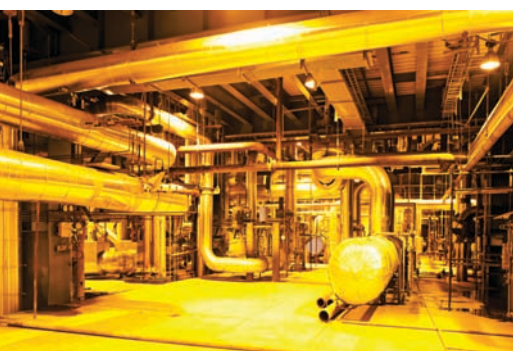


Indiabulls Power Ltd.

Annual Report 2013 -14



Indiabulls
Indiabulls Power Ltd.

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Corporate Information

Indiabulls

Indiabulls Power Ltd.

BOARD OF DIRECTORS

- | | |
|-----------------------------------|-------------------------------|
| 1. Mr. Rajiv Rattan | 5. Brig. Labh Singh Sitara |
| 2. Mr. Saurabh Kumar Mittal | 6. Mr. Shamsher Singh Ahlawat |
| 3. Mr. Vishna Chandra Vishwakarma | 7. Mr. Prem Prakash Mirdha |
| 4. Mr. Dhanabalan Ravi | |

BANKING AND FINANCING RELATIONSHIPS

Allahabad Bank	Punjab National Bank
Axis Bank Limited	Rural Electrification Corporation Limited
Bank of India	State Bank of Bikaner and Jaipur
Canara Bank	State Bank of India
Central Bank of India	State Bank of Travancore
HDFC Bank	Syndicate Bank
ICICI Bank	UCO Bank
Indian Bank	United Bank of India
Indian Overseas Bank	Union Bank of India
Life Insurance Corporation of India	Yes Bank Limited
Power Finance Corporation Limited	IDBI Bank

REGISTERED OFFICE

M-62 & 63, First Floor,
Connaught Place,
New Delhi- 110 001

CORPORATE OFFICE

12th floor, Tower A, Building No. 5,
DLF Phase 3, DLF Cyber City,
Gurgaon, Haryana - 122002

COMPANY SECRETARY

Mr. Gaurav Toshkhani

WEBSITE

www.indiabullspower.com

**REGISTRAR AND
TRANSFER AGENT**

Karvy Computershare Private Limited
Plot No. 17 to 24, Vittal Rao Nagar
Madhapur, Hyderabad- 500 081

STATUTORY AUDITORS

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

Chairman's message

Dear Shareholders,

Over the past 60 years, India has taken rapid strides in the development of the power sector. The liberalization and globalization of the economy has led to increased industrial and commercial activities which have resulted in a high growth in power demand. It is therefore essential that growth of Power Sector shall match with the overall economic growth of the nation. However this developmental process has to be within the realms of sustainable development and environmental concerns. The supply continues to struggle to keep pace with demand and this has led to energy and peak deficit in the country. During the year 2013-14 the country faced energy deficit of 4.2% and peak deficit of 4.5%. Target generation for the 12th Plan is around 88,000 MW (as per CEA). The planned capacity expansion along with efficiency improvements will substantially reduce the supply-demand gap in the future. Private sector is expected to play a much larger role in future supply additions, as compared to the past. Your company has identified this opportunity and expeditiously adding capacity to narrow down the demand supply gap so as to contribute in the economic growth of the country.



Mr. Rajiv Rattan
Chairman

As the Indian power sector is working towards increasing the generation and transmission capacities, key challenges in the sector needs to be addressed. Majority of capacity addition planned for the 12th Plan comprises of coal based projects which are expected to operationalise provided adequate domestic coal is available for power projects. To meet shortfall of domestic coal, import of coal is inevitable, but related issues of increase in cost of generation and thus the increase in tariff also needs to be addressed. Hence the issue related to availability of domestic coal needs to be aggressively pursued and domestic coal production needs to be increased to meet the requirement of power projects. Your company has taken considerable care to secure fuel supplies for its projects. As you are aware, your company already has Letter of Assurance for supply of coal from Coal India Limited subsidiary companies for full 5400 MW Project that is being developed at Amravati and Nashik. Your company has signed Fuel Supply Agreement with SECL for 5.49 MTPA coal for Amravati Thermal Power Project Phase-1. The power sector cannot deliver on its social commitments unless it is commercially and financially viable. Of course the challenges before the power sector are many, but we are confident that a new stable government formed recently at centre will reduce uncertainty and increase the decisive policy action to address the challenges power sector faces today.

On the project development front your company has achieved all the milestones it had set for the year. Our attention to detail, deadlines, budgets, quality and safety is what sets us apart from our competitors

This year is a milestone in the track record of your company in which, Unit 1 & Unit 2 of Amravati Thermal Power Station (ATPS) achieved Commercial Operation Date (COD) on 3.6.2013 and 28.3.2014 respectively. You would be happy to note that ATPS is supplying power to Maharashtra State Electricity Distribution Company Ltd (MSEDCL), since June 2013. The remaining Units 3 to 5 are also nearing completion and shall be commissioned progressively by March, 2015.

The construction of 1350 MW Nashik Phase-I is in full swing. Unit 1 of Nashik achieved Commercial Operation Date (COD) on 29.3.2014. Unit 2 is expected to be commissioned in the third quarter of FY 2014-15. The BTG activities for Units 3 to 5 are also in various stages of completion and are targeted for commissioning progressively by end of FY 2015-16.

Government of Maharashtra has approved purchase of 950 MW from Nasik Phase-I by Maharashtra State Electricity Distribution Company Limited (MSEDCL) and BEST. MERC has approved purchase of 650 MW from Nashik Phase-I by MSEDCL and Power Purchase Agreement (PPA) for 300 MW with BEST is expected shortly.

Coal India Limited (CIL) with whom your Company has executed Fuel Supply Agreement (FSA) for supply of coal is not able to meet its commitments and is unable to supply the assured quantity of coal. This is not unique to your Company

Chairman's message

but a common issue with all the generators who depend on the linkage domestic coal from CIL. Considering the inadequacy of domestic coal, Cabinet Committee on Economic Affairs (CCEA) in its resolution dated 21st June 2013 approved a mechanism whereby CIL to supply 65%, 65% , 67% and 75% of the Annual Contracted Quantity (ACQ) during the remaining period of 12th 5-year plan. CIL may supply the balance coal requirement to the willing power generators from imported source on cost plus basis. Generators themselves can also import coal to meet the deficit. Additional cost of such coal would be considered as pass-through in tariff and concerned regulatory commissions would be deciding on the same based on the application of the generators on case to case basis. To accommodate this, New Coal Distribution Policy (NCDP) 2007 was amended by Ministry of Coal on 26th July 2013 and on 31st July 2013 Ministry of Power issued advisory note to all the Electricity Regulatory Commissions in this regard.

In this background, your Company had filed a petition with Hon'ble Maharashtra Electricity Regulatory Commission (MERC) to allow use of coal from imported/ alternate source(s) to meet the deficit and to allow additional cost of such coal as pass through in tariff by way of compensation. Considering the hardship, Hon'ble MERC in their latest order allowed use of coal from imported/alternate source to meet the shortfall of linkage coal and the additional cost of such coal would be recovered in the tariff. Hon'ble MERC for the purpose has prescribed a formula for such compensation which will be over and above the tariff under Power Purchase Agreement. The indicative compensatory fuel charge is ₹ 1.55/kWh which will be payable by MSEDCL on the incremental generation from imported coal. Your Company has now initiated the process of procuring the imported/alternate coal to mitigate the shortfall in linkage coal to run units at higher PLF thereby improving profitability."

Your Company is also considering building generation assets based on other forms of energy sources including non-conventional and renewable energy resources as a part of which Company is exploring the possibilities of setting up power projects based on solar and wind energy.

In 2013-14 year we achieved major milestones and poised to continue the good work in future also. Your company is in a better position than many of its competitors to face the current challenging market conditions in power sector. We are confident that the Company would take up leadership position with strong technical, financial and commercial capabilities. With our projects having firm tie-up for sale of power, and long term domestic coal linkage we would realize superior returns to our shareholders.

The discharge of corporate social responsibility has been legally made mandatory for companies whose networth, turnover or profitability during a financial year and your company falls within the criteria laid down under the relevant statute, most notably including the Companies Act, 2013 and your company falls within the category of such companies,. However while your company has always had the acute realization of running the business efficiently and effectively so as to ensure overall profitability and growth your Company has at the same time been fully aware that it has a responsibility to discharge towards the society and therefore even before the discharge of social responsibility by corporates having been mandated by law, your company has been committed to help society through meaningful community development programs in the vicinity of project sites. Your Company has already spent around a sizeable amount on Education and Training, Health, Medical Aid and Social development activities in the vicinity of Amravati and Nashik Thermal Power Project. The people of the surrounding community have benefited a lot from these programs and this has created a cordial environment between the company and people.

Lastly I take this opportunity to warmly thank all our Shareholders, Customers, Employees, Bankers and Financial Institutions for reposing their faith in us and motivating us to excel in all facets of our businesses.

Thank you

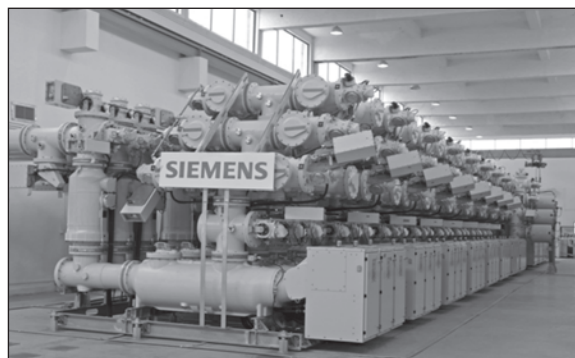
Rajiv Rattan
Chairman

Project Update - Amravati (Phase-1)



Project Update - Nashik (Phase-1)

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Management Discussion and Analysis

ECONOMIC SCENARIO

The Indian economy stands at a critical juncture today with slowdown of growth and rising food inflation. A new stable government formed recently at Centre is expected to aim at reducing uncertainty and should increase the decisive policy action to address the economic challenges. The most important challenge for the new government would be to get growth back to higher sustainable levels, which would require a strong pick up in investments. This may in the initial years require tough measures to be taken towards fiscal consolidation, so as to get the economy back on track. The government would be required to take adequate steps so that the crucial economic determinants i.e. Fiscal Deficit and Current Account Deficit are brought down to the acceptable levels with a balancing act being performed so that inflation both retail and wholesale, which seem to have assumed threatening proportions, is tamed thereby allowing the government to take measures such as the tapering of interest rates, evolving a fast track mechanism for clearance of stalled projects and enough incentives being provided to encourage investments both from within the country and outside, so that all of this contributes towards giving a positive direction to the growth trajectory of the country, currently enmeshed in the conflict emanating from the growth inflation dynamics.

The world economy has begun to gradually recover from the blows delivered to it by the continued recession. Among India's major trading partners, who are also the major sources of our foreign capital inflows, the United States has just recovered from a long recession; Japan's economy is responding to the stimulus; the Eurozone, as a whole, is reporting a growth of 0.2 percent. However on the whole it can be said that underlying economic fundamentals are gradually strengthening in advanced economies, setting the stage for an acceleration of global growth, prospects in emerging markets are held back by structural impediments and geopolitical tensions. Global inflation and inflationary pressures remain subdued.

On the domestic front it can be said that India, the third largest economy of Asia, has been in its longest slump since recording a high growth rate of around 9 % in the year 2008 defying the recessionary trend the world over. The economy grew at around 4.7 % in the fiscal 2013-2014 which though better than the economic performance of many developed countries particularly in the euro zone, has been a cause of worry for the government as well as the public at large which has had to bear the impact of the same.

With the inflation having been stuck at an average of nearly ten percent coupled with the fact that there has been a sizeable drying up of investments particularly those flowing from outside, it has been and will be a daunting task for the government and RBI to go easy on the interest rates. This together with the fact that project clearances have in the past few years become enmeshed in procedural tangles and that there has been a consistent fall in demand for industrial products leading to an overall slump in the industrial activity which along with consequential reduction in the revenues and increased unemployment, has led to reduced tax collections both at the individual and corporate levels.

However with the new government having outlined a slew of measures to bring about a turnaround it is expected in the not very distant future, there would be a drastic improvement on the economic front, to bring the much needed relief to the industry and the public alike.

INDUSTRY OVERVIEW

A robust and thriving Power sector is central to India's sustained economic growth manifest in achievement of targets set for economic growth. In the case of developing countries like India, the energy sector assumes a critical importance in view of the ever-increasing energy needs requiring huge investments to meet them.

While the focus of the Government in the past has been on attaining power for all and while there have been serious attempts at bringing about an acceleration both in terms of capacity addition and the power supply, which in turn has led to the power sector being thrown open to the private players and therefore increased competition, the severe constraints in fuel supply as also the availability of adequate financial assistance has had a seriously adverse effect on the power sector in the country, the result being that many parts of the country continue to face severe power shortages.

What has caused the situation to worsen further is the fact that even with the electricity supply having increased considerably with the introduction of newer players in the private sector, the suppliers are finding the going to be extremely tough primarily for two reasons namely (a) fairly slow payment inflow from the various state electricity boards leading to a cash crunch and (b) several fold increase in the cost of fuel, particularly coal due to overdependence on imports as also the problems being faced on the infrastructural front both in terms of procurement of equipment and installation and maintenance of the same .

The situation therefore broadly is that the Indian power sector is at a stage that provides significant opportunities for growth and investment. All the segments be it Generation, Transmission, Distribution, electricity trading or equipment manufacturing, are open to Private participation. However the environment is increasingly becoming challenging. Need of the hour therefore is to mitigate the fuel shortages by granting environment and forest clearances to coal mines which in turn will help overcome the slow down in the capacity addition of thermal power plants. A holistic reform of the sector is imperative to put the country on a strong growth path for which a policy which lays emphasis on competition and transparency besides charting out a clear regulatory framework namely tariff reforms and private participation to make the sector attractive to capital inflow, would be an essentiality.

India's Power requirement over the years has largely been dominated by Coal based Generation, with close to 70% of the total Installed capacity and thereby being the mainstay of country's Power generation fuel mix. However, recent delays in the development of captive coal blocks as well as delay in opening of new mines by Coal India Limited (CIL) have led to shortages in the supply of Coal. CIL has expressed its inability to fulfill its commitments as per the quantity promised in the Letters of Assurance (LOA). This has led to a dire situation wherein generators fail to achieve the minimum load factor to recover the capacity charge. Coal from alternate sources is expensive and the tariff based on the linkage coal is a deterrent to burn expensive coal from alternate sources to achieve the minimum load factor. Cabinet Committee of Economic Affairs (CCEA), Government of India taking a considerate view on this resolved in June 2013 that the differential cost of burning coal from alternate sources would be considered as a 'pass-through' in tariff. Accordingly, Ministry of Coal (MOC) revised the New Coal Distribution Policy (NCDP) and Ministry of Power (MOP) issued advisory to all regulatory commissions for the purpose. Your company is expected to be benefited on this.

While the government will need to ensure timely and effective implementation of next generation reforms, the industry will need to re-orient their business strategies to align with changing market dynamics.

In order to achieve planned growth target and to sustain the growth momentum, Indian power sector needs large investments. The contribution of Private sector in the capacity addition has increased from 15% in X Plan to 42% in XI Plan and during XII Plan it is expected to be more than 50%.

ENCOURAGING POLICY MEASURES

Reforms have played a crucial role in each segment of the power sector. In the generation segment, de-licensing of thermal and captive power generation and generation in rural areas has allowed private players to invest in power generation. The reforms in the sector have restructured the vertically-integrated market structure to a competitive structure. Market efficiency has been improved over time as many laws and regulations have achieved the desired result. The regulation has created a competitive market place, which in future will bring open market in power sector.

The policy initiatives such as enactment of Electricity Act, 2003, Mega Power Policy, National Tariff Policy, National Electricity Policy have led to increased participation from private sector. With the enactment of the Electricity Act 2003 and implementation of open access, the market structure in the power sector changed from the old single buyer structure to a multi-buyer model. The generator could sell power to any buyer using the open access provision in transmission and users had the choice to choose their supplier. Ever since the Electricity Act 2003 was introduced, there is increased competition among generators and suppliers, which improved the sector's performance. While the power sector in India has witnessed a few success stories, the road that lies ahead of us is dotted with innumerable

Management Discussion and Analysis (contd.)

challenges that result from the gaps that exist between what's planned versus what the power sector has been able to deliver.

Ministry of Power has issued new Standard Bidding Documents for erstwhile Case-I and Case-II projects last year. The bidding will be based on single parameter bringing in more transparency in the bidding framework. In these documents changes in fuel price have been made a pass through.

Coal sector reforms will probably have the biggest impact on the power industry. The government is working towards bringing greater transparency in the coal sector through the constitution of a coal regulator and formulation of a coal block auction mechanism.

As the new capacities will compete for the limited available resources, establishing secured access for fuel will be critical for the generators. At government's end, significant reforms are required in the coal sector to improve productivity and enhance coal access to players. The generators need to identify mechanisms to secure fuel, including captive coal block and imported coal.

DEMAND - SUPPLY POSITION

The power demand in India has grown at a higher rate and the supply has not been able to keep pace with the demand and therefore there is peak deficit in the country. During the year 2013-14 the country faced energy deficit of 4.2% and peak deficit of 4.5%. Target generation for the 12th Plan is 88,537 MW (as per CEA). The planned capacity expansion along with efficiency improvements will substantially reduce the supply-demand gap in the future. Private sector is expected to play a much larger role in future supply additions, as compared to the past. As per the report of working group on power for 12th plan, the energy requirement during the terminal year of the plan (i.e. 2016-17) would be 1,403 billion units while the energy requirement at the end of the 13th plan (2021-22) would be 1,993 Billion units considering the estimated GDP growth rate of 9% during the 12th and 13th plan respectively. The corresponding peak loads, as per 18th EPS projections, at the end of the 12th and 13th plan would be 199,540 MW and 283,470 MW respectively. To achieve this, the sector needs to respond quickly and decisively to the fuel challenges which need immediate resolution.

RISK AND CONCERNS

Indian power sector is at a stage that provides significant opportunities for growth and investment. However, the environment is increasingly becoming challenging. There are certain serious structural and administrative shortcomings within the power sector that need to be addressed immediately. Transmission capacity is insufficient to evacuate the power generated by the power plants. Private sector is struggling for adequate and timely supply of coal and gas to run their power plants. Acquisition of land is a big problem and with the introduction of the new land acquisition bill, the cost of acquisition would increase. State government and Discoms still hesitate to provide the open access for supply of power directly to the consumers by the Generators. Distribution companies (Discoms) are under losses and therefore generating companies continue to be worried about receiving timely payments.

Coal supply has not been able to keep pace with the demand resulting in high deficits, a situation expected to worsen in the future. This is despite significant domestic coal reserves to meet over 200 years of consumption at the current rate. Power generation companies have been procuring coal under coal linkages / Fuel Supply Agreements from Coal India Ltd, captive mine blocks and through imports. However, domestic coal based generation plants have lost generation due to coal shortages on account of factors such as constrained supplies by Coal India Limited, inadequate rail network for transportation of coal from mine head, lack of progress in captive coal mining etc. Thus the country's dependence on coal imports has been rising in the recent past.

In view of the emerging developments, the critical issues impacting the performance of the sector are mentioned below:

Fuel

The coal sector in India has been going through difficult times. Less availability of coal has led to crisis in the power sector. Slowing down of economic growth in the recent past may not have been entirely due to lack of adequate power but it certainly was one of the reasons. Since a bulk of power generation in India is coal based, its non-availability is a matter of serious concern. Reforms are required in both coal and power sector and a single minister to head both these ministries in the new government appears to be in a right direction to have proper coordination.

Coal being the dominant fuel in India's Power Generation mix, Coal shortage is a major threat to India's development story. Domestic coal productions has been stagnant for last 3 years with Coal India failing to ramp up the production to meet the increasing demand. Coal shortage will result in many developers defaulting on their debt, thus further stressing banks and making financing for new power projects very difficult. Currently Coal India Ltd (CIL) is not able to supply 100% of coal assured as per Letter of Assurances issued by its subsidiary companies. The domestic coal based plants are not getting sufficient coal to run the power plants and will have to absorb additional costs if they resort to alternate means to source coal. Last year Cabinet Committee on Economic Affairs (CCEA) approved coal price pass-through which allows power producers to pass on the cost of expensive imported coal to Distribution Companies.

Securing land, Environment and Forest clearances

With the introduction of new Land acquisition act, Land acquisition for Power Projects has become very costly and cumbersome. Setting up of power plant requires number of clearances from the Ministry of Environment and Forest, Ministry of Aviation, Department of Forests and other government bodies. In the recent times it has become difficult to get the required clearances in time leading to the delay in project and cost overrun.

Inadequate transmission network

Establishment of a strong transmission capability is critical to achieving the ambitious growth in the power sector. Power transmission constraints have made it difficult to evacuate excess power and channel it to regions that face shortages. Many times user had to purchase power from costlier sources whereas cheaper power sources remained under-utilized. There is an urgent need to timely address underlying issues in the transmission sector to ensure power demand is effectively met in the future.

Delayed payment from Discoms

Most of the power distribution companies or Discoms delays the payment for electricity purchased from the power generators, which in turn put pressure on their working capital. We hope that debt restructuring would partly resolve this issue of delayed payments from Discoms.

Distribution Reforms

Distribution continues to be one of the weakest links in the power sector value chain in India. Unbundling of the state utilities have improved efficiencies across many states. However concerns continue on the high AT&C losses and poor financial health of several state Discoms. The success of Discom privatisation in Delhi and other states have not been rolled out aggressively to other regions, though there is an increasing realization for the same. Discom privatisation will usher in new opportunities in the sector and significantly improve last mile efficiencies.

BUSINESS REVIEW

Power sector is the fulcrum of economic development in any country. Putting aside the success stories posted across the sector, the reality is that power sector in India continues to lag behind. Shortages, tariffs and the dependence on imported fuels are on the rise while the poor health of distribution continues to restrict the flow of investments.

Your company has thought of the challenges enumerated above in advance and accordingly has strategy in place to tackle them. Your company is well placed with land, fuel linkage, water, financial closure etc. to face the challenges in Power Sector and is on course of building a leadership position in the Sector.

Management Discussion and Analysis (contd.)

This year is a milestone in the track record of your company in which, Unit 1 & Unit 2 of Amravati Thermal Power Station (ATPS) achieved Commercial Operation Date (COD) on 3.6.2013 and 28.3.2014 respectively. Unit 1 of Nashik Thermal Power Station (NTPS) being developed by 100% subsidiary of your company also achieved Commercial Operation Date (COD) on 29.3.2014. You would be happy to note that ATPS is supplying power to Maharashtra State Electricity Distribution Company Ltd (MSEDCL), since June 2013.

Coal India Limited (CIL) with whom your Company has executed Fuel Supply Agreement (FSA) for supply of coal is not able to meet its commitments and is unable to supply the assured quantity of coal. This is not unique to your Company but a common issue with all the generators who depend on the linkage domestic coal from CIL. Considering the inadequacy of domestic coal, Cabinet Committee on Economic Affairs (CCEA) in its resolution dated 21st Jun 2013 approved a mechanism whereby CIL to supply 65%, 65%, 67% and 75% of the Annual Contracted Quantity (ACQ) during the remaining period of 12th 5-year plan. CIL may supply the balance coal requirement to the willing power generators from imported source on cost plus basis. Generators themselves can also import coal to meet the deficit. Additional cost of such coal would be considered as pass-through in tariff and concerned regulatory commissions would be deciding on the same based on the application of the generators on case to case basis. To accommodate this, NCDP 2007 was amended by Ministry of Coal on July 26, 2013 and on July 31, 2013 Ministry of Power issued advisory note to all the Electricity Regulatory Commissions in this regard.

In this background, your Company had filed a petition with Hon'ble Maharashtra Electricity Regulatory Commission (MERC) to allow use of coal from imported/ alternate source(s) to meet the deficit and to allow additional cost of such coal as pass through in tariff by way of compensation. Considering the hardship, Hon'ble MERC in their latest order allowed use of coal from imported/alternate source to meet the shortfall of linkage coal and the additional cost of such coal would be recovered in the tariff. Hon'ble MERC for the purpose has prescribed a formula for such compensation which will be over and above the tariff under Power Purchase Agreement. The indicative compensatory fuel charge is ₹ 1.55/kWh which will be payable by MSEDCL on the incremental generation from imported coal. Your Company has now initiated the process of procuring the imported/alternate coal to mitigate the shortfall in linkage coal to run units at higher PLF thereby improving profitability.

COMPETITIVE STRENGTHS

Your Company understands the market dynamics well and has following competitive strengths which will enable it to take leadership position in Power Sector:

Statutory Clearances

Your company has obtained all Statutory/Non Statutory approvals & clearances including Environmental Clearance from Ministry of Environment and Forest for 5400 MW Coal fired thermal power projects in Maharashtra. Land required for the projects is under possession and water agreement, is in place

Financial Closure

Both phases of Amravati and Nasik power projects aggregating 5,400 MW have achieved financial closure.

Power Purchase Agreement

The Company plans to sell its power to distribution licencees and industrial consumers. The Company intends to maintain an appropriate mix of off-take arrangements, including long-term arrangements to provide a level of committed revenues and short-term arrangements to optimize the revenues. The Company has already executed PPA with MSEDCL for 1200 MW from Amravati Phase-I through Case-I Competitive Bidding route. Further, Government of Maharashtra has approved purchase of 950 MW from Nasik Phase-I by Maharashtra State Electricity Distribution Company Limited (MSEDCL) and BEST. MERC has approved purchase of 650 MW from Nashik Phase-I by MSEDCL and PPA for 300 MW with BEST is expected shortly.

Coal Supply

India is currently facing huge shortage of coal that generates more than two thirds of its electricity. India could double its pace of economic growth if it resolves the coal shortage that is destroying its ability to meet surging

energy needs. Your Company is well placed to face this situation of coal shortage. Your company already has Letter of Assurance for supply of coal from Coal India Limited subsidiary companies. Further, Fuel Supply Agreement has been signed for Amravati Phase I with Coal India Limited subsidiary company South Eastern Coalfields Limited. Presently Ministry of Coal is granting no new linkages to power project developers. This puts your company, which has a firm linkage from CIL, in a very strong competitive position. FSA for Indiabulls Realtech limited has also been signed.

Execution Team

One of our key strengths is a team of experts having vast experience of 14 to 25 years in the power sector in the companies such as NTPC Limited, Bharat Heavy Electricals Limited and Power Grid Corporation of India Limited. These experts, who have vast experience of constructing, commissioning and operating large power projects, are involved in execution and O&M of Amravati and Nashik Thermal Power Projects. Your company strongly believes that this is one of its key competitive strengths.

PROJECTS UNDER CONSTRUCTION

Your Company is currently executing two coal based thermal power projects with an aggregate capacity of 5400 MW in the State of Maharashtra viz. 2700 MW project in Nandgaonpeth of Amravati district and another 2700 MW in Sinnar of Nashik district. Both Amravati and Nashik Projects are being constructed in two phases each of 1350 MW. The Phase-I of both these Projects are nearing completion.

