market data for Equity Shares and Warrants of Indiabulls Housing Finance Limited**

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

**Mechanism evolved for redressal of investor grievances in Indiabulls Housing Finance 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 Designated Stock Exchange 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 as on March 31, 2013 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 Securities Limited	3
3)	Indiabulls Real Estate Limited	Nil
4)	Indiabulls Infrastructure and Power Limited	Nil
5)	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 Housing Finance Limited during the last three years, and reasons, thereof.**

Nil

**Details of Capitalization of reserves or profits (during last five years) by Indiabulls Housing Finance Limited.**

Nil

**Details of Revaluation of assets, if any (during the last five years) by Indiabulls Housing Finance Limited.**

Nil

**Demat Credit**

The Company has executed Agreements with NSDL & CDSL for admitting its securities in demat form. The Company's Equity Shares and Warrants (issued in lieu of listed warrants of IBFSL) were allotted on March 25, 2013 in physical/ dematerialized form to those shareholders and warrant holders, respectively who have provided necessary details to the Company and/ or who were holding their Equity Shares and Warrants in Indiabulls Financial Services Limited in demat form as well as physical shares as on the Record date. The Company's ISIN for Equity Shares is INE148I01020 and for Warrants is INE148I13017.

## **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 VIII- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

### **ARTICLES OF ASSOCIATION OF INDIABULLS HOUSING FINANCE 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 HOSING FINANCE 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:
- its share capital
  - any capital redemption reserve
  - 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:
- consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
  - 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.
  - 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:
- a). 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.
  - b). For sub-division of right shares offered to share holders.
  - c). 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.
  - d). 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 of 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 first Directors of the Company were
1. Mr. Rajiv Rattan
  2. Mr. Tejinderpal Singh Miglani
  3. Mr. Gagan Banga
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 called "Unpaid Dividend of Indiabulls Housing Finance Limited" 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 IX- 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 Housing Finance Limited.
2. Certificate of Incorporation of Indiabulls Housing Finance 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 March 8, 2013 sanctioning the Scheme of Arrangement.
4. NOC on the Scheme of Arrangement/ De-merger granted by BSE vide their letter no. DCS/AMAL/RD/24(f)/151/2012-13 dated June 28, 2012.
5. NOC on the Scheme of Arrangement/ De-merger granted by NSE vide their letter no. NSE/LIST/170833-Q dated June 07, 2012.
6. Approval letter of SEBI granting exemption from applicability of Rule 19(2)(b) of the Securities Contract Regulations Rule vide letter no. CFD/DIL/HB/MT/15061/2013 dated June 21, 2013.
7. Certificate of Tax Auditors to the Statement of Possible Tax Benefit dated May 09, 2013 as mentioned in this Information Memorandum.
8. Copies of Audited Annual Accounts of our Company for the financial years ended March 31, 2009, 2010, 2011, 2012 and 2013.
9. Copy of placement document dated August 26, 2010, issued by erstwhile Indiabulls Financial Services Limited, for issue of inter alia 2,75,00,000 Warrants at an issue price of Rs. 5/- each.
10. Copies of tripartite agreement dated February 13, 2013 entered into between the Company, RTA and NSDL.
11. Copies of tripartite agreement dated February 11, 2013 entered into between the Company, RTA and CDSL.
12. Return of Allotment filed by the Company for allotment of Shares pursuant to the Scheme.
13. Letter from BSE granting its in-principle approval to the listing of equity shares and warrants issued pursuant to and in terms of the Scheme vide its letter no. DCS/AMAL/BS/IP/07 dated May 28, 2013.
14. Letter from NSE granting its in-principle approval to the listing of equity shares and warrants issued pursuant to and in terms of the Scheme vide its letter no. NSE/LIST/205477-E dated May 29, 2013.

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/-**

**(AJIT KUMAR MITTAL)**  
**Executive Director**

Place: Mumbai

Date: July 17, 2013