Amravati Thermal Power Project (1350 MW Phase-I):

The Project is in full swing with 2 Units (Unit 1&2) having successfully commissioned and supplying Power to MSEDC. These Units have already supplied 1057.76 Million Units (MU) to MSEDC during FY 2013-14 against 1200 MW long term PPA. The remaining Units 3 to 5 are also nearing completion and shall be commissioned progressively by March, 2015.

The coal linkage for this Project has been tied up and FSA has been signed with SECL for 5.49 MTPA coal. The BTG (Boiler, Turbine & Generator) and BOP (Balance of Plant) works of the remaining Units 3 to 5 are in advanced stage of completion. The Boiler Drum of all Units has been lifted, Boiler Light-Up has been achieved in Unit 3 and the Turbine is ready for rolling. In Unit 4, Boiler Hydro Test has been completed and Turbine erection completed. In Unit 5, Boiler & Turbine erection is in advanced stage. The Balance of Plant (BoP) is also in progress in tandem with BTG of respective Units. The dedicated 400 KV Transmission line from Amravati to Akola is nearly complete; presently power evacuation is being carried out through Line-In Line-Out (LILO) of existing Akola-Koradi line. The dedicated Railway Siding is also expected to be complete soon for hauling coal directly to the Plant through Railway rakes.

There has been a marginal increase in estimated cost of Project from ₹ 6,888 Crores to ₹ 7,749.48 Crores mainly due to increase in cost of Railway Siding including land cost, higher cost of inputs, fuel cost etc and Interest during construction (IDC). The revised cost has been approved by Lenders.

Amravati Thermal Power Project (1350 MW Phase-II)

The Amravati Project capacity is being augmented by 5 additional Units of 270 MW each in Phase-II (Units 6 to 10). The Phase-II is located adjacent to Phase-I within the existing 1350 Acre land and both phases shall share common infrastructural facilities. The cost of Phase-II is estimated at ₹ 6,646 Crores. The financial closure has been achieved with IDBI Bank Limited as Facility Agent/Underwriter and REC has also joined hands in this venture.

M/s Tata Consulting Engineers Limited (TCE), Bangalore and M/s TPSC (I) Pvt. Limited, Hyderabad are the Owner's Consultants. All Statutory & Non Statutory Clearances / Approvals have been obtained including Environmental Clearance, Coal linkage and water allocation. The Unit configuration of 5x270 MW is identical to Phase-I with Boiler & Turbine-Generator (BTG) from Bharat Heavy Electrical Limited (BHEL) and Balance of Plant (BOP) from other reputed vendors. The civil foundations and structural works of BTG / BOP area and Boiler erection works have been taken up.

Management Discussion and Analysis (contd.)

Nashik Thermal Power Project (1350 MW Phase-I):

The project is in advance stage of construction; Unit 1 has been successfully commissioned on 29th Mar, 2014 and Unit 2 will be ready for commissioning in the third quarter. of 2014-15. The company has signed FSA for this Project with Mahanadi Coalfields Limited (MCL) & South Eastern Coalfields Limited (SECL). Government of Maharashtra has approved purchase of 950 MW from Nashik Phase-I by Maharashtra State Electricity Distribution Company Limited (MSEDCL) and BEST. MERC has approved purchase of 650 MW from Nashik Phase-I by MSEDCL and PPA for 300 MW with BEST is expected shortly. The 400 KV Transmission Line from Nashik TPP to Babhaleshwar Substation has been completed for evacuation of power from this Project. The Project cost has been revised from the original estimate of ₹ 6,789 Crores to ₹ 7,849 Crores due to increase in cost of Railway Siding including land, Higher cost of inputs, IDC etc and it has been approved by the Lenders

BTG for Unit 2 is ready for commissioning. Milestone activities of Boiler Light-Up and Steam Blowing have been completed and TG is ready for rolling. The BTG activities for Units 3 to 5 are also in various stages of completion and are targeted for commissioning progressively by the end of FY 2015-16.

Nashik Thermal Power Project (1350 MW - Phase - II):

The capacity of Nashik Project is also being augmented to 2700 MW by adding 5 Units of 270 MW each in Phase-II (i.e. 1350 MW for phase - I and 1350 MW for phase - II). The Project is estimated to cost ₹ 6,515 Crores as it will share infrastructural facilities of Phase-I. The Project is being funded by consortium with REC as lead lender and other Financial Institutions / Bankers viz. ICICI Bank, Power Finance Corporation Limited and PTC India Financial Services Ltd (PFS).

M/s Tata Consulting Engineers Limited (TCE), Bangalore and M/s TPSC (I) Pvt. Limited, Hyderabad are the Owner's Consultants. All Statutory Clearances / Approvals are available including Environment clearance of Ministry of Environment & Forests, Water Agreement with Irrigation Department, Maharashtra etc. The Main Plant Equipment is of BHEL make and the BOP packages are being sourced from other reputed vendors. The civil works of BTG & BOP have been taken up and Boiler erection started in 2 Units.

STRATEGY

The key elements of the Company's strategy include:

Capitalizing on the growth of the Indian power generation sector

Indian growth story is intact and with the formation of stable government at the centre it is projected that Indian economy would once again be on the path of high economical growth. To sustain this power sector growth is must. Your company would continue to look power projects across India to help country in achieving higher economical growth.

Leveraging of project execution skills

The strong project execution skill will help your company to build world class power plants with highest availability and Plant load factor.

Ensuring fuel security

Despite abundant reserves of coal, India is facing a severe shortage of coal. The country isn't producing enough to feed its power plants. Some plants do not have reserve coal supplies to last a day of operations. Your company had ensured that it has adequate supplies to meet fuel requirements for its power projects.

The Company is also considering building generation assets based on other forms of energy sources including non-conventional and renewable energy resources.

Engaging in an optimal mix of off-take arrangements with state-owned and industrial consumers

Your Company intends to maintain an appropriate mix of off-take arrangements. Your Company believes that secure off-take arrangements will provide a level of committed revenues whilst short-term arrangements will enable the

Company to realize higher tariff rates from time to time. The state-run utility companies will need substantial amount of power to meet their power demand and to cope adequately with power shortages in their respective states. The Company intends to utilize its marketing and trading capacities to secure off-take arrangements with state-run utility companies and industrial consumers as well as carry out merchant sales of power at market rates. The Company's Merchant sales would be done on a "term-ahead" basis through bilateral contracts as well as on power exchanges. In addition to trading power generated by the Company on a term-ahead basis on power exchanges, the Company also intends to enter into bilateral contracts on a term-ahead basis with industrial consumers and distribution companies through open access.

Risk management:

Every business faces various types of risks. Your Company has identified and planned to mitigate the diverse set of risks faced by our business. The following risks are identified and mitigation measures implemented.

Construction risks:

We understand the gravity of construction risk as it can quickly derail the progress of the project. To mitigate this risk your company has awarded major packages to reputed and qualified contractors with substantial protection through liquidated damages, in the event of failure on the part of the contractor to meet the completion schedule or plant performance targets. Wherever required, your company also supplements this contractual protection with insurance. Your projects are managed by experienced and qualified officials who are assisted by team of owner's engineers. Your company gives utmost importance to four major factors: safety, quality, timelines and budget.

Operational risks:

Unplanned outages in the plant which has tied under long term PPA can result in a loss of revenue. Hence it is important that the plant run smoothly meeting the contractual obligation and also maintain high levels of availability. Your company has recruited very experienced and skillful O&M team to run the plant smoothly with highest availability. Your company has also established an engineering risk assessment method for identification and management of the key engineering risks across the plants which involve quantifying, prioritizing and mitigating the operational risks associated with the failure of plant components in service and their potential impact on people, environment and business.

Fuel supply risks:

Establishing secured access for coal has become critical for power generators as coal supply falls behind the coal demand. Your Company is well placed in term of supply of coal for its power projects as it has already secured its fuel by long term coal linkages from Coal India Limited (CIL) for 5400 MW. Your Company has put in place system and procedures to ensure maximum availability as per CIL's commitment.

HUMAN RESOURCES

The long-term success of the Company depends on its capacity to attract, retain and develop employees able to ensure its growth on a continuing basis. Your company gives lot of emphasis on development of its employees by creating a workplace where everybody can grow not only as professional but also as an individual. Your company has placed a recruitment system in the organization wherein right candidate with right skills is recruited for the position. This not only leads to quality work output from the employees but also helps in maintaining the proper work life balance.

The Remuneration Policy of your company is designed to attract, motivate and retain exceptional employees in a competitive market. In addition to providing a competitive salary your company has implemented stock option programs with the objective of aligning interests of the executive management and key employees with the long-term goals of the Company and its shareholders. We consider our employees to be our most important asset.

Management Discussion and Analysis (contd.)

CORPORATE SOCIAL RESPONSIBILITY

Your company is committed to help society through meaningful community development programs in the vicinity of project sites. Your Company has already spent sizable amount on Education and Training, Health, Medical Aid and Social development activities in the vicinity of Amravati and Nashik Thermal Power Project. The people of the surrounding community have benefited a lot from these programs and this has created a cordial environment between the company and the people

Further the discharge of corporate social responsibility has with the promulgation of the Companies Act, 2013 and the Rules framed thereunder (Act), been made mandatory for the companies which satisfy any one or more of the criteria as laid down under the Act to discharge their responsibility towards the society. Since your company falls within the purview of the relevant provisions of the Act on the basis of the said criteria, a Corporate Social Responsibility Committee has in terms of the requirements of the Act been constituted by the Board of Directors of the Company and a well-defined Corporate Social Responsibility Policy framed (CSR Policy) framed in accordance with the stipulations laid down under the Act. The Company would accordingly be discharging its corporate social responsibility within the broad frame work of the CSR Policy. It would be pertinent to mention here that the activities so far undertaken by the Company fall within the ambit of the CSR Policy now laid down.

INTERNAL CONTROL SYSTEMS

The Company has system of internal control commensurate with the nature and size of its operations, which effectively and adequately encompasses every facet of its operations and every functional area.

The system involves a compliance management team with the established policies, norms and practices as also the applicable statutes and rules and regulations with an inbuilt system of checks and balances so that appropriate and immediate corrective actions are initiated in the right earnest in the event of any deviations from the stipulated standards and parameters

The effectiveness and deliverability of the internal control system is reviewed from periodically so that measures if any needed for strengthening of the same, with the changing business needs of the Company, can be taken.

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 and the actual results might differ from those expressed or implied herein.

The Company is not under any obligation to publicly amend, modify or revise any such forward looking statements on the basis of any subsequent developments, information or events.

Directors' Report

Indiabulls

Indiabulls Power Ltd.

Dear Shareholders,

Your Directors have pleasure in presenting to you their seventh Annual Report and the Audited accounts of the Company for year ended March 31, 2014.

FINANCIAL RESULTS

Particulars	(Amount in ₹)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
Revenue from Operations	3,790,023,704	—
Other Income	135,863,246	346,822,723
Expenses and Depreciation	4,654,037,930	692,543,914
(Loss)/Profit before Tax	(728,150,980)	(345,721,191)
Tax benefit/Expense (post adjustments) (consequent to MAT credit entitlement, short/excess tax provisions and Deferred tax)	24,562,135	(82,887,984)
Loss for the year	(752,713,115)	(262,833,207)
Balance in the Reserves and Surplus	(26,475,470,607)	(27,132,064,877)

BUSINESS REVIEW

Power sector is the fulcrum of economic development in any country. Putting aside the success stories posted across the sector, the reality is that power sector in India continues to lag behind. Shortages, tariffs and the dependence on imported fuels are on the rise while the poor health of distribution continues to restrict the flow of investments.

Your company has thought of the challenges enumerated above in advance and accordingly has a strategy in place to tackle them. Your company is well placed with land, fuel linkage, water, financial closure etc. to face the challenges in Power Sector and is on course of building a leadership position in the Sector.

The financial year 2013-2014 has been a milestone in the track record of your company in which, Unit 1 & Unit 2 of Amravati Thermal Power Station (ATPS) achieved Commercial Operation Date (COD) on 3.6.2013 and 28.3.2014 respectively. Unit 1 of Nashik Thermal Power Station (NTPS) being developed by 100% subsidiary of your company also achieved Commercial Operation Date (COD) on 29.3.2014. You would be happy to note that Unit 1 of ATPS is supplying power to Maharashtra State Electricity Distribution Company Ltd (MSEDCL), since June 2013.

Coal India Limited (CIL) with whom your Company has executed Fuel Supply Agreement (FSA) for supply of coal is not able to meet its commitments and is unable to supply the assured quantity of coal. This is not unique to your Company but a common issue with all the generators who depend on the linkage domestic coal from CIL. Considering the inadequacy of domestic coal, Cabinet Committee on Economic Affairs (CCEA) in its resolution dated 21st Jun 2013 approved a mechanism whereby CIL to supply 65%, 65%, 67% and 75% of the Annual Contracted Quantity (ACQ) during the remaining period of 12th 5-year plan. CIL may supply the balance coal requirement to the willing power generators from imported source on cost plus basis. Generators themselves can also import coal to meet the deficit. Additional cost of such coal would be considered as pass-through in tariff and concerned regulatory commissions would be deciding on the same based on the application of the generators on case to case basis. To accommodate this, NCDP 2007 was amended by Ministry of Coal on July 26, 2013 and on July 31, 2013 Ministry of Power issued advisory note to all the Electricity Regulatory Commissions in this regard.

In this background, your Company had filed a petition with Hon'ble Maharashtra Electricity Regulatory Commission (MERC) to allow use of coal from imported/ alternate source(s) to meet the deficit and to allow additional cost of such coal as pass through in tariff by way of compensation. Considering the hardship, Hon'ble MERC in their latest order allowed use of coal from imported/alternate source to meet the shortfall of linkage coal and the additional cost of such coal would be recovered in the tariff. Hon'ble MERC for the purpose has prescribed a formula for such compensation which will be over and above the tariff under Power Purchase Agreement. The indicative compensatory fuel charge is ₹ 1.55/kWh which will be payable by MSEDCL on the incremental generation from imported coal. Your Company has now initiated the process of procuring the imported/alternate coal to mitigate the shortfall in linkage coal to run units at higher PLF thereby improving profitability."

Directors' Report (contd.)

BOARD OF DIRECTORS

Mr. Sameer Gehlaut has resigned from Chairmanship and directorship of the Company with effect from July 9th, 2014 and Mr. Rajiv Rattan an existing promoter director assumed the Chairmanship of the Company and its Board with effect from the said date.

The Board places on record its appreciation for the highly valuable contribution of Mr. Gehlaut to the Company while he was on its Board.

In accordance with the provisions of the Companies Act, 2013, Mr. Rajiv Rattan (DIN: 00010849) will retire at the ensuing annual general meeting and being eligible offers himself for reappointment.

Further, with effect from February 14, 2014, Mr. V. C. Vishwakarma (DIN: 06773859) was inducted on the Board of Directors of the Company as an additional and Whole-time director. Being an additional director, the tenure of his present directorship comes to an end on September 30, 2014, the date fixed for the Annual General Meeting of the Company. Your support and consent is therefore sought for his appointment on the Board of the Company as a director liable to retire by rotation, which would automatically mean a continuation of his whole-time directorship for the tenure approved by the Board at the time his induction thereon.

Mrs. Anjali Nashier (DIN: 01942221) is proposed to be appointed as a non-independent director of the Company, liable to retire by rotation.

In addition to the above referred directors, it is sought to appoint Mr. Sharad Behal (DIN: 02774398), Mr. Debashis Gupta (DIN: 02774388), Mr. Narayanasany Jeevagan (DIN: 02393291), Mr. Yashish Dahiya (DIN: 00706336) and Mr. Sanjiv Chhikara (DIN: 06966429) - as independent directors on the Board of the Company.

Brief resumes of the said directors, the nature of their expertise in specific functional areas and information as to the other companies in which they hold directorships or on the board committees of which they are members, has been provided in the Report on Corporate Governance, which forms a part of the Annual Report.

DIVIDEND

Every business entity has to be through times where it is faced with a situation of having to decide between retaining its profits in the business so as to increase the intrinsic value of its shares, thereby maximizing its shareholder wealth, or distributing profits to the shareholders which can mean infinitesimal short term gains but erosion of share value in the longer run.

While the financial fundamentals of the Company would not currently permit distribution of dividends, however even if it had been so possible, fiscal prudence would essentially dictate the retention of business profits so as to build a healthy reserve base to cushion the impact of any adverse economic development, were such developments to occur in future.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public during the year under review.

EMPLOYEE STOCK OPTIONS

True to its policy of attaching paramount importance to its employees, the Company sees its employees not as merely a cog in the entire machinery of its business operations but as vital components thereof, which have to be made participants in its growth and development.

Infact your Company believes that the most critical component in the growth and development of the Company are the employees of the Company and that it is the tireless efforts of the employees which have enabled the Company to reach a stage in its developmental journey where its dreams of operationalizing its power projects and to become a commercial supplier of power in the country have turned into reality.

As a way of reciprocating the employees for what they have achieved for the Company and rewarding them for their hard work and dedication, the Company has in place three employee stock options schemes namely SPCL-IPSL Employee Stock Option Plan – 2008, Indiabulls Power Limited. Employees Stock Option Scheme 2009 and Indiabulls Power Limited. Employees Stock Option Scheme - 2011, together covering ninety million stock options convertible into an equivalent number of Equity shares of face value ₹ 10 each in the Company.

Now that the Company has started generating operational revenues it is expected that in the very near future it shall lead to increased share valuations.

SUBSIDIARIES

The statement pursuant to Section 212(1)(e) of the Companies Act, 1956 relating to subsidiary companies forms a part of the financial statements.

In keeping with the past practice given the general allowance available under the general circular no. 2/2011 dated February 8, 2011 issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. However as stipulated under the circular and more importantly to be absolutely transparent about its business and operations, the financials of the subsidiary companies are disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE REPORT

Pursuant to clause 49 of the Listing Agreements with the Stock Exchanges, a detailed report on Corporate Governance is included in the Annual Report. A Practicing Company Secretary's Certificate certifying the Company's compliance with the requirements of Corporate Governance in relation to clause 49 of the Listing Agreement is attached with the Corporate Governance Report.

AUDITORS & AUDITORS' REPORT

M/s Deloitte Haskins & Sells, Chartered Accountants, (Registration no.117365W), Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment. The Company has received a certificate from the Auditors to the effect that their reappointment, if made would be in accordance with Section 141 of the Companies Act, 2013. Since in terms of the provisions of Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, a Company is permitted to appoint its Statutory Auditors for two consecutive terms of five years each, as reduced by the number of financial year(s) for which they have already served as the Statutory Auditors of the concerned Company, as at the commencement of the Companies Act, 2013. The Board recommends their appointment for a period of five years i.e from financial year 2014-15 to 2018-19.

There being no reservation, qualification or adverse remark in the Auditors' Report, no explanation on part of the Board of Directors is called for.

LISTING WITH STOCK EXCHANGE

The shares of the Company continue to remain listed with the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The listing fees payable to the exchanges for the financial year 2014-2015, has been paid to each of the said stock exchanges.

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

The information required to be disclosed under Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 with respect to conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, is given in the Annexure and forms a part of this Report.

In terms of the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees who are in receipt of the remuneration equal to or in excess of the limits specified under the said section, are required to be set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. Any member who is interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Directors' Report (contd.)

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956 your Directors confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures from the same;
2. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and the loss of the Company for the year ended on that date;
3. the Directors have taken proper and sufficient care for maintaining of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. the Directors have prepared the Annual Accounts of the Company on a 'going concern' basis.

CORPORATE SOCIAL RESPONSIBILITY

Much before the discharge of corporate social responsibility acquired a mandatory status, with the promulgation of the Companies Act, 2013, the Company being acutely aware of its responsibility towards the society, had been doing its bit towards the welfare of the society, with the object of pursuing philanthropic activities for the uplift and benefit of the society at large. Subsequent to promulgation of the Companies Act, 2013 and coming into force of Section 135 thereof together with Rules related thereto as framed under the such Act (hereinafter collectively referred to as the **Act**), a Corporate Social Responsibility Committee of the Board of Directors (Board) of the Company was constituted with Mr. Shamsheer Singh Ahlawat as its Chairman and Mr. Rajiv Rattan and Mr. V. C. Vishwakarma, as members (CSR Committee). The CSR Committee has been vested with the primary responsibility for formulating and monitoring the implementation of the corporate social responsibility policy and matters related to its overall governance.

In a meeting of the CSR Committee held on 2nd April, 2014, CSR policy was approved and recommended to the Board of Directors for approval.

The CSR policy as recommended by the CSR Committee, was duly approved by the Board vide resolution dated April 4, 2014 and broadly focusses on the eradication of hunger and poverty, malnutrition, promotion of healthcare and provision of medical assistance to the needy and poor, promotion of education, protection of national heritage including promotion of art and culture, promotion of education, promotion of sports rural as well as nationally recognized including the paralympic sports, sustenance of environment, working towards the uplift and empowerment of women, poor and down trodden sections, helping senior citizens, working for rural development and rendering of assistance to war widows as well as contribution to the prime ministers relief fund for providing relief and succor to the needy and poor and those impacted by calamities etc.

The Company seeks to peruse and implement its CSR policy with more vigour in the times to come.

ACKNOWLEDGEMENT

Your directors wish to express their sincere gratitude to the investors, bankers, financial institutions, governmental authorities and the employees of the Company for their continued assistance and support which has enabled the Company to finally reach stage in its operational journey where its dreams have turned into a reality through the commercialization of its power plants and it is hoped that the faith they have reposed in the Company and its directors shall enable the Company to transcend all barriers and establish itself as one of the leading suppliers of power in the private sector.

For and on behalf of the Board of Directors

Place: New Delhi
Date: September 05, 2014

Sd/-
Rajiv Rattan
Chairman

Annexure to the Directors' Report

ANNEXURE FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION

With the first two units of the 1350 MW Phase- Amravati Thermal Power Plant having become operational and gone commercial and the first unit of the 1350 MW Phase-I Nashik Thermal Power Plant being developed by Indiabulls Realtech Limited, a wholly owned subsidiary of the Company, having become operational as well, energy conservation has become an issue of immense importance for the Company and towards this end therefore, several measures have been taken to achieve a reduction in specific coal consumption and oil consumption, minimizing system leakages, maximizing capacity utilization and optimizing power consumption and in the times ahead more and more emphasis would be laid on this aspect of the operations.

B FOREIGN EXCHANGE EARNINGS AND OUTGO NIL

ANNEXURE TO THE DIRECTORS' REPORT IN RESPECT OF THE EMPLOYEE STOCK OPTIONS ISSUED UNDER 'SPCL-IPSL EMPLOYEE STOCK OPTION PLAN - 2008 – AS ON MARCH 31, 2014'

Particulars	
a. Options Granted	2,00,00,000
b. Exercise price	10 per share
c. Options vested	67,20,800
d. Options exercised	46,88,800
e. The total number of Shares arising as a result of exercise of option	46,88,800
f. Options lapsed	1,17,65,000
g. Variation in terms of options	None
h. Money realized by exercise of options	₹ 4,68,88,000/-
i. Total number of options in force	35,46,200
j. Employee wise details of options granted to;	
i. Senior Management personnel	
ii. any other employee who received a grant in any one year, of options amounting to 5% or more of options granted during that year	NIL
iii. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital of the company.	NIL
k. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with [Accounting Standard (AS) 20 'Earnings Per Share']	₹ (0.285)
l. Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	Refer Note 33– Notes to Accounts forming part of the Financial Statements.

Annexure to the Directors' Report (contd.)

m. Weighted – average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Average Exercise Price is ₹ 10 per share Average Fair Value is ₹ 1.58 per share
n. A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted – average information:	Refer Note 33 Notes to Accounts forming part of the Financial Statements.
i. risk free interest rate	
ii. expected life	
iii. expected volatility	
iv. expected dividends, and	
v. the price of the underlying share in market at the time of option grant	

ANNEXURE TO THE DIRECTORS' REPORT REGARDING THE EMPLOYEE STOCK OPTIONS ISSUED UNDER 'INDIABULLS POWER LTD. EMPLOYEES STOCK OPTION SCHEME-2009' - AS ON MARCH 31, 2014

Particulars	
a. Options Granted	2,00,00,000
b. Exercise price	₹ 14/- per share
c. Options vested	27,64,900
d. Options exercised	2,81,800
e. The total number of Shares arising as a result of exercise of option	2,81,800
f. Options lapsed	1,85,03,000
g. Variation in terms of options	None
h. Money realized by exercise of options	₹ 39,45,200/-
i. Total number of options in force	12,15,200
j. Employee wise details of options granted to;	
i. Senior Management personnel	NIL
ii. any other employee who received a grant in any one year of option amounting to 5% or more of option granted during that year	NIL
iii. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital of the company.	NIL
k. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with [Accounting Standard (AS) 20 'Earnings Per Share']	₹ (0.285)
l. Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	Refer Note 33 – Notes to Accounts forming part of the Financial Statements.

m. Weighted – average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Average Exercise Price is ₹ 14 per share
n. A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted – average information:	Refer Note 33– Notes to Accounts forming part of the Financial Statements.
i. risk free interest rate	
ii. expected life	
iii. expected volatility	
iv. expected dividends, and	
v. the price of the underlying share in market at the time of option grant	

ANNEXURE TO THE DIRECTORS' REPORT REGARDING THE EMPLOYEE STOCK OPTIONS ISSUED UNDER 'INDIABULLS POWER LTD. EMPLOYEES STOCK OPTION SCHEME-2011 - AS ON MARCH 31, 2014

Particulars	
a. Options Granted	18,95,000*
b. Exercise price	₹ 12/- per share
c. Options vested	3,10,000
d. Options exercised	Nil
e. The total number of Shares arising as a result of exercise of option	Nil
f. Options lapsed/options not yet granted	4,88,73,000
g. Variation in terms of options	None
h. Money realized by exercise of options	Nil
i. Total number of options in force	11,27,000
j. Employee wise details of options granted to;	
i. Senior Management personnel	Nil
ii. any other employee who received a grant in any one year of option amounting to 5% or more of option granted during that year	Nil
iii. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital of the company.	Nil
k. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with [Accounting Standard (AS) 20 'Earnings Per Share']	₹ (0.285)
l. Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	Refer Note 33– Notes to Accounts forming part of the Financial Statements.

Annexure to the Directors' Report (contd.)

m. Weighted – average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Average Exercise Price is ₹ 12 per share Average Fair Value is ₹ 1.78 per share
n. A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted – average information:	Refer Note 33– Notes to Accounts forming part of the Financial Statements.
i. risk free interest rate	
ii. expected life	
iii. expected volatility	
iv. expected dividends, and	
v. the price of the underlying share in market at the time of option grant	

***The Scheme covers an aggregate of 5,00,00,000 stock options out of which 18,95,000 stock options had been granted.**

1. The Company's philosophy on Corporate Governance

For Indiabulls Power Limited, a corporate governance policy is much more than just a requirement mandated by law. The Company looks upon a sound Corporate Governance Policy and what it entails, as a set of policies and practices directed to guide and control a corporate which serves the purpose of inculcating a sense of responsibility and a spirit of good and honest work culture and behavior contributing to ensure that there is optimal utilization of the resources at the disposal of the Company especially including its personnel in a manner which not only contributes towards ensuring a healthy corporate performance and a safe and secure corporate future, but also that the aspirations of its stakeholders, being the shareholders and lenders in particular and the society in general are met to their utmost satisfaction. The emphasis of the Company is on running its business in a transparent manner with proper accountability at each level, with adequate mechanisms being in place to detect any deviations from the standards set and to trigger off appropriate corrective actions to undo the impact of deviations if any detected and to prevent their recurrence in future.

The basic tenets of the Corporate Governance policy of the Company can broadly be set out as under:

- (1) A Board of Directors (Board) so constituted as to bring about an appropriate mix of individuals with knowledge, experience and skill sets and a fair degree of independence, which enables them to provide a proper direction to the business and operations of the Company and inducing adequate course corrections wherever needed.
- (2) To promote an atmosphere and work culture which enables the personnel at every organizational level to work with freedom and dedication within the framework of the structure spelling out in clear terms their responsibility and the authority available to them to discharge the same as also to escale to the higher levels of management any bottlenecks, irritants and above all the factors which could lead to a compromise on the principles of honesty and ethics, if allowed to remain unchecked at the right time.
- (3) Ensuring a timely flow of information to and from the Board, on to the senior management levels and from thereon to the personnel at the lower levels, in a transparent manner with people at each level being encouraged to have their feedback routed to the Board level.
- (4) Sharing with various stakeholders i.e. the shareholders, the lenders and the society, every information which should rightfully flow to them from the Company.
- (5) A sound system of internal controls and risk management at various organizational levels.
- (6) Ensuring total compliance with the applicable laws, Rules and Regulations, in letter as well as in spirit.

2. Board of Directors

(A) Composition and size of the Board

Currently the Board of Directors (Board) of the Company consists of seven directors with three of such directors being independent non-executive directors, one of the directors being the nominee of the lenders, two of the remaining directors being executive directors and with one such director being a promoter director and the remaining one director being a non-executive promoter director. The Board has been constituted in a manner which ensures an amalgamation of the knowledge, intellect, experience and skill sets of various individuals drawn from diverse fields such as Engineering, Technology, Finance, to name a few.

With the promulgation of the Companies Act, 2013 and the notification of bulk of the provisions thereof and the Rules framed thereunder, including those pertaining to the composition and functioning of the Board of Directors as also of the notification of the SEBI circular no. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014, which would become effective from October 1, 2014, the Board of the Company shall have to be reconstituted so that it falls in line with requirements laid down under the said statutes, with the broad philosophy remaining unchanged.

Report on Corporate Governance (contd.)

The details of Directors, number of directorships held by them in other companies as also the number of their memberships and chairmanships on various board committees, as at March 31, 2014, are depicted in the table given below:

Sr. No.	Name of the Director	Category of Directorship	No. of Directorships in other Companies**	No. of Memberships/ Chairmanships in Board Committees of various companies including the Company)***	
			Member	Chairman	
1.	Mr. Sameer Gehlaut* (DIN: 00060783)	Chairman* & Non-Executive Director	3	Nil	Nil
2.	Mr. Rajiv Rattan (DIN: 00010849)	Chairman* & Executive Director	6	2	Nil
3.	Mr. Saurabh Kumar Mittal (DIN: 01175382)	Vice-Chairman & Non-Executive Director	3	3	Nil
4.	Mr. Shamsher Singh Ahlawat (DIN: 00017480)	Non-Executive Independent Director	7	7***	5
5.	Brig. Labh Singh Sitara (DIN: 01724648)	Non-Executive Independent Director	3	2	Nil
6.	Mr. Prem Prakash Mirdha (DIN: 01352748)	Non-Executive Independent Director	4	4	Nil
7	Mr. Dhanabalan Ravi (DIN: 00038452)	Nominee Director	1	Nil	Nil
8	Mr. Vishna Chandra Vishwakarma (DIN: 06773859)	Executive Director	Nil	Nil	Nil

* Mr. Sameer Gehlaut has resigned from his Chairmanship of the Company and its Board of Directors with effect from 9th July 2014 and Mr. Rajiv Rattan who was earlier the vice chairman of the Company and its Board, has assumed the Chairmanship of the Company and its Board of Directors with effect from the said date

** Does not include directorships held in private limited companies and foreign companies

*** In the above table memberships/chairmanships of the Audit Committees and Stakeholders Relationship Committee in various public limited companies, have been depicted and the figures depicted are inclusive of Chairmanship

No Director is related to any other Director on the Board.

(B) Details of Board meetings and the last Annual General Meeting (AGM) and attendance record of Directors thereat

During the financial year 2013-2014 the Board met 5 (Five) times. The dates of the Board meetings were 26-Apr-13, 14-July-13, 27-July-13, 24-Oct-13 and 14-Feb-14.

The last Annual General Meeting of the Company was held on September 30, 2013.

A table depicting the attendance of Directors at various board meetings and the annual general meeting held during the financial year 2013-2014 is given below:

Sr. No.	Name of the Director	No. of Board meetings attended	Attendance at the last AGM
1.	Mr. Sameer Gehlaut	2	No
2.	Mr. Rajiv Rattan	5	Yes
3.	Mr. Saurabh Kumar Mittal	2	Yes
4.	Mr. Shamsher Singh Ahlawat	5	Yes
5.	Brig. Labh Singh Sitara	1	No
6.	Mr. Prem Prakash Mirdha	5	Yes
7.	Mr. Dhanabalan Ravi	2	No
8.	Mr. Vishna Chandra Vishwakarma*	Nil	No

- * Mr. Vishna Chandra Vishwakarma was inducted on the Board of the Company on February 14, 2014 and the first Board meeting held after his appointment, in which he participated, was held on May 12, 2014 i.e. in the financial year 2014-2015.

C) Code of Conduct

The Company has laid down a Code of Conduct for all Board members and Senior Management Personnel of the Company. The Code of Conduct is available on the website of the Company www.indiabullspower.com

All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration signed by the official vested with the functional responsibility of the Chief Executive Officer, to this effect, is enclosed at the end of this Report.

The code of conduct has very effectively served the purpose of ensuring that the Directors and the Senior Management Personnel give their focused and undivided time and attention to the affairs of the Company, with a complete adherence to the provisions of the applicable statutes in essence and intent and the organizational values and ethics at the same time.

3. Committees of the Board

The Board constituted committees namely, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Compensation Committee and Corporate Social Responsibility Committee act in accordance with the terms of reference determined by the Board. Meetings of each of these Committees are convened by the respective Chairman. Matters requiring Board's attention/approval are placed before the Board. The role, the composition of these Committees including the number of meetings held during the financial year and the related attendance details are provided below:

(A) Audit Committee

The Audit Committee comprises of three members namely Mr. Shamsher Singh Ahlawat as the Chairman and member and Mr. Prem Prakash Mirdha and Mr. Saurabh Kumar Mittal as the other two members. All the members are Non-Executive Directors with two out of the three members, namely Mr. Shamsher Singh Ahlawat and Mr. Prem Prakash Mirdha, being independent Directors. Mr. Gaurav Toshkhani, Secretary of the Company also acts as Secretary to the Audit Committee.

With the recently promulgated Companies Act, 2013 having necessitated some changes in the already laid down charter of the Audit Committee, the same was broadened so as to include the following areas which were not explicitly set out in its previous charter:

- (i) Review and monitoring of the Auditors' independence and performance and effectiveness of the audit process;
- (ii) Examination of the Auditors' report on financial statements of the Company (in addition to the examination of the financial statements) before submission to the Board.
- (iii) Approval of any subsequent modification of transactions of the Company with related parties.
- (iv) Scrutiny of inter-corporate loans and investments.
- (v) Evaluation of the risk management systems (in addition to the internal control systems).
- (vi) Review and monitoring of the performance of the Statutory Auditors and effectiveness of the audit process.
- (vii) To hold post audit discussions with the auditors to ascertain any area of concern.
- (viii) To review the whistle blower mechanism.
- (ix) Approval to the appointment of the Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.

Within the charter of the Audit Committee broadened as aforesaid, the terms of reference, are summarized as under:

- to oversee the financial reporting process and disclosure of financial information;
- to review with the management, quarterly, half yearly and annual financial statements and ensure their accuracy and correctness before submission to the Board;

Report on Corporate Governance (contd.)

- to review with the 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
- Examination of the auditors' report on financial statements of the Company (in addition to the financial statements) before submission to the Board;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also the reviewing with the management the utilization of the funds so raised, for purposes other than those stated in the relevant offer document, if any and making appropriate recommendations to the Board in this regard;
- Evaluation of the risk management systems (in addition to the internal control systems);
- Review and monitoring of the independence and performance of the statutory auditors and effectiveness of the audit process;
- To hold post audit discussions with the auditors to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- Approval to the appointment of the CFO after assessing the qualifications, experience and background etc. of the candidate.

Meetings and Attendance during the year

During the financial year ended March 31, 2014 the Committee met four times. The dates of the meetings are 26-Apr-13, 26-Jul-13, 24-Oct-13 and 14-Feb-14.

The attendance of the members of the Committee at the meetings held during the FY 2013 - 14 is depicted in the table given below:

Name of the Member	No. of meetings held during the tenure	No. of meetings attended
Mr. Shamsher Singh Ahlawat	4	4
Mr. Prem Prakash Mirdha	4	4
Mr. Saurabh Kumar Mittal	4	0

The Group Chief Financial Officer/General Manager-Finance and the Statutory Auditors attended the meeting(s) by invitation.

(B) Nomination & Remuneration Committee (Formerly known as 'Remuneration Committee')

The Nomination & Remuneration Committee of the Board comprises of three Non-Executive Independent Directors as its members namely Mr. Shamsher Singh Ahlawat as the Chairman and member, Mr. Prem Prakash Mirdha and Brig. Labh Singh Sitara as the other two members.

It would be pertinent to mention here that in terms of the provisions of Section 178 of the Companies Act, 2013, every Listed Company is required to constitute a Committee of its Board, to be nomenclatured as Nomination and Remuneration Committee which shall have the responsibility of identifying the persons who can be its directors and who can be appointed in senior management positions, recommend to the Board their appointment and removal and evaluate the performance of the directors, determine the criteria for independence of directors, their qualities and attributes etc.

Since the Company by virtue of the requirements laid down under clause 49 of the Listing Agreement already has a Remuneration Committee in place with the above matters forming a part of its terms of reference, it was decided to change the nomenclature of the existing "Remuneration Committee" to that of "Nomination and Remuneration Committee" and therefore the "Remuneration Committee stands nomenclatured as the "Nomination and Remuneration Committee".

Terms of reference

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

- recommending to the Board, compensation terms of the Executive Directors;
- assisting Board in determining and implementing the Company's Policy on the remuneration of Executive Directors
- Identifying the persons who are qualified to become directors and those who may be appointed in senior management in accordance with the criteria laid down by it and recommending to the Board their appointment and removal and carrying out the evaluation of the performance of every director;
- Formulating the criteria for determining the qualifications, positive attributes and independence of a director.

Meetings and Attendance during the year

During the Financial Year 2013-14 no meeting of the Committee was held.

Remuneration Policy

Company's remuneration policy is market-led and takes into account the competitive circumstances of the business so as to attract and retain quality talent and leverage performance significantly.

Remuneration of Directors

(i) Remuneration of Executive Directors

At present the Company has only two executive directors on its Board of Directors, with one of the directors namely Mr. Vishna Chandra Vishwakarma drawing remuneration from the Company. The details of the remuneration drawn by him during the Financial Year 2013-14 are as mentioned below:

Name of the Director	Relationship With other Director	Salary and allowances per annum (₹)	Performance linked incentive (₹)	Employee Benefits (₹)	Sitting Fee	Total (₹)
Mr. V.C. Vishwakarma	None	90,00,000/-	—	9,99,996	—	99,99,996

Notes:

1. Aforesaid components of remuneration include the Basic Salary, House Rent Allowance and other allowances.
2. Employee Benefits include retention bonus and also include Gratuity and Compensated Absences as applicable as per the terms of service, based on actuarial valuation.
3. The terms and conditions of service of the said Executive Director are contractual in nature and are additionally governed by rules and policy of the Company to the extent applicable.

4. Remuneration of Non-Executive Directors

Non- Executive Directors have not been paid any remuneration/sitting fees during the financial year 2013-2014.

One of the Non-Executive Directors, Mr. Prem Prakash Mirdha holds 3,150 shares in the Company.

(C) Stakeholders Relationship Committee Composition (Formerly known as 'Shareholders'/ Investors' Grievance Committee')

Section 178 of the Companies Act, 2013 read with the relevant Rules framed thereunder, also stipulates that any company with more than one thousand security holders (i.e. share or debenture holders, deposit holders

Report on Corporate Governance (contd.)

and any other security holders), shall constitute a stakeholders Relationship Committee of its board of directors so as to resolve the grievances of its security holders, with a composition as stipulated in the said section.

Since the Company already has in place a Shareholders' Investors' Grievance Committee which fulfills the requirements of Section 178 as aforesaid, the same has been renamed as the "Stakeholders Relationship Committee".

The Stakeholders Relationship Committee of the Board comprises of three Non Executive Independent Directors as its members namely Mr. Shamsher Singh Ahlawat as the Chairman and member, and Mr. Prem Prakash Mirdha and Brig. Labh Singh Sitara as the other two members.

Terms of reference

The Committee has been constituted not only to fulfill the statutory requirement laid down to this effect but also to ensure that the Company has in place an effective body to serve the interests of and address the issues pertaining to the investors/security holders, to their utmost satisfaction.

To achieve this end the Committee works in close coordination with the Registrar and Transfer Agent of the Company, through a mechanism which ensures that the grievances if any, of the investors/security holders, are most expeditiously attended to and more importantly, resolved, to their satisfaction, thereby strengthening the faith and trust of the investors/security holders, in the Company and its management and paving the way for making the relationship between the Company and them, stronger.

Additionally, the Committee has been vested with the responsibility of approving the requests for share transfers and transmissions, requests pertaining to rematerialization of shares/subdivision/ consolidation of shares/issue of renewed and duplicate certificates etc. for which purpose the authority at the basic operational level has been delegated by the Committee to Mr. Shamsher Singh Ahlawat the chairman of the Committee.

Meetings and Attendance during the year

During the financial year ended March 31, 2014 the Committee met four times. The dates of the meetings are 26-Apr-13, 26-Jul-13, 24-Oct-13 and 14-Feb-14.

The attendance of the members of the Committee at the meetings held during the FY 2013 - 14 is depicted in the table given below:

Name of the Member	No. of meetings held during the tenure	No. of meetings attended
Mr. Shamsher Singh Ahlawat	4	4
Mr. Prem Prakash Mirdha	4	4
Brig. Labh Singh Sitara	4	1

Name and designation of compliance officer

Mr. Gaurav Toshkhani, Company Secretary is the Compliance Officer pursuant to Clause 47(a) of the Listing Agreement with Stock Exchanges.

Details of queries/complaints received and resolved during the FY 2013-14

Sl. No.	Particulars	Opening	Received	Redressed	Pending
1	Legal Cases/Cases before Consumer Forums	0	0	0	NIL
2	Letters from SEBI/Stock Exchange.	0	6	6	NIL
3	Non credit/receipt of shares in demat account	0	0	0	NIL
4	Non receipt of Refund order	0	0	0	NIL
5	Query regarding non-receipt of dividend	0	24	24	NIL
6	Status of applications lodged for public issue(s)	0	0	0	NIL
7	Non-receipt of annual report	0	10	10	NIL
8	Non receipt of securities after transfer	0	0	0	NIL
	Total	0	40	40	Nil

(D) Corporate Social Responsibility (CSR) Committee

A Corporate Social Responsibility Committee of the Board of Directors of the Company (CSR Committee) was constituted on February 14, 2014 with Mr. Shamsheer Singh Ahlawat as its Chairman and Mr. Rajiv Rattan and Mr. V. C. Vishwakarma as members. The CSR Committee is primarily responsible for formulating of corporate social responsibility policy, monitoring its implementation and matters related to its overall governance.

Terms of Reference

The Terms of reference of the CSR Committee inter-alia, include:

- (i) To recommend to the Board, the CSR activity(ies) to be undertaken by the Company;
- (ii) To approve the expenditure to be incurred on the CSR activity (ies);
- (iii) To oversee and review the effective implementation of the CSR activity (ies);
- (iv) To ensure compliance with all related applicable regulatory requirements

Meetings and Attendance during the year

While no meeting of the CSR Committee was held during the Financial year 2013-2014, the first meeting of the CSR Committee was held on April 2, 2014 whereat the CSR Policy of the Company as drawn up by such committee was approved and recommended to the Board of Directors for approval. The said meeting was attended by Mr. Shamsheer Singh Ahlawat and Mr. Rajiv Rattan.

4. General Body Meetings
A. Location and time of Annual General Meetings (AGMs)

The location and time of last three AGMs are as follows:

Annual General Meeting (AGM)	Year	Location	Date	Time
4 th AGM	2010-11	Centaur Hotel, IGI Airport, Delhi – Gurgaon Road, New Delhi - 110037	September 30, 2011	10.00 A.M.
5 th AGM	2011-12	Centaur Hotel, IGI Airport, Delhi – Gurgaon Road, New Delhi - 110037	September 27, 2012	10.15 A.M.
6 th AGM	2012-13	Centaur Hotel, IGI Airport, Delhi – Gurgaon Road, New Delhi - 110037	September 30, 2013	10.45 A.M.

B. Details of special resolutions passed in the previous three AGMs:

- (i) In the AGM of the Company for the FY 2011 held on September 30, 2011, six special resolutions as briefly specified hereunder were passed:
 - (i) Special resolution in terms of Section 81(3)(b) of the Companies Act, 1956 read with the Public Companies (Terms of Issue of Debentures and raising of Loans with an option to convert such Debentures or Loans into shares) Rules 1977 approving the seeking of term loan facility to the extent of ₹ 4985,00,00,000 (Rupees Four thousand nine hundred eighty five crore) and bank guarantee facility to the extent of ₹ 300,00,00,000 (Rupees Three hundred crore) from IDBI Bank Limited and/or other lenders which may subsequently join the financial arrangement, on the terms as contained in the relevant agreements entered into, for the purpose, including a term providing the lenders with an option in the event of default, to seek the conversion of whole or any part of the said financial assistance into appropriate number of equity shares of the Company at par value.
 - (ii) Special resolution passed pursuant to the requirements of Sections 314(1) and other applicable provisions of the Companies Act, 1956 according consent to the appointment and remuneration of Mr. Saurabh

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Kumar Mittal, Director and Vice- Chairman of the Company by virtue of holding an office or place of profit in its subsidiary company, Indiabulls Realtech Limited w.e.f. February 1, 2011.

- (iii) Special resolution pursuant to Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the Articles of Association of the Company and of other applicable statutes, if any, to create, issue, offer and allot at any time or from time to time, directly or through a trust, to the Eligible Employees of the Company and the Directors of the Company, whether whole-time or not (except the promoter directors or directors holding by themselves or through the relatives or any body corporate, 10% or more of the outstanding equity share capital of the Company), stock options not exceeding 50,000,000 in number, representing 50,000,000 equity shares of face value ₹ 10/- each of the Company, in one or more tranches, under the Scheme titled 'Indiabulls Power Limited. Employees Stock Option Scheme- 2011' ("IPL ESOS-2011").
 - (iv) Special resolution pursuant to Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the Articles of Association of the Company, the Listing Agreements with stock exchanges and other applicable statutes, if any to create, issue, offer and allot at any time or from time to time, directly or through a trust, to the permanent employees of the subsidiaries of the Company and that of its holding company, working in India or out of India and the Directors of the subsidiaries of the Company or that of its holding company, whether whole-time or not (except the promoter directors or directors holding by themselves or through the relatives or any body corporate, 10% or more of the outstanding equity share capital of the Company), stock options under the Scheme titled 'Indiabulls Power Limited. Employees Stock Option Scheme- 2011' ("IPL ESOS-2011").
 - (v) Special resolution pursuant to Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the Articles of Association of the Company, the Listing Agreements with stock exchanges and other applicable statutes, if any, to identify specific eligible employees and grant to them options during any one year, equal to, or exceeding, 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant under the 'Indiabulls Power Limited. Employees Stock Option Scheme- 2011' ("IPL ESOS-2011"), within the overall limit of 5,00,00,000 stock options covered by the said scheme.
 - (vi) Special resolution pursuant to the applicable provisions of the Companies Act, 1956 Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the Articles of Association of the Company and of other applicable statutes, if any for amending the clause pertaining to exercise price under the Stock Option Schemes namely 'SPCL-IPSL Employee Stock Option Plan- 2008' and 'Indiabulls Power Limited. Employees Stock Option Scheme-2009', earlier consented to/ approved by the shareholders, so as to provide that the exercise price under the said stock option schemes, shall be the market price of the equity shares of the Company, under respective Stock Option Schemes, being the latest available closing price, prior to the date of grant or the price as may be decided by the Board of Directors."
- (II) In the AGM of the Company for the FY 2012 held on September 27, 2012, no special resolution was passed.
- (III) In the AGM of the Company for the FY 2013 held on September 30, 2013, no special resolution was passed.

C. Special Resolutions passed during the FY 2014 through postal ballot

During the year 2013-14, no postal ballot was conducted by the Company.

5. Disclosures

(i) Details on materially significant related party transactions

Details of materially significant related party transactions made during the FY 2013 - 14, are contained in the notes forming part of the annual accounts which form a part of the Annual Report.

(ii) Details of non-compliance, penalties etc imposed by Stock Exchange, SEBI etc. on any matter related to capital markets, during the last three years

Since the establishment of the Company as a listed entity on October 30, 2009, there has been no instance of any non-compliance by the Company on any matter related to capital markets and hence, no penalties whatsoever were imposed on the Company or strictures passed against it, by SEBI or the Stock Exchanges or any other statutory authorities on any such matters.

(iii) Whistle Blower policy and affirmation that no personnel has been denied access to the Audit Committee

The Company has in place a highly effective Whistle blower policy which sets out the process and mechanism whereby employees at various levels in the organization can bring to the notice of the management any violations of the applicable laws, regulations as also any unethical or unprofessional conduct. All such reports are taken up for consideration at appropriate intervals depending upon the gravity of the matter reported so that adequate rectifying measures can be initiated in the right earnest, at the appropriate levels. Further, in order to encourage the employees to freely air their views and voice their concerns on various matters and to prevent any victimization of the employees, identity of the employees is kept strictly confidential. It would be pertinent to mention here that the Audit Committee set by the Board, constitutes an essentially important component of the whistle blower mechanism and in particular focuses on instances of financial misconduct and instance of deviations from the laid down standards of internal controls if any, which are thereupon reported to the Audit committee. No employee is denied access to the Audit Committee.

(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Clause 49

The Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement in letter as well as spirit. The details of these compliances have been given in the relevant sections of this Report. The status on compliance with the Non mandatory requirements is given at the end of the Report.

6. Means of Communication

(i) **Publication of Results:** The quarterly/annual results of the Company are published in the leading newspapers viz The Financial Express/Business Standard/Mint (English) and Jansatta/Business Standard/Hindustan (Hindi) etc.

(ii) **News, Release, etc:** The Company has its own website www.indiabullspower.com where all vital information pertaining to the Company and its performance including financial results, press releases pertaining to important developments, performance updates and corporate presentations etc. are regularly posted.

(iii) **Management's Discussion and Analysis Report** has been included in the Annual Report, which forms a part of the Annual Report.

(iv) **Investor Relation:** The Company's web site contains a separate dedicated section "Investor Relation" where information pertinent to the shareholders of the Company and to the investing public in general, is available.

7. General Shareholders' Information

(A) Company Registration Details

The Company is registered in the State of Delhi, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L40102DL2007PLC169082.

(B) Date, Time and Venue of Annual General Meeting (AGM)

The date, time and venue of the AGM has been indicated in the Notice convening the AGM, which forms a part of the Annual Report.

(C) Profile of Directors seeking appointment/re-appointment

Mr. Rajiv Rattan – Executive Director

Mr. Rajiv Rattan, aged 41 years, graduated with a degree in electrical engineering from the Indian Institute of Technology, Delhi in the year 1994. 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. Further he has also gained extensive experience in the Financial Services Sector, and Power 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 Company's business.

Mr. Rajiv Rattan is also on the Board of Indiabulls Infrastructure and Power Limited, Indiabulls Realtech Limited, Indiabulls CSEB Bhaiyathan Power Limited, Spire Constructions Private Limited, Ceres Real Estate Private Limited, Indiabulls Mining Private Limited, Ceres Power Transmission Private Limited, Ceres Electricity Distribution Private Limited, Indiabulls Electricity Distribution Private Limited, Priapus Developers Private Limited, Priapus Land Development Private Limited, Heliotrope Real Estate Private Limited, Antheia Infrastructure Private Limited, Antheia Constructions Private Limited, Cleta Land Development Private Limited, Antheia Buildcon Private Limited, Reyna Land Development Private Limited, Zagreus Real Estate Private Limited, Tupelo Properties Private Limited, Ceres Energy Private Limited, Arcelormittal Indiabulls Mining Private Limited and Nettle Constructions Private Limited.

Membership/Chairmanship of Mr. Rajiv Rattan in committees of various companies is as under:

Name of the Company	Name of Committee	Chairman/ Member
Indiabulls Power Limited.	Corporate Social Responsibility Committee	Member
Indiabulls Realtech Limited	Audit Committee	Member

He doesn't hold any shares in the Company.

Mrs. Anjali Nashier, Non-Executive Director

Mrs. Anjali Nashier, aged 36 years, is a thoroughbred professional, armed with a B. Tech degree in Electrical engineering. Additionally she also holds a degree in law. All of this has been put to use by her in starting out with and building on a successful business of an Architecture and interior designing firm.

Mrs. Nashier, an experienced professional who being an electrical engineer has knowledge of the power sector and furthermore being an entrepreneur herself, understands the nuances of running a business.

Mrs. Nashier is a Director on the Board of Spire Constructions Private Limited, Mahalaxmi Designs Private Limited, JDS Agencies Private Limited, Zagreus Real Estate Private Limited, Antheia Real Estate Private Limited, Reyna Land Development Private Limited, Tupelo Properties Private Limited, Antheia Buildcon Private Limited, Nettle Constructions Private Limited, Priapus Developers Private Limited, Heliotrope Real Estate Private Limited, Cleta Land Development Private Limited, Priapus Land Development Private Limited and Antheia Infrastructure Private Limited.

Mrs. Nashier does not hold any share in the Company. She is the wife of Mr. Rajiv Rattan.

Mr. Vishna Chandra Vishwakarma

Mr. V. C. Vishwakarma aged 57 years is an Electrical Engineering Graduate from Kanpur University (HBIT Kanpur) with over 34 years of experience in power sector.

He has been associated with reputed power generation/ distribution enterprises in the public and private sector of the country, namely Maharashtra State Electricity Board, National Thermal Power Corporation Limited and Jindal Power Limited, in various capacities, at a senior level, with a rich and varied experience in development, erection and commissioning of gas and coal based thermal power plants, commissioning of all electrical, instrumentation and transmission lines etc. He joined the Company on December 2, 2013. Mr. Vishna Chandra Vishwakarma is not on the Board of any other company.

Membership/Chairmanship of Mr. Vishna Chandra Vishwakarma in committees of various companies is as under:

Name of the Company	Name of Committee	Chairman/Member
Indiabulls Power Limited.	Corporate Social Responsibility Committee	Member

Mr. Vishna Chandra Vishwakarma does not hold any shares in the Company nor is he related to any other director of the Company

Mr. Sharad Behal

Mr. Sharad Behal aged 43 years holds a B Tech. degree in Mechanical Engineering from, the Indian Institute of Technology Mumbai one of the premier engineering institutions in the country and also holds a Masters in Business Administration from the reputed Rotterdam School of Management, Erasmus University, Netherlands.

Armed with knowledge and skills of a top order engineering and management professional, Mr. Behal started his career journey as a Field Engineer with Schlumberger in the year 1994 where he has had a fairly long stint spanning over several years, in diverse areas, holding several high level key management positions including that of the Vice President Wireline Segment for Middle East & Asia and Vice President for Schlumberger Oil field Services for East Asia. Form the year 2011 onwards he has been the Global HR Manager for Completion Segment at Schlumberger.

Mr. Sharad Behal is a director on the Board of Mahalaxmi Designs Private Limited.

Mr. Behal does not hold any shares in the Company nor is he related to any director of the Company.

Mr. Debashis Gupta

Mr. Debashis Gupta aged 45 years holds an undergraduate degree in Aerospace Engineering from IIT Mumbai and is also armed with a Masters in Business Administration from the reputed London Business School.

Mr. Gupta sits on an impressive track record which includes more than 20 years of experience in the Oil & Gas Sector during which period he has held key positions in line management, functional and technical roles across multiple Geographies.

Additionally he has also worked with Deloitte Consulting in the United States of America, where he was associated with various consultancy engagements.

Mr. Gupta is currently the Director of Technology & Marketing for Schlumberger in South Asia, this stint having been immediately preceded by his stint as the Manager of Investor Relations for Schlumberger, based out of Houston and thereafter the Financial Controller of a business unit of Schlumberger.

Mr. Debashis Gupta is a director on the Board of Mahalaxmi Designs Private Limited.

Mr. Gupta does not hold any shares in the Company nor is he related to any director of the Company.

Narayansany Jeevagan

Mr. Narayanasany Jeevagan (DIN: 02393291), aged 64 years, is gold medalist of Madurai Kamaraj University in B.Com final exam of March, 1969. He joined Canara Bank in September, 1970 as probationary officer and retired from there in April, 2010 as General Manager.

Report on Corporate Governance (contd.)

During his 40 years of service in the Bank, he held various positions, including as in-charge of the Bank's different regions/Circle offices, where due to his motivational skills he ensured achievement of business targets by the branches, with active participation of all staff members. Being well versed in Credit and Risk Management, he headed bank's Corporate Services Branch at Chennai, handling high value accounts. He was also posted as Managing Director of Canara Bank Venture Capital Ltd.

He was deputed to United Bank of India for three years as GM – Vigilance after selection by Ministry of Finance.

Mr. Jeevagan does not hold any shares in the Company nor is he related to any director of the Company. Further he does not hold the office of director in any company.

Mr. Yashish Dahiya

Mr. Yashish Dahiya, aged 41 years, holds a Bachelor's degree in Engineering from IIT Delhi, a Post Graduate Diploma in Management from IIM Ahmedabad and an MBA from INSEAD, France with high distinction.

He started his career as a Business Unit Head at Illinios Tool Works and later moved on to Bain & Co. to work as a Management Consultant at their London office.

Subsequently before starting his entrepreneurial Journey with Policybazaar.com he worked with First Europa a Global Insurance Broker, as their CEO. He was also the Managing Director for EbookersPlc, a FTSE 250 company, which was also listed on the Nasdaq and the NeurMarkt, a leading pan-European online travel agency and led their business.

Now Mr. Yashish Dahiya is the Chief Executive Officer (CEO) and Co-Founder at PolicyBazaar.com, the largest online insurance aggregator in the country. His long term strategies have turned this financial start-up into a thriving successful brand in the short span of just 5 years. An expert in the field of insurance, Mr. Dahiya holds extensive knowledge of the consumer financial space in India.

Mr. Dahiya is a Director on the Board of ETECHACES Marketing and Consulting Private Limited, PolicyBazaar Insurance Broking Private Limited, Best eCluster Soft Services Private Limited, Chleon Automotive Private Limited, Accurex Marketing and Consulting Private Limited and Ew in Marketing and Consulting Private Limited.

Mr. Dahiya does not hold any share in the Company and he is not related to any other director of the Company.

Mr. Sanjiv Chhikara

Mr. Sanjiv Chhikara (DIN: 06966429) aged 49 years, started his carrier with the Customs Department at Mumbai where he put in 20 years full of achievement handling several facets of works of the customs department such as clearance of import and export cargo, adjudication of cases, project imports, Duty Exemption Scheme, Export Oriented units, Investigations and intelligence CESAT and settlement commission etc. to name a few.

In the year 2011 he took a voluntary retirement and is currently involved with high-tech farming project with the use of poly house technology near Delhi.

Mr. Chhikara is not a Director on the Board of any company.

Mr. Chhikara does not hold any share in the Company and he is not related to any other director of the Company.

- (D) Financial year:** The financial year of the Company is a period of twelve months beginning on 1st April every calendar year and ending on 31st March the following calendar year.

(E) Dates of Book Closure

Information pertaining to the Book Closure dates has been provided in the Notice convening the AGM forming part of this Annual Report.

(F) (i) Distribution of shareholding as on 31st March 2014

Sl. No.	Shareholding of nominal value (in ₹)	No. of holders	% to total holders	Value in ₹	% to nominal value
	From To				
1.	1-5000	83,604	60.78	186,495,370.00	0.71
2.	5001- 10000	20,919	15.21	171,962,750.00	0.65
3.	10001- 20000	12,822	9.32	191,294,960.00	0.72
4.	20001- 30000	9,873	7.18	227,267,470.00	0.86
5.	30001- 40000	2,028	1.47	73,487,620.00	0.28
6.	40001- 50000	2,274	1.65	107,911,370.00	0.41
7.	50001- 100000	2,955	2.15	225,680,700.00	0.85
8.	100001 & Above	3,077	2.24	25,243,199,290.00	95.52
	TOTAL	137,552	100.00	26,427,299,530.00	100.00

(ii) Shareholding pattern as on 31st March 2014

Sl. No.	Category	No. of Shares	% holding
1.	Promoters and Promoters Group	1,606,550,000	60.79
2.	Mutual Funds/Indian Financial Institutions	9,667,205	0.37
3.	Banks	6,982,535	0.26
4.	FIs	57,006,601	2.16
5.	Private Bodies Corporate	99,688,925	3.77
6.	Indian Public (Employees/HUF/Public/Trusts)	260,852,987	9.87
7.	NRIs/OCBs	141,074,278	5.34
8.	Other foreign entities(Foreign Venture Capital/ Foreign Companies/Qualified Foreign Investor(s)	459,116,312	17.37
9.	Others (Clearing Members)	1,791,110	0.07
	Total	2,642,729,953	100

(G) Dematerialization of shares and liquidity

Equity Shares of the Company are traded in dematerialized mode and are available for trading under both the depositories i.e. NSDL and CDSL.

As on March 31, 2014, nearly 100.00% Equity shares of the Company representing 263,42,80,688 out of a total of 264,27,29,953 Equity shares, were held in dematerialized form with a miniscule balance of 84,49,265 Equity shares, constituting less than 1% of the total outstanding Equity shares, being held in the physical segment.

(H) Convertible Instruments

As on 31st March, 2014, an aggregate of 58,88,400 stock options were in force. As and when these stock options have been/are exercised, the paid-up share capital of the Company has increased/shall accordingly stand increased.

(I) Listing on Stock Exchanges

The Company's shares are listed on the following stock exchanges:

National Stock Exchange of India Limited (NSE)

"Exchange Plaza", Bandra-Kurla Complex,

Bandra (E), Mumbai – 400 051

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street,

Mumbai – 400 001

Report on Corporate Governance (contd.)

(J) Stock Code

BSE Limited - 533122

National Stock Exchange of India Ltd - IBPOW/EQ

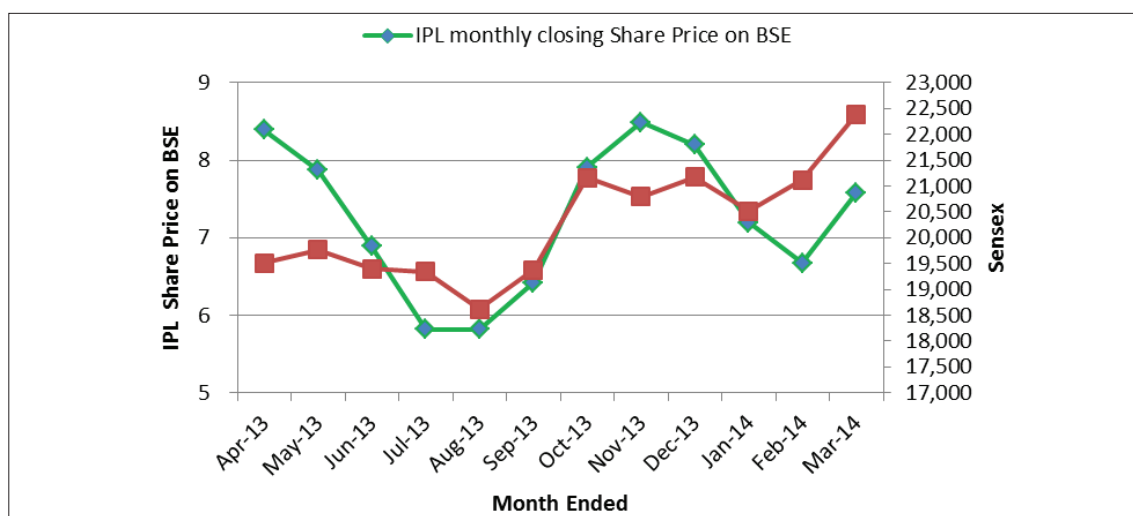
ISIN for Dematerialization - INE399K01017

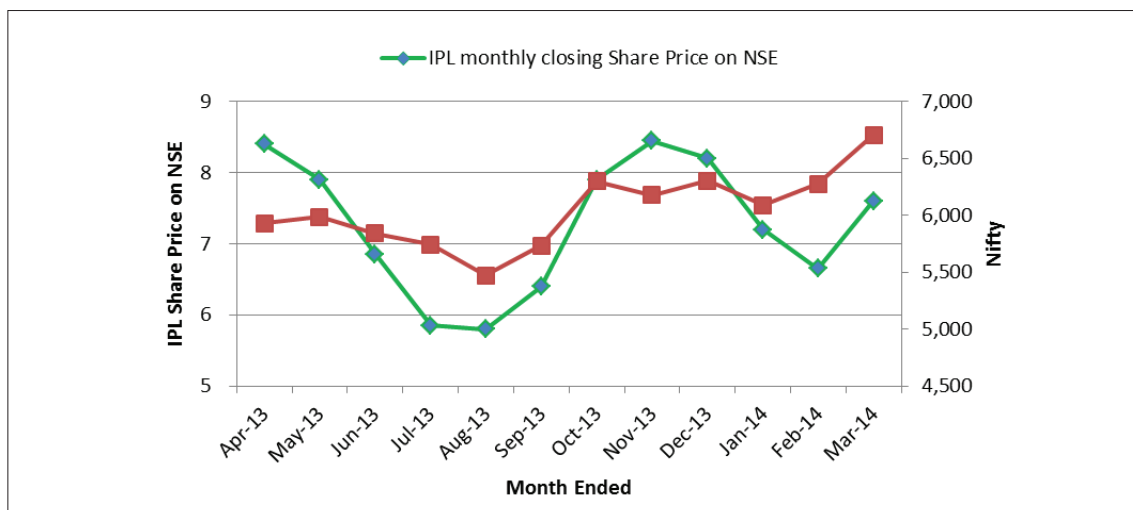
(K) Market Price data

The monthly high and low market prices of equity shares at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year ended March 31, 2014 are as under:

	Month		NSE	
	High (INR)	Low (INR)	High (INR)	Low (INR)
April 2013	9.80	8.30	9.77	8.32
May 2013	9.45	7.80	9.40	7.81
June 2013	8.15	6.40	8.18	6.40
July 2013	7.85	5.65	7.90	5.65
August 2013	6.40	5.25	6.40	5.25
September 2013	7.60	5.60	7.60	5.60
October 2013	9.25	6.10	9.20	6.12
November 2013	9.90	7.90	9.85	7.94
December 2013	9.45	8.00	9.39	8.00
January 2014	8.90	6.95	8.89	6.95
February 2014	7.30	6.60	7.25	6.55
March 2014	7.75	6.35	7.68	6.37

(L) Performance of the Company in comparison to broad-based indices




(M) Registrar and Transfer Agents

M/s Karvy Computershare Private Limited are acting as the Registrar and Transfer Agents of the Company for handling the share related matters, both in physical and dematerialised mode.

The contact details are as under:

Karvy Computershare Private Limited

Unit : Indiabulls Power Limited
 Plot No.17-24 Vittal Rao Nagar
 Madhapur Hyderabad - 500081

Contact Person: Ms. Shobha Anand, AGM, Corporate Registry

Tel : 040-44655000/23420815-23420825

Fax: 040-23420814

E-mail: einward.ris@karvy.com

(N) Share Transfer System

In the present day times of dematerialised securities, a bulk of transfers takes place electronically through the mechanism involving the stock exchanges, the depository participants and brokers of the parties involved as also the Depositories i.e. NSDL and CDSL which act as an interface/platform for the purpose, with the concerned companies not being involved in the process. However as regards the shares of the Company which are still in the physical mode the Share transfer system in the Company comprises of two components viz the Stakeholders Relationship Committee and the Registrar and Transfer Agent of the Company (RTA) which work hand in hand to process and approve the requests received for transfer or transmission of the shares in the physical segment. Share transfer/transmission requests are processed within the stipulated time, with the RTA sending the requests which have already been scrutinized by it and found to be in order, to the Committee for its approval and the Committee approving the same and communicating the approval to the RTA. The Committee also receives from the RTA, the details and documents pertaining to the requests which have not been found to be in order, for its information and examination.

The certificates pertaining to the transferred shares are mailed to the concerned investors by the RTA immediately upon approval of transfers, so as to reach such investors well within the time stipulated under the Listing agreements.

(O) Address for Correspondence

(i) Registered Office:

Indiabulls Power Limited.
M-62 & 63, First Floor,
Connaught Place, New Delhi- 110 001

(ii) Corporate Office:

12th floor, Tower A, Building no 5,
DLF Phase 3, DLF Cyber City,
Gurgaon, Haryana 122002

8. Compliance Certificate from the Practicing Company Secretary

A certificate from a Practicing Company Secretary certifying the Company's compliance with the provisions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to and forms a part of this Report. The certificate is also being forwarded to the Stock Exchanges in India where the Securities of the Company are listed.

9. CEO & CFO Certification

The certificates required under Clause 49(V) of the listing agreement duly signed by the persons vested with the functional responsibilities of a CEO and CFO have been provided to the Board.

10. Non-Mandatory Requirements

Status of Compliance of Non-Mandatory requirement stipulated under Clause 49 is as under:

(A) Non-Executive Chairman

The Company has an Executive Chairman

(B) Nomination & Remuneration Committee

The Company has a duly constituted Nomination & Remuneration Committee. For details as to the constitution and the functional responsibility vested in it, please refer to point no. 3 in the earlier part of this report.

(C) Shareholders Rights

The Company is getting its quarterly/half yearly and annual financial results published in leading newspapers with wide circulation across the country and regularly updates the same on its public domain website. In view of the same individual communication of quarterly / annual financial results to the shareholders is not being made at present. Further, information pertaining to important developments in the Company is brought to the knowledge of the public at large and to the shareholders of the Company in particular, through communications sent to the stock exchanges where the shares of the Company are listed and which then get updated on the websites of these exchanges, through press releases in leading newspapers and through regular uploads made on the Company website.

(D) Unqualified financial statements

The Auditors Report on the audited annual accounts of the Company for the financial year ended March 31, 2014 does not contain any qualification and to this effect the Company shall be submitting with NSE and BSE (the stock exchanges where the shares of the Company are listed) a report in the form stipulated under the SEBI Circular no. CIR/CFD/DIL/7/2012 dated August 13, 2012.

It shall be endeavor of the Company to continue the trend by strengthening the existing accounting systems and controls as well as ensuring complete adherence to the applicable accounting standards and adoption of prudent practices and procedures.

(E) Whistle Blower Policy

The Company has a well defined Whistle blower policy in place which lays down an effective mechanism for the employees to report violations of laws, rules and regulations as also unethical conduct, at the appropriate management levels, for timely and appropriate actions without loss of time. For a detailed description of the whistle blower policy please refer to point no.5 (iii) of this Report.

Except as set out above, the Company has not adopted any other non mandatory requirements recommended under Annexure 1D of the Clause 49 of the Listing Agreements with the Stock Exchanges.

Report on Corporate Governance (contd.)

ANNUAL DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO) PURSUANT TO CLAUSE 49 (I)(D)(ii) OF THE LISTING AGREEMENT

As the person vested with the functional responsibilities of the Chief Executive Officer of Indiabulls Power Limited. and as required by Clause 49 (I)(D)(ii) of the Listing Agreement, I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Business Conduct and Ethics, for the FY2014.

Date: 14 August, 2014
Place: New Delhi

Sd/-
Rajendra Kumar Sugandhi

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Indiabulls Power Limited.

We have examined the compliance of conditions of Corporate Governance by Indiabulls Power Limited. ("the Company"), for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

We state that there are no investor grievances as on March 31, 2014 as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S. K. Hota & Associates
Company Secretaries

Date: 14 August, 2014
Place: New Delhi

S. K. Hota
Proprietor
Membership No: ACS 16165
CP No. 6425

Independent Auditors' Report

Indiabulls**Indiabulls Power Ltd.**

**TO THE BOARD OF DIRECTORS OF
INDIABULLS POWER LIMITED.**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **INDIABULLS POWER LIMITED.** (the "Company"), and its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Independent Auditors' Report (contd.)

Other Matter

We did not audit the financial statements of Ninety Six subsidiaries, whose financial statements reflect total assets (net) of Rs. 14,391,931,224 as at 31st March, 2014, total revenues of Rs. 35,920,285 and net cash outflows amounting to Rs. 585,897,827 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors, whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 117365W)

K. A. Katki
Partner
(Membership No.: 038568)

Mumbai, 12th May, 2014

Consolidated Balance Sheet

of Indiabulls Power Limited. as at March 31, 2014

Indiabulls

Indiabulls Power Ltd.

Particulars	Note No.	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
I. EQUITY AND LIABILITIES			
1) Shareholders' funds			
(a) Share capital	3	26,427,299,530	26,427,299,530
(b) Reserves and surplus	4	27,295,642,639	27,657,171,950
2) Minority Interest	34	18,551,635	16,273,709
3) Non-current liabilities			
(a) Long-term borrowings	5	100,968,778,157	56,834,889,765
(b) Deferred tax liabilities (net)	6	946,515	173,485
(c) Other long-term liabilities	7	4,110,218,649	6,440,105,804
(d) Long-term provisions	8	363,897,359	408,374,109
4) Current liabilities			
(a) Short-term borrowings	9	1,195,155,461	250,550,000
(b) Trade payables	10	434,818,603	968,843,638
(c) Other current liabilities	11	13,399,783,485	34,346,473,951
(d) Short-term provisions	12	44,833,500	10,345,910
TOTAL		174,259,925,533	153,360,501,851
II. ASSETS			
1) Non-current assets			
(a) Fixed assets	13		
(i) Tangible assets		45,817,292,902	1,181,891,610
(ii) Intangible assets		933,944,390	902,074,813
(iii) Capital work-in-progress		67,975,977,561	90,897,124,539
(iv) Intangible assets under development		-	51,616,594
(b) Expenditure during construction pending capitalisation	14	23,223,671,201	20,415,333,506
(c) Goodwill on consolidation	37	3,123,238	3,123,238
(d) Non-current investments	15	202,500,000	202,500,000
(e) Deferred tax assets (net)	16	79,141,123	107,353,731
(f) Long-term loans and advances	17	22,441,076,222	26,999,353,472
(g) Other non-current assets	18	652,279,762	364,602,368
2) Current assets			
(a) Inventories	19	223,582,165	152,706,865
(b) Trade receivables	20	1,056,301,472	-
(c) Cash and bank balances	21	2,948,915,717	4,725,353,445
(d) Short-term loans and advances	22	7,706,702,295	7,057,742,827
(e) Other current assets	23	995,417,485	299,724,843
TOTAL		174,259,925,533	153,360,501,851

See accompanying notes forming part of the financial statements 1-49

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board of Directors

K. A. Katki
Partner

Rajiv Rattan
Vice Chairman

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

Place : Mumbai
Date : May 12, 2014

Place : Gurgaon
Date : May 12, 2014

Consolidated Statement of Profit and Loss

of Indiabulls Power Limited. for the year ended March 31, 2014

Particulars	Note No.	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
1 Revenue from operations	24	3,387,846,984	-
2 Other income	25	588,310,923	675,842,396
3 Total Revenue (1+2)		3,976,157,907	675,842,396
4 Expenses:			
Cost of fuel, power and water consumed	26	2,036,092,218	-
Employee benefits expense	27	299,101,430	353,168,563
Finance costs	28	1,314,941,962	60,250,793
Depreciation and amortisation expense	13	665,310,690	12,777,189
Other expenses	29	625,860,453	1,314,857,753
Total Expenses		4,941,306,753	1,741,054,298
5 Loss before tax (3-4)		(965,148,846)	(1,065,211,902)
6 Tax expense/(benefit) :			
a) Current tax expense		8,689,955	6,000,096
b) Less: MAT credit		-	(2,705,749)
c) MAT Credit Entitlement relating to prior year		-	(105,663,889)
d) Short/(excess) provision for tax relating to prior years		7,597,697	(519,308)
e) Net current tax expense/(benefit) (a+b+c+d)		16,287,652	(102,888,850)
f) Deferred tax	6/16	28,985,637	(72,335,054)
Net tax expense/(benefit) (e+f)		45,273,289	(175,223,904)
7 Loss after tax for the year before Minority Interest (5-6)		(1,010,422,135)	(889,987,998)
8 Minority Interest		(2,277,926)	(2,787,954)
9 Loss for the year (7-8)		(1,012,700,061)	(892,775,952)
Earnings per equity share : (Face Value ₹10)	39		
- Basic		(0.383)	(0.350)
- Diluted		(0.383)	(0.350)
See accompanying notes forming part of the financial statements	1-49		

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board of Directors

K. A. Katki
Partner

Rajiv Rattan
Vice Chairman

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

Place : Mumbai
Date : May 12, 2014

Place : Gurgaon
Date : May 12, 2014

Consolidated Cash Flow Statement

of Indiabulls Power Limited. for the year ended March 31, 2014

Indiabulls

Indiabulls Power Ltd.

	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
A Cash Flow From Operating Activities :		
Loss Before Tax	(965,148,846)	(1,065,211,902)
Adjustment for :		
Depreciation/Amortisation expense	665,310,690	12,777,189
Finance Costs	1,314,941,962	60,250,793
Provision for Gratuity, Compensated Absences and Superannuation Benefits	12,213,450	104,513,382
Provision for Gratuity and Compensated Absences no longer required written back	(1,277,531)	-
Provision for Liquidated damages	34,039,666	-
Loss on disposal of fixed assets	881,127	-
Profit on Redemption of Mutual Fund	(1,689,784)	-
Profit on sale of Investments in subsidiaries	-	(150,941,306)
Advances written off	212,679,190	237,352,500
Expenditure during construction and Capital Work In Progress written off	-	271,244,950
Inventory adjusted pursuant to merger	-	326,661,176
Dividend on Units of Mutual Funds	(19,980,672)	(58,425,758)
Interest Income on Overdue Trade Receivables and Security Deposits	(43,634,566)	-
Interest Income on Income Tax Refund	(57,952)	(1,551,915)
Interest Income on Deposit Accounts	(74,361,490)	(137,355,515)
Interest income on Inter Corporate Deposits	(446,893,321)	(325,408,133)
Operating Profit/(Loss) before Working Capital Changes	687,021,923	(726,094,539)
Adjustments for:		
(Increase)/Decrease in Long & Short-term loans and advances and other current assets	(1,288,011,017)	7,454,065,325
Increase in Inventories	(70,875,300)	(152,706,865)
(Increase)/Decrease in Trade receivables	(1,056,301,472)	2,700,000
Increase/(Decrease) in Other long-term and Current liabilities	2,318,070,204	(16,705,779)
Cash Generated from Operating Activities	589,904,338	6,561,258,142
Income taxes paid - (net)	(171,440,874)	(340,387,076)
Net Cash Generated from Operating Activities	418,463,464	6,220,871,066
B Cash flow from Investing Activities		
Purchase of Tangible and Intangible Assets	(32,503,089)	(82,199,715)
Proceeds from disposal of Tangible Assets	4,254,513	-
Intangible assets under development	-	(34,446,594)
Capital Work-in-Progress (including Capital Advances)/ Expenditure During Construction Pending Capitalisation	(8,111,873,548)	(49,969,159,172)
Proceeds on sale of Investment in Equity Shares of Subsidiary Companies	-	132,441,306
Cash and cash equivalents arising on merger (Refer Note 4 below)	-	220,653
Cash and cash equivalents transferred on sale of subsidiary	-	(927,334)
Proceeds from Redemption of Mutual Funds - (net)	3,314,512	375,000,000
Inter Corporate Deposits given- (net)	(1,061,350,000)	(34,015,000)

Consolidated Cash Flow Statement

of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
Deposit Accounts matured/ (placed) with bank - (net)	1,900,254,934	(711,819,989)
Interest received on Deposit Accounts	172,048,340	173,545,418
Interest received on Inter Corporate Deposits given	322,677,124	132,525,566
Interest received on Loans given	-	8,145,396
Dividend on Units of Mutual Funds	80,244,964	58,425,758
Net Cash Used in Investing Activities	(6,722,932,250)	(49,952,263,707)
C Cash flow from Financing Activities		
Loans taken/ (repaid) from Banks and Financial Institutions - (net)	20,428,477,961	41,623,754,174
Loan received from others	2,845,605	-
Inter Corporate Deposit taken/ (repaid) from Company having Substantial interest - (net)	183,500,000	(42,850,000)
Finance Cost paid	(14,573,702,277)	(40,773,607)
Net Cash Generated From Financing Activities	6,041,121,289	41,540,130,567
D Net Decrease in Cash and Cash equivalents (A+B+C)	(263,347,497)	(2,191,262,074)
E Cash and Cash Equivalents as at the beginning of the year	2,247,170,629	4,049,995,519
F Unrealised Exchange Difference on Translation of balances denominated in Foreign Currency	651,170,750	388,437,184
G Cash and Cash Equivalents as at the end of the year (D+E+F)	2,634,993,882	2,247,170,629

Note :

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

2 Cash and cash equivalents as at the year end:

Cash and Bank balances (Refer Note 21)	2,948,915,717	4,725,353,445
	2,948,915,717	4,725,353,445
Less: In fixed deposit accounts having maturity of more than 3 months	313,780,085	2,478,041,066
Less: Unclaimed share application money received for allotment of securities and due for refund (Refer Note 3 below)	141,750	141,750
Cash and cash equivalents as restated	2,634,993,882	2,247,170,629

3 Unclaimed IPO Share Application Money balance of ₹ 141,750 (Previous Year ₹ 141,750) in designated bank accounts are not available for use by the Company.

4 The above cash flow excludes assets (other than cash and cash equivalent) and liabilities arising on merger (Refer Note 3(iii) & (iv)).

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

K. A. Katki
Partner

Place : Mumbai
Date : May 12, 2014

For and on behalf of the Board of Directors

Rajiv Rattan
Vice Chairman

Place : Gurgaon
Date : May 12, 2014

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

1. Corporate Information

Indiabulls Power Limited. ("the Company") was incorporated on October 08, 2007 as a wholly owned subsidiary of Indiabulls Real Estate Limited ("IBREL") with an authorised capital of ₹ 500,000 divided into 50,000 equity shares of face value ₹ 10 each. During the financial year 2009-10, the authorised capital was increased to ₹ 50,000,000,000 (Rupees Five Thousand Crores) divided into 5,000,000,000 (Five Hundred Crores) equity shares of face value ₹ 10 each. The main business activities of the Company included inter alia, dealing in power generation, distribution, trading and transmission and other ancillary and incidental activities. The Company is in process of setting up a Thermal Power Project at Amravati ("Amravati Project") in the State of Maharashtra in two phases of 1,350 MW each, with an ultimate capacity of 2,700 MW.

The Company's subsidiary Indiabulls Realtech Limited (IRL) is also in process of setting up a Thermal Power Project at Nashik ("Nashik Project") in the State of Maharashtra in two phases of 1,350 MW each, with an ultimate capacity of 2,700 MW.

On February 12, 2008, the Company had entered into a Shareholder's agreement ("Agreement") with IBREL, individual promoters of IBREL (Sameer Gehlaut, Rajiv Rattan and Saurabh K. Mittal), Investors (FIM Limited and LNM India Internet Ventures Limited) and the erstwhile Indiabulls Power Services Limited ("IPSL" or "Amalgamating Company"), a fellow subsidiary. The Company had also entered into a Share Subscription Agreement ("SSA") dated February 12, 2008, with IBREL, FIM Limited and LNM India Internet Ventures Limited. In terms of the Agreement and the SSA, the Company had issued and allotted 237,000,000 equity shares of face value of ₹ 10 each at a premium of ₹ 56.67 per share to the Investors on February 22, 2008.

In terms of the Agreement, IPSL was merged with the Company, with effect from the Appointed Date on April 1, 2008. Consequently, the Company applied for and received approval dated January 16, 2009, from the FIPB Unit, Department of Economic Affairs, Ministry of Finance, Government of India to engage in the business of generating, developing, transmitting, distributing and supplying all forms of electrical power (except atomic energy) and to act as an operating cum holding company.

In accordance with the provisions of Section 21 and other applicable provisions of the Companies Act, 1956, the Members of the Company at their Extraordinary General Meeting held on July 4, 2009, accorded their approval to change the name of the Company. The Company has since received fresh certificate of incorporation consequent upon change of name, from the Registrar of Companies, National Capital Territory of Delhi & Haryana, dated July 07, 2009 in respect of the said change. Accordingly, the name of the Company was changed to 'Indiabulls Power Limited.'

Pursuant to and in terms of the Court approved Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956, by and among Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited, Indiabulls Builders Limited, Indiabulls Power Limited. (the Company), Poena Power Supply Limited and their respective shareholders and creditors (Scheme - 2011), which had been approved by the Hon'ble High Court of Delhi vide its Order dated October 17, 2011 and came into effect on November 25, 2011, with effect from April 1, 2011 i.e. the Appointed Date.

In pursuance of the Scheme - 2011, with effect from the Appointed Date:

- (a) The Power business undertaking of Indiabulls Real Estate Limited (IBREL) which included IBREL's investment in the Company, stood demerged from IBREL and transferred to and vested in favour of Indiabulls Infrastructure and Power Limited (IIPL) which had the effect of making IIPL the Promoter Group/ holding company of the Company.
- (b) Poena Power Supply Limited (PPSL) a wholly owned subsidiary of the Company was merged with the Company as a going concern under the 'pooling of interests method' as specified in Accounting Standard 14 on 'Accounting for Amalgamations' as notified under the Companies (Accounting Standards) Rules, 2006, as amended, with the entire business, including all the assets and liabilities as recorded in the books of PPSL as on the Appointed Date (there were no fixed assets held by PPSL), being transferred to the Company at their book values as on the said date. Poena Power Supply Limited was, prior to its merger, engaged in the business, inter-alia, of power project management, design and management of facilities and services on site and off site, maintenance and operation of support services, project advisory/consultancy and other related services; which business continues after the merger.

The Company had on October 20, 2010 allotted 420,000,000 Share Warrants to certain Promoter Group entities which were partly paid and at the option of the warrant holders were convertible into equivalent number of Equity shares of the Company. Under the Court approved Scheme of Arrangement by and amongst Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited, Indiabulls Builders Limited, the Company, Poena Power Supply Limited and their respective shareholders and creditors (Scheme - 2011), it had been stipulated that any of such Warrants remaining

Notes forming part of the Consolidated Financial Statements of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

outstanding on the day of the Scheme - 2011 becoming effective, would stand converted into partly paid Equity shares of the Company. However, prior to the effectiveness of the Scheme - 2011 the warrant holding entities conveyed to the Company their unwillingness to exercise the warrants per se, so that as on the date of effectiveness of the Scheme - 2011, no warrants were outstanding. Consequently, an amount of ₹ 3,045,000,000 representing the upfront money paid on these warrants was forfeited by the Board of Directors of the Company and appropriated to the Capital Reserve. In terms of the Court approved Scheme of Arrangement (Scheme - 2012) which came into effect on June 2, 2012 (Effective Date), Indiabulls Infrastructure Development Limited (IIDL) was merged with the Company as a going concern with effect from April 1, 2012, the Appointed Date under the Scheme - 2012, upon which the entire undertaking and the entire assets and liabilities of IIDL stand transferred to and vested in the Company at their book values. Pursuant to the Scheme - 2012 as aforesaid, an aggregate of 415,407,007 Equity shares of face value ₹ 10 each in the Company were issued and allotted in favour of the IIDL shareholders as on the Effective Date, thereby increasing the paid up capital of the Company to ₹ 26,427,299,530 divided into 2,642,729,953 Equity shares of face value ₹ 10 each. Consequent to issuance and allotment of equity shares to the shareholders of IIDL, the Indiabulls Infrastructure and Power Limited (IIPL) has ceased to be the ultimate holding company w.e.f June 20, 2012. IIDL was, prior to its merger, engaged in the business, inter-alia, of the development of real estate projects, providing management advisory services and other related and ancillary activities.

2. Basis of Consolidation and significant accounting policies

The significant accounting policies have been predominantly presented below in the order of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

2.1 Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company and its subsidiaries (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/2013 Act, as applicable. The consolidated financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

2.2 Principles of Consolidation

The Consolidated Financial Statements relate to Indiabulls Power Limited. (the 'Company') and its subsidiary companies. The Consolidated Financial Statements have been prepared on the following basis:

- i. The financial Statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses unless cost cannot be recovered. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements
- ii. The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognized as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements.
- iii. Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- iv. Goodwill arising on consolidation is not amortised but tested for impairment.
- v. Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

S. No.	Name of the Company	Year ended included in Consolidation	Proportion Of Ownership Interest	Country of Incorporation	Auditor Firm	Date of Incorporation
1	Airmid Power Limited	March 31, 2014	100%	India	Sharma Goel & Co.	25-Feb-08
2	Albina Power Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	26-Feb-08
3	Amravati Power Transmission Company Limited	March 31, 2014	100%	India	Sharma Goel & Co.	08-Jul-08
4	Angina Power Limited	March 31, 2014	100%	India	Sharma Goel & Co.	24-Apr-08
5	Apesh Power Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	25-Apr-08
6	Aravali Properties Limited	March 31, 2014	100%	India	Sharma Goel & Co.	21-Jul-06
7	Ashkit Power Limited	March 31, 2014	100%	India	Jain & Vinay Associates	24-Apr-08
8	Bracond Limited	March 31, 2014	100%	Cyprus	AlliottPartellasKiliaris Ltd	12-Aug-08
9	Chloris Power Limited	March 31, 2014	100%	India	Sharma Goel & Co.	24-Apr-08
10	Citra Thermal Power And Infrastructure Limited	March 31, 2014	100%	India	Jain & Vinay Associates	28-Sep-07
11	Devona Thermal Power And Infrastructure Limited	March 31, 2014	74%	India	Sharma Goel & Co.	25-Sep-07
12	Diana Energy Limited	March 31, 2014	74%	India	Sharma Goel & Co.	25-Sep-07
13	Diana Power Limited	March 31, 2014	100%	India	Jain & Vinay Associates	13-Sep-07
14	Elena Power And Infrastructure Limited	March 31, 2014	100%	India	Deloitte Haskins & Sells	24-Apr-08
15	Fama Power Company Limited	March 31, 2014	100%	India	Jain & Vinay Associates	08-Oct-07
16	Fornax Power Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	24-Apr-08
17	Genoformus Limited (100% Subsidiary of Bracond Limited)*	March 31, 2014	100%	Cyprus	AlliottPartellasKiliaris Ltd	26-Aug-08
18	Hecate Electric Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	04-Jul-08
19	Hecate Energy Private Limited	March 31, 2014	100%	India	SARC & Associates	19-Jun-08
20	Hecate Energy Trading Limited	March 31, 2014	100%	India	SARC & Associates	13-Jun-08
21	Hecate Hydro Electric Power Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	11-Jun-08
22	Hecate Power And Energy Resources Limited	March 31, 2014	100%	India	SARC & Associates	10-Jun-08
23	Hecate Power Company Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	10-Jun-08
24	Hecate Power Development Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	04-Jul-08
25	Hecate Power Distributors Limited	March 31, 2014	100%	India	SARC & Associates	10-Jun-08
26	Hecate Power Generation Limited	March 31, 2014	100%	India	SARC & Associates	10-Jun-08
27	Hecate Power Limited	March 31, 2014	100%	India	SARC & Associates	10-Jun-08
28	Hecate Power Management Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	04-Jul-08
29	Hecate Power Projects Limited	March 31, 2014	100%	India	A. Chandak & Co.	19-Jun-08
30	Hecate Power Services Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	10-Jun-08
31	Hecate Power Solutions Limited	March 31, 2014	100%	India	A. Chandak & Co.	10-Jul-08
32	Hecate Power Supply Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	07-Jul-08
33	Hecate Power Systems Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	07-Jul-08
34	Hecate Power Transmission Limited	March 31, 2014	51%	India	Mehrotra Seth & Associates	04-Jul-08
35	Hecate Power Utility Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	08-Jul-08
36	Hecate Powergen Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	08-Jul-08

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

S. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Auditor Firm	Date of Incorporation
37	Hecate Thermal Power And Infrastructure Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	10-Jun-08
38	Indiabulls CSEB Bhayathan Power Limited	March 31, 2014	100%	India	Deloitte Haskins & Sells	19-May-08
39	Indiabulls Electric Company Limited	March 31, 2014	100%	India	Sharma Goel & Co.	05-Aug-08
40	Indiabulls Electric Energy Limited	March 31, 2014	100%	India	A. Chandak & Co.	05-Aug-08
41	Indiabulls Electric Limited	March 31, 2014	100%	India	A. Chandak & Co.	04-Jul-08
42	Indiabulls Electric Power Limited	March 31, 2014	100%	India	A. Chandak & Co.	05-Aug-08
43	Indiabulls Electricity Company Limited	March 31, 2014	100%	India	Jain & Vinay Associates	13-Sep-07
44	Indiabulls Electricity Generation Limited	March 31, 2014	100%	India	Jain & Vinay Associates	05-Aug-08
45	Indiabulls Hydro Electric Power Limited	March 31, 2014	100%	India	Jain & Vinay Associates	13-Sep-07
46	Indiabulls Hydro Energy Limited	March 31, 2014	100%	India	Jain & Vinay Associates	13-Sep-07
47	Indiabulls Hydro Power Limited	March 31, 2014	100%	India	Jain & Vinay Associates	13-Sep-07
48	Indiabulls Hydro Power Projects Limited	March 31, 2014	100%	India	Jain & Vinay Associates	13-Sep-07
49	Indiabulls Power Development Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	02-Jul-08
50	Indiabulls Power Distribution Limited	March 31, 2014	100%	India	Jain & Vinay Associates	05-Sep-07
51	Indiabulls Power Generation Company Limited	March 31, 2014	100%	India	Sharma Goel & Co.	27-Jun-08
52	Indiabulls Power Generation Limited	March 31, 2014	74%	India	Sharma Goel & Co.	05-Sep-07
53	Indiabulls Power Infrastructure Limited	March 31, 2014	100%	India	Jain & Vinay Associates	13-Sep-07
54	Indiabulls Power Management Limited	March 31, 2014	100%	India	A. Chandak & Co.	02-Jul-08
55	Indiabulls Power Projects Development Limited	March 31, 2014	100%	India	A. Chandak & Co.	02-Jul-08
56	Indiabulls Power Projects Limited	March 31, 2014	100%	India	Jain & Vinay Associates	13-Sep-07
57	Indiabulls Power Solutions Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	27-Jun-08
58	Indiabulls Power Supply Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	27-Jun-08
59	Indiabulls Power Systems Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	02-Jul-08
60	Indiabulls Power Trading Limited	March 31, 2014	100%	India	Sharma Goel & Co.	05-Sep-07
61	Indiabulls Power Transmission Limited	March 31, 2014	51%	India	A. Chandak & Co.	27-Jun-08
62	Indiabulls Power Utility Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	27-Jun-08
63	Indiabulls Powergen Limited	March 31, 2014	100%	India	A. Chandak & Co.	27-Jun-08
64	Indiabulls Realtech Limited	March 31, 2014	100%	India	Deloitte Haskins & Sells	03-Jan-07
65	Indiabulls Thermal Energy Limited	March 31, 2014	100%	India	Jain & Vinay Associates	13-Sep-07
66	Indiabulls Thermal Power Limited	March 31, 2014	100%	India	Jain & Vinay Associates	13-Sep-07
67	Indiabulls Thermal Power Management Limited	March 31, 2014	100%	India	Jain & Vinay Associates	05-Aug-08
68	Indiabulls Thermal Power Projects Limited	March 31, 2014	100%	India	Jain & Vinay Associates	06-Aug-08
69	Indiabulls Thermal Projects Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	07-Aug-08
70	Indiabulls Water Supply and Waste Management Limited (100% Subsidiary of Indiabulls Realtech Limited)*	March 31, 2014	100%	India	SARC & Associates	27-May-06
71	Kaya Hydropower Projects Limited	March 31, 2014	100%	India	Jain & Vinay Associates	04-Dec-07
72	Lenus Power Limited	March 31, 2014	100%	India	Jain & Vinay Associates	28-Feb-08

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

S. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Auditor Firm	Date of Incorporation
73	Lucina Power And Infrastructure Limited	March 31, 2014	100%	India	Jain & Vinay Associates	02-Aug-06
74	Mabon Power Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	25-Feb-08
75	Mariana Power Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	24-Apr-08
76	Poana Power Systems Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	04-Jul-08
77	Poana Power Solutions Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	08-Jul-08
78	Poana Hydro Power Projects Limited	March 31, 2014	100%	India	SARC & Associates	19-Jun-08
79	Poana Power Company Limited	March 31, 2014	100%	India	A. Chandak & Co.	20-Jun-08
80	Poana Power Development Limited	March 31, 2014	100%	India	Sharma Goel & Co.	04-Jul-08
81	Poana Power Distributors Limited	March 31, 2014	100%	India	SARC & Associates	19-Jun-08
82	Poana Power Generation Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	24-Jun-08
83	Poana Power Limited	March 31, 2014	74%	India	Mehrotra Seth & Associates	10-Jun-08
84	Poana Power Management Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	09-Jul-08
85	Poana Power Services Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	19-Jun-08
86	Poana Power Trading Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	19-Jun-08
87	Poana Power Utility Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	08-Jul-08
88	Poana Thermal Power Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	19-Jun-08
89	Renemark Limited (100% Subsidiary of Bracond Limited)*	March 31, 2014	100%	Cyprus	AlliottPartellasKiliaris Ltd	23-Aug-08
90	Selene Power Company Limited	March 31, 2014	100%	India	Mehrotra Seth & Associates	08-Oct-07
91	Sentia Thermal Power And Infrastructure Limited	March 31, 2014	100%	India	Sharma Goel & Co.	08-Oct-07
92	Sepia Hydropower Projects Limited	March 31, 2014	100%	India	Sharma Goel & Co.	04-Dec-07
93	Sepset Thermal Power And Infrastructure Limited	March 31, 2014	100%	India	Sharma Goel & Co.	08-Oct-07
94	Serida Power Limited	March 31, 2014	100%	India	Sharma Goel & Co.	27-Feb-08
95	Sinnar Power Transmission Company Limited (100% Subsidiary of Indiabulls Realtech Limited)*	March 31, 2014	100%	India	Sharma Goel & Co.	27-Jun-08
96	Tharang Warang Hydro Power Projects Limited	March 31, 2014	100%	India	Sharma Goel & Co.	04-Dec-07
97	Triton Energy Limited	March 31, 2014	100%	India	Sharma Goel & Co.	09-Oct-07
98	Varali Power Limited	March 31, 2014	100%	India	Sharma Goel & Co.	08-May-08
99	Zeus Energy Limited	March 31, 2014	100%	India	Sharma Goel & Co.	18-Dec-07

* These companies include step down subsidiary of the Company.

During the previous year, the following wholly owned subsidiaries were sold as under:

S. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Date of Disposal	Name of Buyer
1	Corus Power Limited	Not Applicable	100%	India	21-May-12	IIC Limited
2	Pachi Hydro Power Projects Limited	Not Applicable	100%	India	15-May-12	CESC Limited
3	Papu Hydro Power Projects Limited	Not Applicable	100%	India	15-May-12	CESC Limited

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

2.3 Use of information relating to Subsidiaries including subsidiaries of subsidiaries:

(In term of Government of India, Ministry of Corporate Affairs General Circular No. 2/2011, No- 5/12/2007-CL-III dated 8th February, 2011)

S. No.	Name of the Subsidiary Companies	Year	Share Capital	Reserves and Surplus (Surplus/ (Deficit))	Total Assets (excluding Capital Work in Progress & Expenditure During Construction Pending Capitalisation)	Capital Work-in-Progress	Expenditure During Construction Pending Capitalisation	Total Liabilities (Debts+ Current Liabilities & Provisions+ Deferred tax Liabilities)	Details of Investments (excluding investment in the subsidiary companies)- Treasury Bill	Turnover	Profit / (Loss) before Taxation	Total Tax Expense	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)
1	Airind Power Limited	2013-14	500,000	(3,359,617)	16,594	-	-	2,876,211	-	-	(56,780)	-	(56,780)	-
		2012-13	500,000	(3,302,837)	3,374	-	-	2,806,211	-	-	(68,616)	-	(68,616)	-
2	Albina Power Limited	2013-14	500,000	(87,976)	423,260	-	-	11,236	-	26,159	14,323	-	14,323	-
		2012-13	500,000	(102,299)	408,937	-	-	11,236	-	24,084	6,031	-	6,031	-
3	Amravati Power Transmission Company Limited	2013-14	7,403,750	687,147,865	316,476,699	1,864,488,298	424,976,093	1,911,289,475	-	19,390,761	3,692,961	1,154,541	2,538,420	-
		2012-13	500,000	1,138,195	81,880,966	1,814,287,339	46,282,901	1,940,813,011	-	670,891	519,852	48,169	471,683	-
4	Angina Power Limited	2013-14	500,000	(214,023)	6,014,717	-	449,440	6,178,180	-	-	(57,080)	-	(57,080)	-
		2012-13	500,000	(156,943)	6,001,797	-	449,440	6,108,180	-	1,811	(66,204)	-	(66,204)	-
5	Apesh Power Limited	2013-14	500,000	47,794	559,030	-	-	11,236	-	33,895	21,759	-	21,759	-
		2012-13	500,000	26,035	537,271	-	-	11,236	-	32,316	14,862	-	14,862	-
6	Aravali Properties Limited	2013-14	500,000	(4,064,034)	5,105,646	-	-	8,669,680	-	-	(57,459)	-	(57,459)	-
		2012-13	500,000	(4,006,575)	5,114,341	-	-	8,620,916	-	-	(68,916)	-	(68,916)	-
7	Ashkit Power Limited	2013-14	500,000	(505,891)	4,109	-	-	10,000	-	-	(10,900)	-	(10,900)	-
		2012-13	500,000	(494,991)	15,009	-	-	10,000	-	-	(16,218)	-	(16,218)	-
8	Bracond Limited	2013-14	4,327,710,552	1,755,915,738	7,106,273,253	-	-	1,022,646,963	-	29,355,555	20,399,902	2,563,626	17,836,276	-
		2012-13	4,327,710,552	1,161,844,561	6,405,918,380	-	-	916,363,267	-	27,840,782	15,817,800	1,772,743	14,045,057	-
9	Chloris Power Limited	2013-14	500,000	(153,035)	403,145	-	-	56,180	-	24,476	(32,604)	-	(32,604)	-
		2012-13	500,000	(120,431)	435,749	-	-	56,180	-	27,343	(40,673)	-	(40,673)	-
10	Citra Thermal Power and Infrastructure Limited	2013-14	500,000	(2,040,092)	8,982	-	-	1,549,074	-	-	(12,500)	-	(12,500)	-
		2012-13	500,000	(2,027,592)	6,482	-	-	1,534,074	-	-	(17,118)	-	(17,118)	-
11	Devona Thermal Power and Infrastructure Limited	2013-14	500,000	(11,835,134)	28,081	-	-	11,363,215	-	918	(1,028,995)	-	(1,028,995)	-
		2012-13	500,000	(10,806,139)	67,852	-	-	10,373,991	-	-	(903,425)	-	(903,425)	-
12	Diana Energy Limited	2013-14	5,000,000	(3,258,204)	1,797,976	-	-	56,180	-	109,321	50,142	-	50,142	-
		2012-13	5,000,000	(3,308,346)	1,747,834	-	-	56,180	-	95,807	9,218	-	9,218	-
13	Diana Power Limited	2013-14	500,000	(222,203)	287,797	-	-	10,000	-	17,715	6,215	-	6,215	-
		2012-13	500,000	(228,418)	281,582	-	-	10,000	-	16,775	(344)	-	(344)	-
14	Elena Power And Infrastructure Limited	2013-14	50,000,000	465,633,575	8,187,819,093	-	-	7,672,185,518	-	4,913,303,016	(3,241,315)	5,132,473	(8,373,788)	-
		2012-13	50,000,000	474,007,363	8,563,111,795	-	-	8,039,104,432	-	14,316,148,112	(123,717,437)	(36,809,277)	(86,908,160)	-

Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

2.3 Use of information relating to Subsidiaries including subsidiaries of subsidiaries (contd.):
(In term of Government of India, Ministry of Corporate Affairs General Circular No. 2/2011, No. 5/12/2007-CL-III dated 8th February, 2011)

S. No.	Name of the Subsidiary Companies	Year	Share Capital	Reserves and Surplus (Surplus/ (Deficit))	Total Assets (excluding Capital Work in Progress & Expenditure During Construction Pending Capitalisation)	Capital Work-in-Progress	Expenditure During Construction Pending Capitalisation	Total Liabilities (Debts+ Current Liabilities & Provisions+ Deferred tax Liabilities)	Details of Investments (excluding investment in the subsidiary companies)- Treasury Bill	Turnover	Profit / (Loss) before Taxation	Total Tax Expense	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)
15	Fama Power Company Limited	2013-14	500,000	(994,840)	10,160	-	-	505,000	-	-	(11,200)	-	(11,200)	-
		2012-13	500,000	(983,640)	6,360	-	-	490,000	-	-	(16,518)	-	(16,518)	-
16	Fornax Power Limited	2013-14	500,000	39,195	550,431	-	-	11,236	-	33,489	21,353	-	21,353	-
		2012-13	500,000	17,842	534,696	-	-	16,854	-	31,735	14,280	-	14,280	-
17	Genoformus Limited (100% Subsidiary of Bracond Limited)	2013-14	64,695	(146,637/911)	5,348,882,200	-	-	5,495,455,416	-	-	(14,008,928)	-	(14,008,928)	-
		2012-13	64,695	(120,116,053)	4,840,688,306	-	-	4,960,739,663	-	-	(12,690,436)	-	(12,690,436)	-
18	Hecate Electric Limited	2013-14	500,000	(69,867)	441,369	-	-	11,236	-	26,673	14,537	-	14,537	-
		2012-13	500,000	(84,404)	426,832	-	-	11,236	-	25,706	8,252	-	8,252	-
19	Hecate Energy Private Limited	2013-14	500,000	49,274	560,510	-	-	11,236	-	34,298	22,383	-	22,383	-
		2012-13	500,000	26,891	538,127	-	-	11,236	-	32,368	14,614	-	14,614	-
20	Hecate Energy Trading Limited	2013-14	500,000	48,165	559,401	-	-	11,236	-	33,873	22,037	-	22,037	-
		2012-13	500,000	26,128	537,364	-	-	11,236	-	32,368	14,614	-	14,614	-
21	Hecate Hydro Electric Power Limited	2013-14	500,000	(191,076)	320,160	-	-	11,236	-	19,543	7,707	-	7,707	-
		2012-13	500,000	(198,783)	312,453	-	-	11,236	-	18,559	805	-	805	-
22	Hecate Power and Energy Resources Limited	2013-14	500,000	48,178	559,414	-	-	11,236	-	33,872	22,036	-	22,036	-
		2012-13	500,000	26,142	537,378	-	-	11,236	-	32,368	14,614	-	14,614	-
23	Hecate Power Company Limited	2013-14	500,000	(78,412)	432,824	-	-	11,236	-	26,219	14,383	-	14,383	-
		2012-13	500,000	(92,795)	418,441	-	-	11,236	-	25,018	7,264	-	7,264	-
24	Hecate Power Development Limited	2013-14	500,000	46,743	557,979	-	-	11,236	-	34,068	21,632	-	21,632	-
		2012-13	500,000	25,111	536,347	-	-	11,236	-	32,316	14,862	-	14,862	-
25	Hecate Power Distributors Limited	2013-14	500,000	48,165	559,401	-	-	11,236	-	33,873	22,037	-	22,037	-
		2012-13	500,000	26,128	537,364	-	-	11,236	-	32,368	14,614	-	14,614	-
26	Hecate Power Generation Limited	2013-14	500,000	47,854	559,090	-	-	11,236	-	33,873	22,037	-	22,037	-
		2012-13	500,000	25,817	537,053	-	-	11,236	-	32,368	14,614	-	14,614	-
27	Hecate Power Limited	2013-14	500,000	48,591	559,827	-	-	11,236	-	34,298	22,462	-	22,462	-
		2012-13	500,000	26,129	537,365	-	-	11,236	-	32,368	14,614	-	14,614	-

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

2.3 Use of information relating to Subsidiaries including subsidiaries of subsidiaries (contd.):

(In term of Government of India, Ministry of Corporate Affairs General Circular No. 2/2011, No: 5/12/2007-CL-III dated 8th February, 2011)

S. No.	Name of the Subsidiary Companies	Year	Share Capital	Reserves and Surplus (Surplus/ (Deficit))	Total Assets (excluding Capital Work in Progress & Expenditure During Construction Pending Capitalisation)	Capital Work-in-Progress	Expenditure During Construction Pending Capitalisation	Total Liabilities (Debt+ Current Liabilities & Provisions+ Deferred tax Liabilities)	Details of Investments (excluding investment in the subsidiary companies)- Treasury Bill	Turnover	Profit / (Loss) before Taxation	Total Tax Expense	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)
28	Hecate Power Management Limited	2013-14	500,000	45,005	556,241	-	-	11,236	-	33,652	21,216	-	21,216	-
		2012-13	500,000	23,789	535,025	-	-	11,236	-	32,082	14,628	-	14,628	-
29	Hecate Power Projects Limited	2013-14	500,000	(579,198)	12,038	-	-	91,236	-	-	(11,836)	-	(11,836)	-
		2012-13	500,000	(567,362)	3,874	-	-	71,236	-	-	(17,754)	-	(17,754)	-
30	Hecate Power Services Limited	2013-14	500,000	35,773	547,009	-	-	11,236	-	33,652	21,816	-	21,816	-
		2012-13	500,000	13,957	525,193	-	-	11,236	-	31,596	13,841	-	13,841	-
31	Hecate Power Solutions Limited	2013-14	500,000	(577,797)	8,439	-	-	86,236	-	-	(12,136)	-	(12,136)	-
		2012-13	500,000	(565,661)	5,575	-	-	71,236	-	-	(17,454)	-	(17,454)	-
32	Hecate Power Supply Limited	2013-14	500,000	47,817	559,053	-	-	11,236	-	34,068	21,932	-	21,932	-
		2012-13	500,000	25,885	537,121	-	-	11,236	-	32,316	14,862	-	14,862	-
33	Hecate Power Systems Limited	2013-14	500,000	(55,213)	11,648	1,351,175	93,200	1,011,236	-	-	(12,436)	-	(12,436)	-
		2012-13	500,000	(42,777)	24,084	1,351,175	93,200	1,011,236	-	-	(17,454)	-	(17,454)	-
34	Hecate Power Transmission Limited	2013-14	500,000	(1,186,251)	9,444	-	-	695,695	-	-	(70,595)	-	(70,595)	-
		2012-13	500,000	(1,115,656)	5,868	-	-	621,524	-	-	(67,042)	-	(67,042)	-
35	Hecate Power Utility Limited	2013-14	500,000	(1,240)	509,996	-	-	11,236	-	17,525	(680)	-	(680)	-
		2012-13	500,000	(560)	510,676	-	-	11,236	-	214,704	197,251	54,954	142,297	-
36	Hecate Powergen Limited	2013-14	500,000	46,866	558,102	-	-	11,236	-	33,648	21,512	-	21,512	-
		2012-13	500,000	25,354	536,590	-	-	11,236	-	32,316	14,862	-	14,862	-
37	Hecate Thermal Power and Infrastructure Limited	2013-14	500,000	59,391	570,627	-	-	11,236	-	35,431	18,638	-	18,638	-
		2012-13	500,000	40,753	596,853	-	-	56,100	-	199,410	181,656	44,863	136,793	-
38	Indiabulls CSEB Bhayathar Power Limited	2013-14	740,000	(18,808,601)	291,229,318	-	-	309,297,919	-	212,743,712	(1,791,193)	88,162	(1,879,355)	-
		2012-13	740,000	(16,929,246)	504,136,972	-	-	520,326,218	-	271,774,621	(5,274,155)	(54,086)	(5,220,069)	-
39	Indiabulls Electric Company Limited	2013-14	500,000	(370,579)	185,601	-	-	56,180	-	10,871	(47,309)	-	(47,309)	-
		2012-13	500,000	(323,270)	232,910	-	-	56,180	-	15,329	(53,087)	-	(53,087)	-
40	Indiabulls Electric Energy Limited	2013-14	500,000	(170,951)	340,285	-	-	11,236	-	20,234	7,498	-	7,498	-
		2012-13	500,000	(178,449)	332,787	-	-	11,236	-	20,233	2,380	-	2,380	-
41	Indiabulls Electric Limited	2013-14	500,000	(168,146)	343,090	-	-	11,236	-	21,175	7,939	-	7,939	-
		2012-13	500,000	(176,085)	335,151	-	-	11,236	-	20,244	2,389	-	2,389	-
42	Indiabulls Electric Power Limited	2013-14	500,000	(169,129)	342,107	-	-	11,236	-	21,175	8,439	-	8,439	-
		2012-13	500,000	(177,568)	333,668	-	-	11,236	-	20,233	2,380	-	2,380	-

Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

2.3 Use of Information relating to Subsidiaries including subsidiaries of subsidiaries (contd.):
(In term of Government of India, Ministry of Corporate Affairs General Circular No. 2/2011, No: 5/12/2007-CL-III dated 8th February, 2011)

S. No.	Name of the Subsidiary Companies	Year	Share Capital	Reserves and Surplus (Surplus/ (Deficit))	Total Assets (excluding Capital Work in Progress & Expenditure During Construction Pending Capitalisation)	Capital Work-in-Progress	Expenditure During Construction Pending Capitalisation	Total Liabilities (Debits+ Current Liabilities & Provisions+ Deferred tax Liabilities)	Details of Investments (excluding investment in the subsidiary companies)- Treasury Bill	Turnover	Profit / (Loss) before Taxation	Total Tax Expense	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)
43	Indiabulls Electricity Company Limited	2013-14 2012-13	500,000 500,000	(340,295) (329,295)	1,259,705 1,255,705	- -	- -	1,100,000 1,085,000	- -	- -	(11,000) (17,118)	- -	(11,000) (17,118)	-
44	Indiabulls Electricity Generation Limited	2013-14 2012-13	500,000 500,000	(166,094) (175,152)	343,906 334,848	- -	- -	10,000 10,000	- -	20,558 20,052	9,058 3,434	- -	9,058 3,434	-
45	Indiabulls Hydro Electric Power Limited	2013-14 2012-13	500,000 500,000	(1,240,890) (1,228,890)	8,610 5,610	- -	- -	749,500 734,500	- -	- -	(12,000) (18,117)	- -	(12,000) (18,117)	-
46	Indiabulls Hydro Energy Limited	2013-14 2012-13	500,000 500,000	(2,240,891) (2,228,891)	12,109 4,109	- -	- -	1,753,000 1,733,000	- -	- -	(12,000) (18,118)	- -	(12,000) (18,118)	-
47	Indiabulls Hydro Power Limited	2013-14 2012-13	500,000 500,000	(135,452) (146,564)	374,548 363,436	- -	- -	10,000 10,000	- -	23,112 21,602	11,112 3,484	- -	11,112 3,484	-
48	Indiabulls Hydro Power Projects Limited	2013-14 2012-13	500,000 500,000	(131,193) (142,808)	378,807 367,192	- -	- -	10,000 10,000	- -	23,615 21,691	11,615 4,073	- -	11,615 4,073	-
49	Indiabulls Power Development Limited	2013-14 2012-13	500,000 500,000	(156,810) (164,885)	354,426 346,351	- -	- -	11,236 11,236	- -	21,311 20,703	8,075 2,349	- -	8,075 2,349	-
50	Indiabulls Power Distribution Limited	2013-14 2012-13	500,000 500,000	(383,112) (379,208)	137,918 141,822	- -	- -	21,030 21,030	- -	7,596 7,825	(3,904) (10,293)	- -	(3,904) (10,293)	-
51	Indiabulls Power Generation Company Limited	2013-14 2012-13	500,000 500,000	(288,747) (247,527)	267,433 308,653	- -	- -	56,180 56,180	- -	16,460 19,844	(41,220) (49,072)	- -	(41,220) (49,072)	-
52	Indiabulls Power Generation Limited	2013-14 2012-13	215,000,000 215,000,000	62,445,298 53,830,118	278,831,297 269,881,366	- -	- -	1,385,999 1,051,248	- -	13,008,924 12,631,537	12,762,822 12,042,141	4,147,642 1,386,411	8,615,180 10,655,730	-
53	Indiabulls Power Infrastructure Limited	2013-14 2012-13	500,000 500,000	(4,594,487) (4,580,851)	41,949 35,349	- -	- -	4,136,436 4,116,200	- -	- -	(13,400) (19,518)	236 381	(13,636) (19,899)	-
54	Indiabulls Power Management Limited	2013-14 2012-13	500,000 500,000	(168,167) (176,095)	343,069 335,141	- -	- -	11,236 11,236	- -	20,664 20,244	7,928 1,890	- -	7,928 1,890	-

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

2.3 Use of Information relating to Subsidiaries including subsidiaries of subsidiaries (contd.):

(In term of Government of India, Ministry of Corporate Affairs General Circular No: 2/2011, No: 5/12/2007-CL-III dated 8th February, 2011)

S. No.	Name of the Subsidiary Companies	Year	Share Capital	Reserves and Surplus (Surplus/ (Deficit))	Total Assets (excluding Capital Work in Progress & Expenditure During Construction Pending Capitalisation)	Capital Work-in-Progress	Expenditure During Construction Pending Capitalisation	Total Liabilities (Debt+ Current Liabilities & Provisions+ Deferred tax Liabilities)	Details of Investments (excluding investment in the subsidiary companies)- Treasury Bill	Turnover	Profit / (Loss) before Taxation	Total Tax Expense	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)
55	Indiabulls Power Projects Development Limited	2013-14	500,000	(167,851)	343,385	-	-	11,236	-	21,175	8,439	-	8,439	-
		2012-13	500,000	(176,290)	334,946	-	-	11,236	-	20,244	1,890	-	1,890	-
56	Indiabulls Power Projects Limited	2013-14	500,000	(175,313)	334,687	-	-	10,000	-	20,405	8,405	-	8,405	-
		2012-13	500,000	(183,718)	326,282	-	-	10,000	-	19,541	1,922	-	1,922	-
57	Indiabulls Power Solutions Limited	2013-14	500,000	(89,177)	422,059	-	-	11,236	-	25,348	12,612	-	12,612	-
		2012-13	500,000	(101,789)	409,447	-	-	11,236	-	24,590	6,236	-	6,236	-
58	Indiabulls Power Supply Limited	2013-14	500,000	(90,952)	420,284	-	-	11,236	-	25,573	10,337	-	10,337	-
		2012-13	500,000	(101,289)	409,947	-	-	11,236	-	24,590	6,736	-	6,736	-
59	Indiabulls Power Systems Limited	2013-14	500,000	(89,159)	422,077	-	-	11,236	-	25,366	12,630	-	12,630	-
		2012-13	500,000	(101,789)	409,447	-	-	11,236	-	24,590	6,236	-	6,236	-
60	Indiabulls Power Trading Limited	2013-14	17,500,000	4,785,431	22,484,131	-	-	198,700	-	1,667,256	1,306,071	274,235	1,031,836	-
		2012-13	17,500,000	3,753,595	21,309,775	-	-	56,180	-	1,292,790	903,317	(5,876)	909,193	-
61	Indiabulls Power Transmission Limited	2013-14	1,000,000	25,751	1,036,987	-	-	11,236	-	65,140	50,904	-	50,904	-
		2012-13	1,000,000	(25,153)	986,083	-	-	11,236	-	50,604	30,750	-	30,750	-
62	Indiabulls Power Utility Limited	2013-14	500,000	(89,117)	422,119	-	-	11,236	-	25,348	12,612	-	12,612	-
		2012-13	500,000	(101,729)	409,507	-	-	11,236	-	24,590	6,237	-	6,237	-
63	Indiabulls Powergen Limited	2013-14	500,000	(169,852)	341,384	-	-	11,236	-	21,174	8,438	-	8,438	-
		2012-13	500,000	(178,290)	332,946	-	-	11,236	-	20,233	1,380	-	1,380	-
64	Indiabulls Reatech Limited	2013-14	187,715,110	18,884,532,910	27,642,826,201	32,094,516,757	11,142,971,355	51,808,066,293	-	8,575,218	(37,435,999)	7,408,459	(44,844,458)	-
		2012-13	157,103,640	15,898,841,838	10,981,967,280	40,292,735,380	8,667,826,527	43,886,583,709	-	16,574,959	(18,678,237)	(58,767,204)	40,088,967	-
65	Indiabulls Thermal Energy Limited	2013-14	500,000	(169,617)	340,383	-	-	10,000	-	21,088	9,088	-	9,088	-
		2012-13	500,000	(178,705)	331,295	-	-	10,000	-	19,542	1,922	-	1,922	-
66	Indiabulls Thermal Power Limited	2013-14	500,000	(164,232)	345,768	-	-	10,000	-	21,088	9,588	-	9,588	-
		2012-13	500,000	(173,820)	336,180	-	-	10,000	-	20,184	3,066	-	3,066	-
67	Indiabulls Thermal Power Management Limited	2013-14	500,000	(163,114)	346,886	-	-	10,000	-	20,557	9,057	-	9,057	-
		2012-13	500,000	(172,171)	337,829	-	-	10,000	-	20,052	3,435	-	3,435	-
68	Indiabulls Thermal Power Projects Limited	2013-14	500,000	(163,133)	346,867	-	-	10,000	-	20,558	9,058	-	9,058	-
		2012-13	500,000	(172,191)	337,809	-	-	10,000	-	20,052	3,435	-	3,435	-
69	Indiabulls Thermal Projects Limited	2013-14	500,000	(169,068)	342,168	-	-	11,236	-	20,319	7,583	-	7,583	-
		2012-13	500,000	(176,651)	340,203	-	-	16,854	-	19,993	2,138	-	2,138	-

Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

2.3 Use of Information relating to Subsidiaries including subsidiaries of subsidiaries (contd.):
(In term of Government of India, Ministry of Corporate Affairs General Circular No. 2/2011, No. 5/12/2007-CL-III dated 8th February, 2011)

S. No.	Name of the Subsidiary Companies	Year	Share Capital	Reserves and Surplus (Surplus/ (Deficit))	Total Assets (excluding Capital Work in Progress & Expenditure During Construction Pending Capitalisation)	Capital Work-in-Progress	Expenditure During Construction Pending Capitalisation	Total Liabilities (Debts+ Current Liabilities & Provisions+ Deferred tax Liabilities)	Details of Investments (excluding investment in the subsidiary companies)- Treasury Bill	Turnover	Profit / (Loss) before Taxation	Total Tax Expense	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)
70	Indiabulls Water Supply And Waste Management Services Limited (100% Subsidiary of Indiabulls Realtech Limited)	2013-14	500,000	(886,799)	11,437	-	-	398,236	-	-	(12,828)	-	(12,828)	-
		2012-13	500,000	(873,971)	4,265	-	-	378,236	-	-	(17,854)	-	(17,854)	-
71	Kaya Hydropower Projects Limited	2013-14	500,000	(252,209)	316,009	-	9,739,711	9,807,929	-	9,955	(50,945)	-	(50,945)	-
		2012-13	500,000	(201,264)	250,834	-	8,840,831	8,792,929	-	-	(19,618)	-	(19,618)	-
72	Lenus Power Limited	2013-14	500,000	(166,321)	334,679	-	-	10,000	-	20,086	9,486	-	9,486	-
		2012-13	500,000	(175,807)	334,193	-	-	10,000	-	19,487	2,669	-	2,669	-
73	Lucina Power And Infrastructure Limited	2013-14	500,000	(1,094,647)	215,353	-	-	810,000	-	4,243	(15,347)	238	(15,585)	-
		2012-13	500,000	(1,079,062)	230,938	-	-	810,000	-	-	(25,430)	719	(26,149)	-
74	Mabon Power Limited	2013-14	500,000	(50,760)	460,476	-	-	11,236	-	28,423	16,587	-	16,587	-
		2012-13	500,000	(67,347)	443,889	-	-	11,236	-	18,274	(492)	-	(492)	-
75	Mariana Power Limited	2013-14	500,000	47,782	559,018	-	-	11,236	-	33,895	21,759	-	21,759	-
		2012-13	500,000	26,023	537,259	-	-	11,236	-	32,316	14,862	-	14,862	-
76	Poana Power Systems Limited	2013-14	500,000	(953,396)	557,840	-	-	1,011,236	-	34,092	21,956	-	21,956	-
		2012-13	500,000	(975,352)	535,884	-	-	1,011,236	-	32,317	14,863	-	14,863	-
77	Poana Hydro Power Projects Limited	2013-14	500,000	38,762	549,998	-	-	11,236	-	33,217	21,081	-	21,081	-
		2012-13	500,000	17,681	528,917	-	-	11,236	-	31,768	14,013	-	14,013	-
78	Poana Power Company Limited	2013-14	500,000	(325,661)	185,575	-	-	11,236	-	10,688	(1,448)	-	(1,448)	-
		2012-13	500,000	(324,213)	209,544	-	-	33,757	-	12,735	(13,954)	-	(13,954)	-
79	Poana Power Development Limited	2013-14	500,000	(990,005)	3,157,359,204	67,513,470	143,088,974	3,363,451,653	-	99	(119,113)	26,933	(92,180)	-
		2012-13	500,000	(897,825)	3,652,294,355	67,580,200	136,558,248	3,856,830,628	-	-	(203,760)	(17,796)	(221,556)	-
80	Poana Power Distributors Limited	2013-14	500,000	48,876	560,112	-	-	11,236	-	33,873	22,037	-	22,037	-
		2012-13	500,000	26,839	536,075	-	-	11,236	-	32,368	14,914	-	14,914	-
81	Poana Power Generation Limited	2013-14	500,000	46,971	558,207	-	-	11,236	-	33,648	21,812	-	21,812	-
		2012-13	500,000	25,159	536,395	-	-	11,236	-	32,316	14,863	-	14,863	-
82	Poana Power Limited	2013-14	500,000	(650,602)	511,623	-	-	662,225	-	31,022	(37,103)	-	(37,103)	-
		2012-13	500,000	(613,499)	497,358	-	-	610,857	-	30,426	(36,949)	-	(36,949)	-
83	Poana Power Management Limited	2013-14	500,000	(483,614)	27,622	-	-	11,236	-	3,689	(509,630)	-	(509,630)	-
		2012-13	500,000	26,016	537,252	-	-	11,236	-	32,315	14,860	-	14,860	-
84	Poana Power Services Limited	2013-14	500,000	45,129	556,365	-	-	11,236	-	33,652	20,916	-	20,916	-
		2012-13	500,000	24,213	535,449	-	-	11,236	-	32,082	14,327	-	14,327	-
85	Poana Power Solutions Limited	2013-14	500,000	47,736	558,972	-	-	11,236	-	34,068	22,232	-	22,232	-
		2012-13	500,000	25,504	536,740	-	-	11,236	-	32,316	14,862	-	14,862	-

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

2.3 Use of Information relating to Subsidiaries including subsidiaries of subsidiaries (contd.):

(In term of Government of India, Ministry of Corporate Affairs General Circular No: 2/2011, No: 5/12/2007-CL-III dated 8th February, 2011)

S. No.	Name of the Subsidiary Companies	Year	Share Capital	Reserves and Surplus (Surplus/ (Deficit))	Total Assets (excluding Capital Work in Progress & Expenditure During Construction Pending Capitalisation)	Capital Work-in-Progress	Expenditure During Construction Pending Capitalisation	Total Liabilities (Debt+ Current Liabilities & Provisions+ Deferred tax Liabilities)	Details of Investments (excluding investment in the subsidiary companies)- Treasury Bill	Turnover	Profit / (Loss) before Taxation	Total Tax Expense	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)
86	Poena Power Trading Limited	2013-14	500,000	48,059	559,295	-	-	11,236	-	34,314	22,178	-	22,178	-
		2012-13	500,000	25,881	537,117	-	-	11,236	-	32,316	14,562	-	14,562	-
87	Poena Power Utility Limited	2013-14	500,000	47,379	558,615	-	-	11,236	-	34,068	21,932	-	21,932	-
		2012-13	500,000	25,447	536,683	-	-	11,236	-	32,316	14,862	-	14,862	-
88	Poena Thermal Power Limited	2013-14	500,000	47,674	558,910	-	-	11,236	-	34,068	22,232	-	22,232	-
		2012-13	500,000	25,442	536,678	-	-	11,236	-	32,316	14,562	-	14,562	-
89	Renemark Limited (100% Subsidiary of Bracond Limited)	2013-14	63,975	(108,346,704)	1,502,557,250	-	-	1,610,839,979	-	4,963	(16,034,449)	-	(16,034,449)	-
		2012-13	63,975	(83,642,188)	1,359,9316,074	-	-	1,443,394,287	-	-	(14,600,158)	-	(14,600,158)	-
90	Selene Power Company Limited	2013-14	500,000	35,844	1,382,080	-	-	846,236	-	101,185	89,049	-	89,049	-
		2012-13	500,000	(53,205)	1,293,031	-	-	846,236	-	27,069	9,315	-	9,315	-
91	Sentia Thermal Power and Infrastructure Limited	2013-14	500,000	(678,577)	16,603	-	-	195,180	-	-	(57,080)	-	(57,080)	-
		2012-13	500,000	(621,497)	3,683	-	-	125,180	-	-	(68,016)	-	(68,016)	-
92	Sepia Hydropower Projects Limited	2013-14	500,000	(499,649)	240,593	-	10,706,861	10,947,103	-	-	(107,080)	-	(107,080)	-
		2012-13	500,000	(392,569)	146,335	-	9,652,065	9,690,969	-	-	(71,116)	-	(71,116)	-
93	Sepset Thermal Power and Infrastructure Limited	2013-14	500,000	(544,625)	11,555	-	-	56,180	-	1,009	(55,775)	-	(55,775)	-
		2012-13	500,000	(488,850)	67,330	-	-	56,180	-	5,210	(63,456)	-	(63,456)	-
94	Serida Power Limited	2013-14	500,000	(419,628)	136,552	-	-	56,180	-	7,652	(49,128)	-	(49,128)	-
		2012-13	500,000	(370,500)	185,680	-	-	56,180	-	11,585	(57,031)	-	(57,031)	-
95	Sinnar Power Transmission Company Limited (100% - Subsidiary of Indiabulls Realetech Limited)	2013-14	500,000	374,368	15,146,879	1,117,980,436	60,606,356	1,192,859,303	-	-	(262,779)	(31,524)	(231,255)	-
		2012-13	500,000	605,623	45,476,321	1,097,481,777	42,156,610	1,184,009,085	-	337,778	168,244	(25,512)	193,756	-
96	TharangVarang Hydropower Projects Limited	2013-14	500,000	(2,295,173)	86,395	-	9,653,674	11,535,242	-	-	(1,904,928)	-	(1,904,928)	-
		2012-13	500,000	(390,245)	65,011	-	8,305,354	8,260,610	-	-	(70,816)	-	(70,816)	-
97	Triton Energy Limited	2013-14	500,000	(525,742)	96,438	-	-	122,180	-	4,327	(52,753)	-	(52,753)	-
		2012-13	500,000	(472,989)	149,191	-	-	122,180	-	8,490	(60,425)	-	(60,425)	-
98	Varali Power Limited	2013-14	500,000	(1,742,343)	79,337	-	-	1,321,680	-	-	(57,080)	-	(57,080)	-
		2012-13	500,000	(1,685,763)	86,417	-	-	1,271,680	-	4,168	(63,848)	-	(63,848)	-
99	Zeus Energy Limited	2013-14	500,000	(1,171,362)	18,818	-	-	690,180	-	-	(57,080)	-	(57,080)	-
		2012-13	500,000	(1,114,282)	5,898	-	-	620,180	-	-	(68,916)	-	(68,916)	-

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

Note: For converting the figures given in foreign currency appearing in the accounts of the subsidiary companies into equivalent INR (₹), following exchange rates are used for 1 INR / (Re.)

S No	Currency	Balance Sheet		Statement of Profit and Loss	
		(Closing Rate)		(Average Rate)	
		2013-14	2012-13	2013-14	2012-13
1	USD	60.10	54.39	60.50	54.45

2.4 Use of Estimates

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

2.5 Inventories

Inventories are valued at the lower of cost derived on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of consumption, including Octroi and other levies, transit insurance and receiving charges.

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

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

2.7 Cash flow statement

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

2.8 Depreciation/ Amortisation

Depreciation in respect of assets used in the generation of power is provided at the rates as well as methodology notified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulation 2009 (CERC) in terms of General circular no. 31/2011 dated May 31 2011 issued by the Ministry of Corporate Affairs.

In respect of other assets, depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

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

Intangible assets consisting of Software are amortized on a Straight Line basis over a period of four years from the date when the assets are available for use. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

2.9 Revenue Recognition

Revenue from supply of power is recognised when delivered, and measured on an accrual basis based on the rates in accordance with the provisions of the Power Purchase Agreements (PPAs) entered into by the Company with the procurer/s of power. Claims for delayed payment charges and other claims are accounted by the Company on accrual basis in accordance with the provisions of the PPAs only when it is reasonable to expect ultimate collection.

Notes forming part of the Consolidated Financial Statements of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

Revenue from Power generated during trial runs is accounted on the basis of accruals and billings to State Transmission Utilities and is reduced from the Pre-operative expenses.

Revenue from Power Consultancy/ Advisory Services is recognised when services are rendered. Interest income from deposits and others is recognised on an accrual basis. Dividend income is recognised when the right to receive the dividend is established. Profit/ loss on sale of investments is recognised on the date of the transaction of sale and is computed with reference to the original cost of the investment sold.

2.10 Fixed Assets (Tangible/ Intangible)

Fixed assets are carried at cost less accumulated depreciation/ amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase/ completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

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

Land sub-leased by the Group, being a Co-Developer of the SEZ, has been recognized as a "Right to use land" – an intangible asset, at the inception of the lease at cost. Land acquisition and development costs incurred by the lessee are capitalised as part of the right-to-use the leased asset (land).

Projects under which fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Expenditure on development of intangible assets eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

2.11 Expenditure during construction pending capitalisation

Any expenditure directly/ indirectly related and attributable to the construction of power projects and incidental to setting up power project facilities, incurred prior to the Commercial Operation Date (COD) of the Power Project, are accumulated under "Expenditure during construction pending capitalisation", to be capitalised on completion of construction of the respective power projects/ COD.

2.12 Foreign Currency Transactions

Initial recognition

Transactions in foreign currencies entered into by the Company and net investment in non-integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items of the Company and its net investment in non-integral foreign operation outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences

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. The exchange differences on restatement/ settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in the "Foreign Currency Translation Reserve" until disposal/ recovery of the net investment.

2.13 Investments

Investments are classified as long term and current. Long-term investments are carried individually at cost less provision for diminution, if any, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

2.14 Employee Benefits

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

2.15 Borrowing Costs

Borrowing costs include interest and amortisation of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Any income earned on the temporary deployment/ investment of those borrowings is deducted from the borrowing costs so incurred.

2.16 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised on a straight-line basis to the Statement of Profit and Loss/ Expenditure during construction pending capitalisation, as applicable.

2.17 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefits associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed

Notes forming part of the Consolidated Financial Statements of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.18 Impairment of Assets

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

2.19 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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements. Liquidated Damages/ Penalty as per the Contracts entered into with contractees are provided for at the end of the Contract or as agreed upon.

2.20 Share Issue Expenses

Share issue expenses 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 off in the Statement of Profit and Loss.

2.21 Employee Sharebased payments

The Company has formulated Employee Stock Option Schemes (ESOS) and Employee Stock Purchase Schemes (ESOP) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The Schemes provide for grant of options to employees of the Company and its subsidiaries to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period.

Deferred Employee Stock Compensation Costs for Stock Options are recognised in accordance with the Guidance Note on "Accounting for Employee Share Based Payments" issued by the Institute of Chartered Accountants of India, which establishes financial accounting and reporting principles for employee share based payment plans. The Company has elected to apply the Intrinsic Value method of accounting. Accordingly, employee stock compensation costs are measured as 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 an independent valuation performed by an independent firm of Chartered Accountants in respect of stock options granted.

Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

NOTE 3
Share capital

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Authorised		
5,000,000,000 (Previous Year 5,000,000,000) Equity Shares of ₹10 each	50,000,000,000	50,000,000,000
	<u>50,000,000,000</u>	<u>50,000,000,000</u>
Issued, Subscribed and Fully Paid up		
Equity Share Capital		
2,642,729,953 (Previous Year 2,642,729,953) Equity Shares of ₹10 each fully paid up (Refer Note 5 (i)(a))	26,427,299,530	26,427,299,530
Total - Share capital	<u>26,427,299,530</u>	<u>26,427,299,530</u>

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	As at March 31, 2014		As at March 31, 2013	
Equity Shares	No. of shares	Amount (₹)	No. of shares	Amount (₹)
As at the beginning of the year	2,642,729,953	26,427,299,530	2,227,322,946	22,273,229,460
Add: Issued during the year				
— Under the Schemes of Arrangement ^{(iii) & (iv)}	-	-	415,407,007	4,154,070,070
Balance as at the end of the year	<u>2,642,729,953</u>	<u>26,427,299,530</u>	<u>2,642,729,953</u>	<u>26,427,299,530</u>

b) Terms/ Rights attached to Equity Shares

The Company has only one class of equity shares with voting rights, having a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share held. Each share is entitled to dividend, if declared, in Indian Rupees. The dividend, if any, proposed by Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

c) Shares held by the company having substantial interest/ (Previous year -holding company^(iv) Refer Note 1)

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Indiabulls Infrastructure and Power Limited^{(iii) & (iv)}		
1,185,000,000 (Previous Year 1,185,000,000 ^(iv)) equity shares of ₹ 10 each fully paid	11,850,000,000	11,850,000,000 ^(iv)

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

	As at March 31, 2014		As at March 31, 2013	
Equity Shares of ₹ 10 each fully paid	No. of shares	% holding	No. of shares	% holding
Indiabulls Infrastructure and Power Limited, the Company having substantial interest ^(iv)	1,185,000,000	44.84%	1,185,000,000	44.84%
Indiabulls Real Estate Limited	219,050,000	8.29%	219,050,000	8.29%
FIM Limited	393,273,458	14.88%	393,273,458	14.88%
LNM India Internet Ventures Limited	134,236,116	5.08%	134,236,116	5.08%
IPL - PPSL Scheme Trust	202,500,000	7.66%	202,500,000	7.66%

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

e) Aggregate Number of Shares reserved for issuance under Stock Option plans of the Company

Particulars	Aggregate number of Shares as at March 31, 2014	Aggregate number of Shares as at March 31, 2013
SPCL – IPSL ESOP, 2008	3,546,200	4,140,200
IPL ESOS 2009	1,215,200	1,875,200
IPL ESOS - 2011	1,127,000	1,743,000

f) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash and bonus shares for the period of 5 years immediately preceding the Balance Sheet date:

	Aggregate number of Shares as at March 31, 2014	Aggregate number of Shares as at March 31, 2013
Equity shares allotted as fully paid bonus shares by utilisation of Securities Premium Account ⁽ⁱ⁾	829,500,000	829,500,000
Equity shares allotted as fully paid pursuant to the Schemes of Arrangement ^{(ii),(iii) & (iv)}	815,407,007	815,407,007

(i) During the financial year 2009-10, 829,500,000 Equity Shares of ₹ 10 each were issued as fully paid up bonus shares by utilisation of the Securities Premium Account.

(ii) 197,500,000 Equity Shares of ₹ 10 each fully paid up were allotted to eligible shareholders pursuant to a Scheme of Arrangement of Indiabulls Power Services Limited with the Company (formerly known as Sophia Power Company Limited) w.e.f. April 1, 2008 as approved by the Hon'ble High Court of Delhi without payment being received in cash.

(iii) Pursuant to and in terms of the Court approved Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956, by and among Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited, Indiabulls Builders Limited, Indiabulls Power Limited. (the Company), Poena Power Supply Limited and their respective shareholders and creditors (Scheme - 2011), which had been approved by the Hon'ble High Court of Delhi vide its Order dated October 17, 2011 and came into effect on November 25, 2011, with effect from April 1, 2011 i.e. the Appointed Date. In pursuance of the Scheme - 2011, with effect from the Appointed Date:

(a) The Power business undertaking of Indiabulls Real Estate Limited (IBREL) which included IBREL's investment in the Company, stood demerged from IBREL and transferred to and vested in favour of Indiabulls Infrastructure and Power Limited (IIPL) which had the effect of making IIPL the Promoter Group/ holding company of the Company.

(b) Poena Power Supply Limited (PPSL) a wholly owned subsidiary of the Company was merged with the Company as a going concern under the 'pooling of interests method' as specified in Accounting Standard 14 on 'Accounting for Amalgamations' as notified under the Companies (Accounting Standards) Rules, 2006, as amended, with the entire business, including all the assets and liabilities as recorded in the books of PPSL as on the Appointed Date (there were no fixed assets held by PPSL), being transferred to the Company at their book values as on the said date. Poena Power Supply Limited was, prior to its merger, engaged in the business, inter-alia, of power project management, design and management of facilities and services on site and off site, maintenance and operation of support services, project advisory/ consultancy and other related services; which business continues after the merger.

Pursuant to the Scheme - 2011 and in consideration for an aggregate of 202,500,000 Equity shares of face value of Re. 1 each held in Poena Power Supply Limited, an equivalent number of fully paid Equity shares of face value ₹ 10 each of IPL were issued to the IPL - PPSL Scheme Trust, the shareholder of PPSL, as of the aforesaid Effective Date of the Scheme. The shares so allotted constituted 9.09% of the paid up capital of IPL as on March 31, 2012.

In terms of the Scheme - 2011, an adjustment of an amount of ₹ 1,812,783,293 (after netting off the opening balance of the surplus in the Statement of Profit and Loss of PPSL taken over amounting to ₹ 9,716,710) being the difference between the consideration and the value of net assets upon merger in terms of the Scheme - 2011 has been adjusted out of the Surplus in the Statement of Profit and Loss of the Company.

(iv) (a) In terms of the Court approved Scheme of Arrangement (Scheme - 2012) which came into effect on June 2, 2012 (Effective Date), Indiabulls Infrastructure Development Limited (IIDL) was merged with the Company

as a going concern with effect from April 1, 2012, the Appointed Date under the Scheme - 2012, upon which the entire undertaking and the entire assets and liabilities of IIDL stand transferred to and vested in the Company at their book values. Pursuant to the Scheme - 2012 as aforesaid, an aggregate of 415,407,007 Equity shares of face value ₹ 10 each in the Company were issued and allotted in favour of the IIDL shareholders as on the Effective Date, thereby increasing the paid up capital of the Company to ₹ 26,427,299,530 divided into 2,642,729,953 Equity shares of face value ₹ 10 each. The shares so allotted constitute 15.72% of the paid up capital of IPL as on March 31, 2013. Consequent to the issuance and allotment of equity shares to the shareholders of IIDL, Indiabulls Infrastructure and Power Limited (IIPL) had ceased to be the ultimate holding company w.e.f. June 20, 2012.

- (b) Consequent to the above being given effect to, the Reserves & Surplus of the Company stood increased by ₹ 6,346,415,530 (net), on account of transfer of Securities Premium Account by ₹ 7,699,860,412 and opening credit balance in the Statement of Profit and Loss by ₹ 1,567,963,448 from IIDL in terms of the Scheme - 2012; and an amount of ₹ 2,921,408,330 being the difference between the Share Capital issued under the Scheme - 2012 and the Share Capital of IIDL has been adjusted out of the Surplus in the Statement of Profit and Loss for the year ended March 31, 2013.
- (c) IIDL was, prior to its merger, engaged in the business, inter-alia, of the development of real estate projects, providing management advisory services and other related and ancillary activities; which business continues after the merger.

As a result of the above, the Earnings per equity share and the figures in respect of the current year are not comparable with the previous year presented.

NOTE 4

Reserves and surplus

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
a) Capital Reserve		
Opening Balance	3,045,000,000	3,045,000,000
Add : Addition during the year	-	-
Closing Balance	3,045,000,000	3,045,000,000
b) Securities Premium Account		
Opening Balance	25,077,686,929	17,377,826,517
Add : Pursuant to the Scheme of Arrangement (Refer Note 3 (iv))	-	7,699,860,412
Closing Balance	25,077,686,929	25,077,686,929
c) Foreign Currency Translation Reserve		
Opening Balance	1,329,706,995	941,269,811
Add: Effect of foreign exchange rate variations during the year	651,170,750	388,437,184
Closing Balance	1,980,877,745	1,329,706,995
d) Deficit in the Statement of Profit and Loss		
Opening Balance	(1,795,221,974)	449,860,398
Add: Loss for the year	(1,012,700,061)	(892,775,952)
- Pursuant to the Scheme of Arrangement (Refer Note 3 (iv))	-	1,567,963,448
- Adjustment pursuant to the Scheme of Arrangement (Refer Note 3 (iv))	-	(2,921,408,330)
- Adjustment on sale of Subsidiaries	-	1,138,462
Closing Balance	(2,807,922,035)	(1,795,221,974)
Total - Reserves and surplus	27,295,642,639	27,657,171,950

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 5		
Long-term borrowings	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Secured Loan		
Term loans ^{(i) & (ii)}		
- From Consortium of banks (Refer Note 11 for Current Portion)	40,932,003,207	19,092,610,536
- From Consortium of Financial Institutions (Refer Note 11 for Current Portion)	55,826,067,084	33,531,571,285
- From Other bank	4,200,000,000	4,200,000,000
Deferred Payment Liabilities (Unsecured) ⁽ⁱⁱⁱ⁾	10,707,866	10,707,944
Total - Long Term Borrowings	100,968,778,157	56,834,889,765

(i) For Amravati Project :-

- (a) Loans from Consortium of Banks & Financial Institutions aggregating to ₹ 52,997,366,677 (Previous Year: ₹ 28,751,243,473) and Bills of Exchange related to the Project aggregating to ₹ 41,613,946 (Previous Year: ₹ 14,413,230,955) are secured by way of first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project Phase I. Loan from Other Bank aggregating to ₹ 2,000,000,000 (Previous Year: ₹ 2,000,000,000) are secured by way of first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project Phase II. The aforesaid Composite Facility (Loans and Bills of Exchanges) are further secured by the pledge of 1,057,091,981 (Previous Year: 1,057,091,981) equity shares (40% of the total equity share capital) of the Company held by IPL through execution of a Deed of Pledge amongst IPL (Pledger), IPL and IDBI Trusteeship Services Limited. Also, disbursements against cost overrun underwritten portion is secured by a pledge of 39,707,724 (Previous Year: Nil) equity shares of the Company held by Indiabulls Infrastructure and Power Limited and 219,050,000 (Previous Year: Nil) equity shares held by Indiabulls Real Estate Limited in the Company and further, is secured by 1,504,514 (Previous Year: Nil) equity shares of Indiabulls Realtech Limited in favour of Power Finance Corporation Limited. Additionally, the Company is required by Non-Disposal and Safety Net Arrangement Agreement not to dispose off 11% equity shares of promoter's holding in the Company.
- (b) The Company has during the year rescheduled its loans with Consortium of Banks and Financial Institutions for Phase I of the Project. The Company has received a sanction letter from PFC vide letter No. 03/19 /IPL/GEN-TH/Vol IX/SO901001 dated August 07, 2013 and has entered into Cost overrun cum Underwriting agreement dated January 15, 2014 towards the same and according to which, PFC has sanctioned additional loans, extension of repayment dates and other terms stated therein subject to conditions being met by the Company in terms of the said agreement. The Company has received sanction letters from other Banks and Financial Institutions in the consortium and has entered in time overrun agreements with some of the Banks and Financial Institutions in the Consortium. Accordingly, the Company has revised its Project Cost to ₹ 74,933,300,000 from ₹ 66,315,200,000 (after exclusion of ₹ 2,564,800,000 allocated to the Cost of transmission Line from the sanctioned Project Cost of ₹ 68,880,000,000) thereby resulting in net increase in the Project Cost by ₹ 8,618,100,000 for meeting the cost overruns. As per the said sanction letter and the Cost overrun cum underwriting agreement, PFC is agreeable in principle to underwrite entire debt component of cost overrun of ₹ 6,463,600,000 which is 75% of the total cost overrun of ₹ 8,618,100,000. Further, PFC has also disbursed additional loans in terms of the Cost Overrun cum underwriting agreement aggregating to ₹ 3,500,000,000 upto March 31, 2014.
- (c) Considering the rescheduling of loans mentioned above, once the loans would be fully drawn down from the Consortium of Banks/ Financial Institutions for Phase I and other bank for Phase II:
- Term loan from Consortium of Banks for Phase I are repayable in 40 quarterly structured installments beginning from March 31, 2015 as follows;
One installment of ₹ 537,013,000 during the quarter ending March 31, 2015; Seven installments each of ₹ 795,180,000 during the quarter ending June 30, 2015 to December 31, 2016; One installment of ₹ 893,011,000 during the quarter ending March 31, 2017; Three installments each of ₹ 934,189,000 during

the quarter ending June 30, 2017 to December 31, 2017; One installment of ₹ 1,032,020,000 during the quarter ending March 31, 2018; Three installments each of ₹ 1,073,198,000 during the quarter ending June 30, 2018 to December 31, 2018; One installment of ₹ 975,367,000 during the quarter ending March 31, 2019; Three installments each of ₹ 934,189,000 during the quarter ending June 30, 2019 to December 31, 2019; One installment of ₹ 836,358,000 during the quarter ending March 31, 2020; Three installments each of ₹ 795,180,000 during the quarter ending June 30, 2020 to December 31, 2020; One installment of ₹ 697,349,000 during the quarter ending March 31, 2021; Fifteen installments each of ₹ 656,171,000 during the quarter ending June 30, 2021 to December 31, 2024 and One installment of ₹ 216,989,000 during the quarter ending March 31, 2025.

- Term loan from Consortium of Financial Institutions for Phase I are repayable in 40 quarterly structured installment beginning from April 15, 2015 as follows;

Eight installments each of ₹ 609,740,000 during the quarter ending June 30, 2015 to March 31, 2017; Four installments each of ₹ 692,156,000 during the quarter ending June 30, 2017 to March 31, 2018; Four installments each of ₹ 774,572,000 during the quarter ending June 30, 2018 to March 31, 2019; Four installments each of ₹ 692,156,000 during the quarter ending June 30, 2019 to March 31, 2020; Four installments each of ₹ 609,740,000 during the quarter ending June 30, 2020 to March 31, 2021; Sixteen installments each of ₹ 527,324,000 during the quarter ending June 30, 2021 to March 31, 2025.

- the term loan from Bank for Phase II would be repayable in 40 equal quarterly installments of ₹ 996,250,000 each beginning from April 15, 2015. The Company has also obtained sanction of further loan of ₹ 10,000,000,000 from REC which would be repayable in 40 equal quarterly installments of ₹ 250,000,000 each beginning from October 15, 2015.

- (d) Previous year, the repayment terms were as mentioned below:

Once the loans would be fully drawn down from the Consortium of Banks/ Financial Institutions for Phase I and other bank for Phase II:

- the term loan from Bank of India for Phase I would be repayable in 40 equal quarterly installments of ₹ 96,300,000 each beginning from October 15, 2013;
- the term loans from other Consortium Banks for Phase I would be repayable in 40 equal quarterly installments of ₹ 698,000,000 each beginning from September 30, 2013;
- the term loans from Consortium of Financial Institutions for Phase I would be repayable in 40 equal quarterly installments of ₹ 57,500,000 each beginning from October 15, 2013 in case of Life Insurance Corporation, 40 equal quarterly installments of ₹ 250,000,000 each beginning from October 15, 2013 in case of Power Finance Corporation and 40 equal quarterly installments of ₹ 190,000,000 each beginning from December 31, 2013 in case of Rural Electrification Corporation;
- the term loan from Bank for Phase II would be repayable in 40 equal quarterly installments of ₹ 1,246,250,000 each beginning from January 1, 2015.

- (e) The above mentioned loans from consortium of banks and financial institutions carry floating rates of Interest ranging from 11.50 % p.a. to 14.00% p.a. (Previous Year 11.50% p.a. to 15.50% p.a.) and the term loan from other bank carries a floating rate of interest of 15.00% p.a. (Previous Year floating rate of interest ranging from 13.50% p.a. to 14.50% p.a.)

- (ii) For Nashik Project :-

- (a) Loans from Consortium of Banks and Financial Institutions aggregating to ₹ 42,655,716,614 (Previous Year: ₹ 28,290,138,348) and Bills of Exchange related to the Project aggregating to ₹ 21,732,531 (Previous Year: ₹ 6,291,598,887) are secured by way of first mortgage and charge on all immovable and movable assets, both present and future, of the Nashik Project Phase I. Loans from Other Bank aggregating to ₹ 2,200,000,000 (Previous Year: ₹ 2,200,000,000) is secured by way of first mortgage and charge on all immovable and movable assets, both present and future, of the Nashik Project Phase II. The aforesaid Composite Facility (Loans and Bills of Exchanges) are further secured by pledge of 9,573,471 (Previous Year: 8,012,286) equity shares of Indiabulls Realtech Limited (51% of the Equity Share Capital of Indiabulls Realtech Limited) through execution of a Pledge Agreement with the Company. Out of the said shares, for 27,770 equity shares (Previous Year: 39,059 equity shares) of Indiabulls

Notes forming part of the Consolidated Financial Statements of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

Realtech Limited, action for placing them under a pledge in favour of IDBI Trusteeship Services Limited had been initiated during the year and the confirmation from the depository participants of the Lenders was awaited as on respective Balance Sheet dates. Also, the Bank Guarantee facility availed by Indiabulls Realtech Limited are secured by pledge of 563,146 (Previous Year: Nil) equity shares of Indiabulls Realtech Limited in favour of Axis Bank Limited. Further 1,504,514 (Previous Year: Nil) and 1,705,000 (Previous Year: Nil) equity shares of Indiabulls Realtech Limited are pledged in favour of Power Finance Corporation Limited against the term loan facility (cost overrun underwritten portion) of the Company and term loan facility of Amravati Power Transmission Company Limited respectively.

- (b) Indiabulls Realtech Limited is in the process of obtaining additional loan and re-schedulement of its term loans availed in terms of the Agreement with the Consortium of banks and financial institutions led by Power Finance Corporation Limited ("PFC") and Rural Electrification Corporation Limited ("REC"). Indiabulls Realtech Limited is in the process of revising its Project Cost to ₹ 78,489,800,000 from ₹ 65,555,200,000 (after exclusion of ₹ 2,334,800,000 allocated to the Cost of transmission system from the earlier sanctioned Project Cost of ₹ 67,890,000,000) thereby resulting in net increase in the Project Cost by ₹ 12,934,600,000 for meeting the cost overruns. Indiabulls Realtech Limited has received a sanction letter from PFC and REC vide Letter No. 03/19/Gen-Th/IRL/Vol VIII/11501001 dated October 15, 2013 and Letter No. REC/CO/Gen. -I/IRL/2014-877 dated February 27, 2014 respectively which may sanction said additional loans and the terms stated therein subject to conditions being met by Indiabulls Realtech Limited in terms of the said letter. As per the said letter, PFC is agreeable in principle to underwrite entire debt component of cost overrun of ₹ 9,699,000,000 which is 75% of the total cost overrun of ₹ 12,934,600,000. Other lenders of the Consortium have issued sanction letters/ entered into Cost and Time Overrun Agreements on similar lines. In case of United Bank of India, Indiabulls Realtech Limited has submitted its proposal for extension of repayment period and the extension of COD which is under process with the said bank. The same is however covered within the overall sanctions as approved by the Lead Consortium Bank/ other Consortium Lenders.
- (c) Considering the rescheduling of the loans mentioned above, once the loans would be fully drawn down from the Consortium of Banks / Financial Institutions for the Phase I and other bank for Phase II:
- the term loans from Consortium of Banks for Phase I would be repayable in 40 equal quarterly installments of ₹ 297,330,000 each beginning from October 31, 2015;
 - the term loans from Consortium of Financial Institutions for Phase I would be repayable in 40 equal quarterly installments of ₹ 82,500,000 each beginning from October 31, 2015 in case of Life Insurance Corporation, 48 equal quarterly installments of ₹ 421,500,000 each beginning from December 31, 2015 in the case of Rural Electrification Corporation and 48 equal quarterly installments of ₹ 488,400,000 each beginning from October 15, 2015 in the case of Power Finance Corporation;
 - the term loans from the other Bank for Phase II are repayable in 42 structured quarterly installments beginning from September 30, 2015 as follows:
One installment of ₹ 247,944,176 on September 30, 2015; Three installments of ₹ 401,428,571 each beginning from December 31, 2015; One installment of ₹ 383,181,818 on September 30, 2016; Seven installments of ₹ 344,081,633 each beginning from December 31, 2016; One installment of ₹ 432,307,692 on September 30, 2018; Two installments of ₹ 411,219,512 each beginning from December 31, 2018; One installment of ₹ 432,307,692 on June 30, 2019; One installment of ₹ 411,219,512 on September 30, 2019; Three installments of ₹ 468,333,333 each beginning from December 31, 2019; Ten installments of ₹ 432,307,693 each beginning from September 30, 2020; Eleven installments of ₹ 401,428,572 each beginning from March 31, 2023 and One installment of ₹ 373,954,732 on December 31, 2025. Indiabulls Realtech Limited has also obtained further sanction of loan of ₹ 16,000,000,000 each from PFC and REC which would be repayable in 48 equal quarterly installments of ₹ 333,333,333 each beginning from July 15, 2015 and September 30, 2015 respectively.
- (d) Previous year the repayment terms were as mentioned below:
Once the loans would be fully drawn down from the Consortium of Banks / Financial Institutions for Phase I and the other Bank for Phase II:
- the term loans from Consortium of Banks for Phase I would be repayable in 40 equal quarterly installments of ₹ 303,000,000 each beginning from December 31, 2013;
 - the term loans from Consortium of Financial Institutions for Phase I would be repayable in 40 equal quarterly installments of ₹ 82,500,000 each beginning from December 31, 2013 in case of Life Insurance Corporation,

48 equal quarterly installments of ₹ 364,600,000 each beginning from March 31, 2014 in the case of Rural Electrification Corporation and 48 equal quarterly installments of ₹ 375,000,000 each beginning from April 15, 2014 in the case of Power Finance Corporation;

- the term loans from the other Bank for Phase II would be repayable in 42 structured quarterly installments of amounts ranging from ₹ 718,676,471 each to ₹ 1,357,500,000 each beginning from September 30, 2015 or nine months from the Project COD, whichever is earlier.
- (e) The above mentioned loans from Consortium of Banks and Financial Institutions carry floating rates of Interest ranging from 11.25% p.a. to 16.25% p.a. (Previous year: 11.25% p.a. to 16.50% p.a.) and the term loan from other Bank carries a floating rates of interest ranging from 13.50% p.a. to 13.75% p.a. (Previous year: 13.50% p.a. to 13.75% p.a.).
- (f) In case of United Bank of India, Indiabulls Realtech Limited has submitted its proposal for extension of repayment period and the extension of COD which is under process with the said bank. The terms of repayment mentioned above for United Bank of India, being a part of Consortium Bankers, are considered to be in line with the sanctioned terms of Lead Consortium Bank/ other Consortium Bankers and accordingly, the principal repayments have not been considered to be due during the year.

Having regard to the above, there were no continuing defaults in payment of interest as at the year ended March 31, 2014 and March 31, 2013 and no loan were due for repayment during the year and previous year.

- (iii) Deferred payment liabilities pertains to present value of outstanding installments out of total 90 annual installments of ₹ 1,080,009 and ₹ 204,097 for Phase I and Phase II of the Project respectively, for the right to use leased land.

NOTE 6

Deferred tax liabilities (net)

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Deferred tax liabilities		
Arising on account of timing differences due to:		
- Difference between book and tax depreciation	3,939,941	173,485
Deferred tax liabilities (A)	3,939,941	173,485
Deferred tax assets		
Arising on account of timing differences due to:		
- Unabsorbed Business Losses	2,993,426	-
Deferred tax assets (B)	2,993,426	-
Total - Deferred tax liabilities (net) (A-B)	946,515	173,485

- (i) Pursuant to Accounting Standard 22 (AS 22) on 'Accounting for Taxes on Income', as notified under the Companies (Accounting Standards) Rules, 2006, as amended, the Company has debited an amount of ₹ 28,985,637 (Previous Year credited ₹ 72,335,054) as deferred tax charge (net) to the Consolidated Statement of Profit and Loss for the year ended March 31, 2014.
- (ii) The Company has restricted the recognition of deferred tax asset on unabsorbed brought forward business losses to the extent the reversal of which is virtually certain.

NOTE 7

Other long-term liabilities

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Retention Money (Refer Note 11 for Current Portion)	4,110,218,649	6,440,105,804
Total - Other long-term liabilities	4,110,218,649	6,440,105,804

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 8	As at	As at
Long-term provisions	March 31, 2014	March 31, 2013
	(₹)	(₹)
Provision for employee benefits (Refer Note 36)		
Provision for Superannuation Benefits (unfunded)	296,129,490	343,192,858
Provision for Gratuity (unfunded)	37,408,642	33,020,862
Provision for Compensated Absences (unfunded)	30,359,227	32,160,389
Total - Long-term provisions	363,897,359	408,374,109

NOTE 9	As at	As at
Short-term borrowings	March 31, 2014	March 31, 2013
	(₹)	(₹)
Loans repayable on demand - Secured		
Cash Credit facilities from Banks ^{(i) & (ii)}	758,259,856	-
Unsecured		
Loans and advances from related parties (Refer Note 38)		
Inter Corporate Deposits from Company having substantial interest ⁽ⁱⁱ⁾ (Refer note 3(iii) & (iv))	434,050,000	250,550,000
Loans and advances from others	2,845,605	-
Total - Short-term borrowings	1,195,155,461	250,550,000

- (i) The facilities are secured by hypothecation charges on all movables & immovable assets, present and future, of the the project under implementation by way of first charge ranking pari passu.
- (ii) There were no continuing defaults in repayment of loans and interest as at the year ended March 31, 2014 and March 31, 2013.

NOTE 10	As at	As at
Trade payables	March 31, 2014	March 31, 2013
	(₹)	(₹)
Dues to Micro and Small Enterprises	-	-
Dues for Goods and Services	434,818,603	968,843,638
Total - Trade payables	434,818,603	968,843,638

NOTE 11	As at	As at
Other current liabilities	March 31, 2014	March 31, 2013
	(₹)	(₹)
Current maturities of long-term borrowings/ liabilities		
- Term Loan from Consortium of banks ⁽ⁱ⁾ (Refer Note 5)	595,013,000	2,892,600,000
- Term Loan From Consortium of Financial Institutions (Refer Note 5)	-	1,524,600,000
- Bills of Exchange (Refer Note 5)	63,346,477	20,704,829,842
- Retention Money (Refer Note 7)	3,968,861,563	1,098,560,182
Interest Accrued but not due - Bills Of Exchange	2,226,128	2,345,397,381
Interest Accrued but not due - Term Loans	1,148,741,300	530,328,199
Interest Accrued but not due on Inter Corporate Deposits from Company having substantial interest (Refer Note 3(iii) & (iv))	26,537,159	22,217,368
Security Deposits from customers	2,270,720	2,270,720

NOTE 11 (Cont)

Other current liabilities

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Advance from Customers	2,124,000,000	-
Temporary Overdrawn balance as per books	-	3,499,550
Other payables		
Statutory remittances (Contribution to Provident Fund and ESIC, Withholding Taxes, VAT payable, Service Tax, Works Contract Tax and Professional tax)	96,177,353	336,997,723
Payables on purchase of fixed assets	302,065,556	301,804,687
Contractual Expenses Payable	5,069,949,817	4,582,339,919
Due to Employees	137,172	71,140
Equity Share Application Money Refundable	141,750	141,750
Earnest Money deposit	315,490	815,490
Total - Other current liabilities	13,399,783,485	34,346,473,951

- (i) Due to hiving off the cost of transmission line from the project cost (Refer Note 5 (ii)), the sanctioned amount of term loan of Bank of India has been reduced from ₹ 5,000,000,000 to ₹ 4,828,000,000. Accordingly, the amount of loan disbursed over and above the revised sanctioned term loan of ₹ 4,828,000,000, i.e. ₹ 58,000,000 has become payable on demand.

NOTE 12

Short-term provisions

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Provision for employee benefits (Refer Note 36)		
Provision for Gratuity (unfunded)	1,764,924	2,283,452
Provision for Compensated Absences (unfunded)	6,602,683	6,276,059
	<u>8,367,607</u>	<u>8,559,511</u>
Provision - Others		
Provision for Taxation [Net of Advance Income Tax/ Tax Deducted At Source ₹ 2,751,288 (Previous year ₹ 1,307,906)]	1,900,052	1,168,140
Provision for Liquidated Damages	34,039,666	-
Provision for Wealth Tax	526,175	618,259
	<u>36,465,893</u>	<u>1,786,399</u>
Total - Short-term provisions	44,833,500	10,345,910

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 13
Fixed Assets⁽ⁱ⁾

Particulars	Gross Block At Cost					Accumulated depreciation/ amortisation				Net Block	
	As at April 1, 2013	Additions during the year	Disposals during the year	Acquisition through Scheme of Arrangement ⁽ⁱⁱⁱ⁾	As at March 31, 2014	As at April 1, 2013	Provided during the year ⁽ⁱⁱ⁾	Elimination on disposals during the year	Acquisition through Scheme of Arrangement ⁽ⁱⁱⁱ⁾	As at March 31, 2014	As at March 31, 2013
1. Tangible Assets											
Land											
- Leasehold (Previous year)	992,261,430	-	-	-	992,261,430	34,445,723	10,390,653	-	-	44,836,376	957,815,707
- Freehold (Previous year)	987,219,501	5,041,929	-	-	992,261,430	24,055,069	10,390,654	-	-	34,445,723	963,164,432
- Buildings - Other (Previous year)	1,481,000	-	-	-	1,481,000	-	-	-	-	-	1,481,000
- Buildings - Plant ^(iv) (Previous year)	1,172,748	-	-	-	1,172,748	66,565	19,116	-	-	85,681	1,481,000
- Buildings - Plant ^(iv) (Previous year)	1,172,748	2,229,848,970	-	-	1,172,748	47,449	19,116	-	-	66,565	1,106,183
- Buildings - Plant ^(iv) (Previous year)	2,229,848,970	-	-	-	2,229,848,970	-	20,486,329	-	-	20,486,329	1,125,299
- Buildings - Plant ^(iv) (Previous year)	43,070,548,071	-	-	-	43,094,853,044	2,767,343	635,080,993	-	-	62,848,336	42,467,004,708
- Office Equipment (Previous year)	21,956,384	2,962,529	617,240	3,300	24,304,973	1,686,997	1,182,722	105,676	3,300	2,767,343	20,269,387
- Computers (Previous year)	27,290,875	6,052,601	-	-	33,343,476	4,337,173	1,475,251	-	-	5,812,424	22,953,702
- Furniture and Fixtures (Previous year)	23,024,659	3,989,278	422,294	699,232	27,290,875	2,781,155	1,476,504	77,605	157,119	4,337,173	20,243,504
- Vehicles (Previous year)	28,073,468	2,399,537	1,027,295	-	29,445,710	10,261,822	4,634,953	54,881	-	14,841,894	17,811,646
- Ships (Previous year)	25,022,101	2,744,527	50,750	357,590	28,073,468	5,827,022	4,288,800	31,739	177,739	10,261,822	19,195,079
- Total (1)	43,242,437	5,716,578	-	-	48,959,015	10,008,342	4,828,320	-	-	14,836,662	33,234,095
- Total (1)	35,100,899	8,115,665	56,452	82,325	43,242,437	7,274,975	2,711,317	27,214	49,264	10,008,342	27,825,924
- Total (1)	161,214,255	8,782,389	4,662,272	-	165,334,372	38,541,037	15,758,534	499,046	-	53,800,525	122,673,218
- Total (1)	145,837,080	13,990,523	-	1,386,652	161,214,255	22,939,712	14,937,138	-	664,187	38,541,037	122,897,368
- Total (1)	4,103,744	-	-	-	4,103,744	825,315	137,065	-	-	362,380	3,278,429
- Total (1)	178,452	-	-	3,925,292	4,103,744	-	136,429	-	688,886	825,315	-
- Total (1)	45,323,348,146	5,689,567	5,689,567	-	46,600,803,509	101,253,320	682,811,214	553,927	-	783,510,607	1,181,891,610
- Total (1)	1,240,814,372	37,022,903	1,146,736	6,454,391	1,283,144,930	64,612,379	35,142,680	242,234	1,740,495	101,253,320	1,176,201,993
2. Intangible assets											
- Right to use Land (Previous year)	920,182,965	-	-	-	920,182,965	20,430,530	10,224,257	-	-	30,654,787	899,752,435
- Computer software (Previous year)	877,843,830	42,339,135	-	-	920,182,965	10,256,540	10,173,990	-	-	20,480,530	867,587,290
- Total (2)	9,087,845	53,406,676	-	-	62,494,521	6,765,467	11,312,842	-	-	18,078,309	2,322,378
- Total (2)	7,906,259	519,186	-	662,400	9,087,845	4,268,781	1,986,729	-	509,957	6,765,467	3,637,478
- Total (2)	929,270,810	53,406,676	-	-	982,677,486	27,195,997	21,537,099	-	-	48,733,096	933,944,390
- Total (2)	885,750,089	42,858,321	-	662,400	929,270,810	14,525,321	12,160,719	-	509,957	27,195,997	902,074,813
- Total (2)	45,376,754,822	5,689,567	5,689,567	-	47,583,480,995	128,449,317	704,348,313	553,927	-	832,243,703	2,083,966,423
- Total (2)	2,126,564,461	79,881,224	1,146,736	7,116,791	2,212,415,740	79,137,700	47,303,399	242,234	2,250,452	128,449,317	2,083,966,423
3. Capital work-in-progress											
- Total (3)											
- Total (3)											
4. Intangible assets under development-Software											
- Total (4)											
- Total (4)											
- Total (4)											
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i) Loans, Bills of exchanges and Cash credit facilities are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati & Nashik Project. (Refer Note 5(i) & (iii)).

ii) Depreciation and amortisation aggregating ₹ 39,037,623 (Previous Year ₹ 34,526,210) on assets directly related to the Project has been transferred to Expenditure During Construction Pending Capitalisation and depreciation and amortisation aggregating to ₹ 665,310,690 (Previous year ₹ 12,777,189) being depreciation and amortisation on other fixed assets has been charged to the Statement of Profit & Loss.

(iv) During the year, upon COD of the Company's Aravati Power Project - Unit-I (Phase - I) on June 03, 2013, the Company has capitalised ₹ 13,796,864,977 of Plant and Equipment and ₹ 723,889,124 of Buildings - Plant. Further, upon COD of the Company's Aravati Power Project - Unit-II (Phase - II) on March 29, 2014, the Company has capitalised ₹ 29,160,260,200 of Plant and Equipment and ₹ 1,505,949,846 of Buildings - Plant. Accordingly, during the year ₹ 34,066,758,677 and ₹ 11,120,215,470 is reduced from CWIP and Expenditure during construction pending capitalisation respectively on account of capitalisation. (Also Refer Note 14(ii))

(v) During the year, the Company's subsidiary Aravati Power Transmission Company Limited has capitalised ₹ 105,660,992 to Plant and Equipment against asset 'Line-in-Line-Out (LLO) Line'. LLO line is to be used for transmission of power. Amounts to the tune of ₹ 102,825,978 and ₹ 2,835,014 have been transferred from 'Capital Work in Progress' and 'Expenditure During Construction Pending Capitalisation' respectively, for this capitalisation

Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

NOTE 14

Expenditure during construction pending capitalisation ⁽ⁱ⁾ (Refer Note 43)

Particulars	Opening balance as at April 1, 2013	Additions during the year	Capitalised during the year ⁽ⁱⁱⁱ⁾ (Refer Note 13 (iv)&(v))	Closing balance as at March 31, 2014
	(₹)	(₹)	(₹)	(₹)
Employee Remuneration and Benefits	2,118,011,499	820,521,955	987,035,729	1,951,497,725
Interest and Financing Charges ⁽ⁱⁱ⁾	15,180,529,778	11,538,321,954	7,892,402,397	18,826,449,335
Communication Expenses	24,107,646	14,370,757	12,945,868	25,532,535
Depreciation/ amortisation expense	87,853,335	39,037,623	41,150,966	85,739,992
Lease Rent Expenses (Refer Note 41)	631,781,649	99,249,224	297,337,875	433,692,998
Legal and Professional Charges	449,592,709	124,920,269	131,733,895	442,779,083
Rates & Taxes	116,926,186	48,102,252	53,571,870	111,456,568
Repairs and Maintenance				
- Vehicles	10,633,030	4,450,733	4,927,589	10,156,174
- Others	48,819,315	16,880,242	24,897,990	40,801,567
Pre - Operative Expense (net of revenue from supply of Infirum Power ₹ 63,996,553 (Previous Year: ₹ 676,488) (Refer Note 40)	281,994,966	789,471,606	1,071,466,572	-
Water Expenses	171,483,073	90,382,515	101,601,857	160,263,731
Staff Welfare Expenses	33,340,866	6,965,611	15,196,801	25,109,676
Travelling & Conveyance	455,244,261	92,987,970	154,481,468	393,750,763
Administrative and Other Expenses	681,990,591	306,895,927	337,219,141	651,667,377
Software Expenses	217,869,349	3,727,725	47,154,015	174,443,059
Land Development Expenses	28,631,223	-	-	28,631,223
Commission and Brokerage	13,000	-	743	12,257
Power Transmission Charges	3,024,818	-	155,796	2,869,022
Civil Construction Expense	5,457,000	-	-	5,457,000
Miscellaneous Expenses	125,045,886	97,399,983	74,629,357	147,816,512
Sub Total (a)	20,672,350,180	14,093,686,346	11,247,909,929	23,518,126,597
Less:				
Other Income				
- Dividend on units of Mutual Funds	200,128,000	60,264,292	81,049,262	179,343,030
- Interest on Deposit Accounts	53,203,650	94,934,316	41,703,427	106,434,539
- Interest on Security Deposits	-	5,474,831	1,129,665	4,345,166
- Profit on Redemption of Mutual Funds	3,685,024	1,624,728	977,091	4,332,661
Sub Total (b)	257,016,674	162,298,167	124,859,445	294,455,396
Total - Expenditure during construction pending capitalisation (a - b)	20,415,333,506	13,931,388,179	11,123,050,484	23,223,671,201

- (i) Loans, Bills of exchanges and Cash credit facilities are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati and Nashik Project. (Refer Note 5(i) & (ii) and Note 9).
- (ii) Interest and Financing Charges represents Borrowing costs i.e. Financing charges and Interest During Construction to be capitalised to Fixed Assets on completion of construction of the Project. During the year borrowing cost of ₹ 2,006,489,037 and ₹ 2,519,532,326 is capitalised on June 03, 2013 and March 28, 2014 respectively on account of capitalisation of Unit-I (Phase-I) and Unit-II (Phase-I) of the Amravati Project. Also, the borrowing cost of ₹ 3,250,665,244 is capitalised on March 29, 2014 on account of capitalisation of Unit-I (Phase-I) of the Nashik Project. The costs have been added to the cost of Plant and equipment and Buildings - Plant (Refer Note 13).

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 15 Non-current investments - others (Unquoted)	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
a) Investment in Trust (IPL-PPSL Scheme Trust) (At Cost)	202,500,000	202,500,000
Total - Non-current investments	202,500,000	202,500,000
Aggregate amount of Quoted Investments and market value thereof	-	-
Aggregate amount of Unquoted Investments	202,500,000	202,500,000
Aggregate provision for diminution in value of investments	-	-

NOTE 16 Deferred tax assets (net)	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Deferred tax assets		
Arising on account of timing differences due to:		
- Provision for Employee Benefits	82,254,160	84,039,025
- Provision for Bonus	91,066	825,767
- Difference between book and tax depreciation	-	22,840,048
- Unabsorbed Depreciation ⁽ⁱⁱ⁾	2,223,955,902	-
Deferred tax assets (A)	2,306,301,128	107,704,840
Deferred tax liability		
Arising on account of timing differences due to:		
- Difference between book and tax depreciation	2,227,160,005	351,109
Deferred tax liability (B)	2,227,160,005	351,109
Total - Deferred tax assets (net) (A-B)	79,141,123	107,353,731

- (i) Pursuant to Accounting Standard 22 (AS 22) on 'Accounting for Taxes on Income', as notified under the Companies (Accounting Standards) Rules, 2006, as amended, the Company has debited an amount of ₹ 28,985,637 (Previous Year credited ₹ 72,335,054) as deferred tax charge (net) to the Consolidated Statement of Profit and Loss for the year ended March 31, 2014.
- (ii) The Company has restricted the recognition of deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax, the reversal of which is virtually certain. Excess amount of Deferred Tax Assets amounting to ₹ 3,311,555,932 is not recognised on account of there being no virtual certainty of reversal.

NOTE 17 Long-term loans and advances (Unsecured, considered good)	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Capital Advances	16,403,113,281	22,056,265,047
Security Deposits		
- Security Deposits - Premises	52,361,985	133,114,604
- Security Deposits - Others	190,941,826	184,229,103
Loans and advances to related parties (Refer Note 38)	4,798,115,000	3,736,765,000
Inter Corporate Deposits/ Loans Given		
Prepaid Expenses	7,378,158	2,232,275
Earnest Money Deposits	1,250,000	1,250,000
Advance Income Tax/ Tax Deducted At Source - Non Current Portion		
[Net of provision for tax ₹ 466,735,751 (Previous Year ₹ 463,785,590)]	322,849,882	159,354,005

Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

NOTE 17 (contd.)

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

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Advance Fringe Benefit Tax	36,649	36,649
MAT Credit Entitlement	119,240,759	126,013,248
Balances with Government authorities		
- CENVAT credit receivable	218,644,734	229,371,617
- VAT credit receivable	327,143,948	370,721,924
Total - Long-term loans and advances	22,441,076,222	26,999,353,472

NOTE 18

Other non-current assets

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Other Deposit Accounts - Non-Current Portion (Refer Note 21) (Pledged against Bank Guarantees and Under lien with CST Authorities - Refer Note 31)	619,411,477	355,405,430
Accrued Interest		
- on Deposit Accounts	32,868,285	9,196,938
Total - Other non-current assets	652,279,762	364,602,368

NOTE 19

Inventories

(At lower of cost and net realisable value)

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Stores and Spares		
Coal - Stores ⁽ⁱ⁾	100,353,056	95,662,713
Light Diesel Oil - Stores ⁽ⁱⁱ⁾	97,266,658	55,018,692
Stores and Spares ⁽ⁱⁱⁱ⁾	10,084,688	-
Other Consumables ^(iv)	15,877,763	2,025,460
Total - Inventories	223,582,165	152,706,865

- (i) Coal - Stores including Good-in-transit during the year ended of ₹ 9,269,648 (Previous Year ₹ 25,177,091).
(ii) Light Diesel Oil - Stores including Good-in-transit during the year ended of ₹ 514,070 (Previous Year ₹ 204,516).
(iii) Stores and Spares - including Good-in-transit during the year ended of ₹ 6,319,536 (Previous Year ₹ Nil).
(iv) Other Consumables - including Good-in-transit during the year ended of ₹ 6,354,937 (Previous Year ₹ Nil).

NOTE 20

Trade receivables

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	-	-
Other Trade Receivables - Unsecured, considered good	1,056,301,472	-
Total - Trade receivables	1,056,301,472	-

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 21	As at	As at
Cash and bank balances	March 31, 2014	March 31, 2013
	(₹)	(₹)
A. Cash and cash equivalents		
Cash on hand	959,979	609,816
Cheques, drafts on hand	-	1,100
Balances with Banks		
- In Current Accounts	850,433,903	1,544,059,713
- In Demand Deposit Accounts	1,633,000,000	-
- In other deposit accounts with original maturity less than 3 months ⁽ⁱ⁾	150,600,000	702,500,000
B. Other bank balances		
- Unclaimed share application money received for allotment of securities and due for refund	141,750	141,750
- In other deposit accounts with original maturity more than 3 months ⁽ⁱ⁾	313,780,085	2,478,041,066
Total - Cash and bank balances	2,948,915,717	4,725,353,445

(i) Pledged against Bank guarantees and Letter of Credit - Refer Note 31

NOTE 22	As at	As at
Short-term loans and advances (Unsecured, considered good)	March 31, 2014	March 31, 2013
	(₹)	(₹)
A. Security Deposits		
- Security Deposits - Premises	1,745,118	5,029,128
- Security Deposits - Others	-	9,300
B. Loans and advances to employees	3,788,193	7,866,121
C. Prepaid Expenses	69,543,950	4,247,702
D. Advance Income Tax/ Tax Deducted At Source		
[Net of provision for tax ₹ Nil (Previous Year ₹ 753,336)]	237,611	1,017,913
- Advance Fringe Benefit Tax	10,424	10,424
E. Balances with Government authorities		
- VAT credit receivable	-	28,786,784
F. Other loans and advances		
- Advances to Suppliers and Others	7,631,353,728	7,010,763,817
- Advance Rent	23,271	11,638
Total - Short-term loans and advances	7,706,702,295	7,057,742,827

NOTE 23	As at	As at
Other current assets	March 31, 2014	March 31, 2013
	(₹)	(₹)
Unbilled revenue	549,467,417	676,488
(Includes towards supply of Infirm power ₹ Nil (Previous Year ₹ 676,488))		
Interest on overdue trade receivables	42,848,670	-
Interest on Security Deposits	6,260,727	-
Accrued Interest		
- on Deposit Accounts	6,188,781	32,612,662
- on Inter Corporate Deposits	390,651,890	266,435,693
Total - Other current assets	995,417,485	299,724,843

Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

Indiabulls

Indiabulls Power Ltd.

NOTE 24 Revenue from operations	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
Revenue from Power Supply	3,387,846,984	-
Total - Revenue from operations	3,387,846,984	-

NOTE 25 Other income	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
Interest Income		
- on Inter Corporate Deposits (Refer Note 38)	446,893,321	325,408,133
- on Deposit Accounts	74,361,490	137,355,515
- on Overdue Trade Receivables	42,848,670	-
- on Income Tax Refund	57,952	1,551,915
- on Security Deposits	785,896	-
Dividend Income		
- From Current Investments in Units of Mutual Funds	19,980,672	31,584,002
- From Long Term Investments in Units of Mutual Funds	-	26,841,756
Profit on Redemption of Mutual Funds		
- From Current Investments	1,689,784	-
Profit on sale of Investments in Subsidiaries	-	150,941,306
Construction & Project Related Income (net of cost of goods sold ₹ 6,650,203 (Previous Year : ₹ 9,206,747))	375,524	834,249
Provision for Gratuity and Compensated absences no longer required written back (Refer Note 36)	1,277,531	-
Miscellaneous Income	40,083	1,325,520
Total - Other income	588,310,923	675,842,396

NOTE 26 Cost of fuel, power and water consumed (Refer Note 40)	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
Coal, Liquid Diesel Oil and Other Consumables Consumed	1,833,415,589	-
Electricity Consumed	107,978,875	-
Water Consumed	94,697,754	-
Total - Cost of fuel, power and water consumed	2,036,092,218	-

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 27			
Employee benefits expense		For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
Salaries and Wages		282,856,702	247,865,781
Contribution to Provident and Other Funds		238,685	113,617
Provision for Gratuity/ Compensated Absences/ Superannuation Benefits (Refer Note 36)		12,213,450	104,513,382
Recruitment and training		105,872	2,060
Staff Welfare Expenses		3,686,721	673,723
Total - Employee benefits expense		299,101,430	353,168,563

NOTE 28			
Finance costs		For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
Interest expenses on :			
- term loans and bills of exchanges		1,245,466,302	-
- inter corporate deposits (Refer Note 38)		29,485,733	24,685,964
- cash credit/ overdraft facility		26,919,753	281,805
- delayed/ deferred payment of income tax		298,168	33,371,588
- vehicle loans		-	61,305
Net Gain or Loss on foreign currency transactions			
- Realised Loss on Foreign Exchange		-	18,631
Other finance costs :			
- loan processing fees		4,207,460	-
- bank guarantee charges		8,564,546	1,831,500
Total - Finance costs		1,314,941,962	60,250,793

NOTE 29			
Other expenses		For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
Rent (Refer Note 41)		18,045,049	566,187
Rates and Taxes		10,355,067	7,511,555
Legal and Professional Charges		45,278,013	426,144,053
Advertisement		138,053	179,131
Electricity and Water expenses		12,270	27,190
Communication		2,914,784	1,373,632
Printing and Stationery		2,470,020	251,099
Postage and Telegram		2,895,406	2,755,147
Travelling and Conveyance		10,273,726	3,156,941
Operation & Maintenance Expenses		231,836,955	-
Insurance Expenses		28,644,003	-

**Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 29 (Cont.)

Other expenses

	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
Running and Maintenance - Vehicle	796,508	981,059
Repairs and Maintenance - Office	1,251,719	-
Repairs and Maintenance - Others	935,825	1,476,274
Security Expenses	7,383,285	90,847
Software	691,931	98,382
Bank Charges	297,447	153,315
Business Promotion	2,328,170	1,444,110
Payments to the Auditors comprise		
- to statutory auditors		
- for audit	5,281,087	8,164,582
- for certification	500,000	1,100,000
- for other services	1,350,000	1,585,954
- reimbursement of expenses	500,000	900,000
- to cost auditors	50,000	-
Membership and Subscription Fees	924,606	598,148
Donations	-	20,000,000
Loss on sale of fixed assets	881,127	-
Inventory adjusted pursuant to merger	-	326,661,176
Advances written off	212,679,190	237,352,500
Expenditure during construction and Capital Work In Process written off (Refer Note 30 (iii))	-	271,244,950
Provision for Liquidated damages	34,039,666	-
Miscellaneous expenses	3,106,546	1,041,521
Total - Other expenses	625,860,453	1,314,857,753

Notes forming part of the Consolidated Financial Statements of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

30. Project under Development

(i) Amravati Thermal Power Project:

The Company is in process of setting up a Thermal Power Project at Amravati ("Amravati Project") in the State of Maharashtra in two phases of 1,350 MW each, with an ultimate capacity of 2,700 MW. Project construction activities of the Amravati Project are in line with the estimated targets of the Management of the Company. During the year, upon COD of the Company's Amravati Power Project - Unit-I (Phase - I) on June 03, 2013 and Unit-II (Phase - I) on March 28, 2014, the Plant and Equipment and Building - Plants of Unit-I and Unit-II are capitalised on respective CODs (Refer Note 13 and 14). The Company is receiving coal under the Fuel Supply Agreement signed with South Eastern Coalfields Limited, subsidiary of Coal India Limited as on December 22, 2012 which would be sufficient for meeting coal requirement for functioning of Unit I and II of Phase I.

(ii) Nashik Thermal Power Project:

The Company's subsidiary Indiabulls Realtech Limited (IRL) is in process of setting up a Thermal Power Project at Nashik ("Nashik Project") in two phases of 1,350 MW each, in the State of Maharashtra with an ultimate capacity of 2,700 MW. Project construction activities of Phase I and Phase II are in line with the estimated targets of the Management. During the financial year 2012-13, IRL had successfully conducted Boiler Light up for its Unit-I (270MW) of Phase I. During the year, upon COD of the Nashik Power Project - Unit-I (Phase - I) on March 29, 2014, the Plant and Equipment and Building - Plants of Unit -I are capitalised on COD (Refer Note 13 and 14). Project construction activities of the Nashik Project of IRL are in line with the estimated targets of the Management.

(iii) Bhaiyathan Thermal Power Project:

The Company's subsidiary Indiabulls CSEB Bhaiyathan Power Limited (ICBPL) had entered into a Share Subscription Agreement ("CSEB - SSA") with Chhattisgarh State Electricity Board ("CSEB") dated October 13, 2008 pursuant to which CSEB was to acquire 26% equity stake in ICBPL, whether in cash or consideration other than cash, in such manner as may be indicated by CSEB in writing. Pursuant to the "CSEB - SSA", CSEB had agreed to subscribe to 26,000 fully paid-up equity shares of ICBPL of the face value of ₹ 10, representing 26 per cent of the issued, subscribed and paid-up share capital. ICBPL has agreed not to issue equity shares at a price or terms which are more favourable to the subscribers than price or terms on which CSEB has subscribed to the equity shares. Further, ICBPL was not required to issue any equity shares unless CSEB is first offered the right to subscribe to, in CSEB's sole discretion, such number of equity shares as is required to enable CSEB to maintain its pre-issue shareholding percentage.

ICBPL was in the process of setting up a Thermal Power Project at Bhaiyathan ("Bhaiyathan Project") in the State of Chhattisgarh. The Bhaiyathan Project was planned to have two super-critical units of 660 MW each, with a combined capacity of 1,320 MW. The Ministry of Coal, Government of India had allocated captive coal blocks located in Gidhmuri and Paturia villages in the Korba district in the State of Chhattisgarh for the Bhaiyathan Project, subject to certain terms and conditions. Development work on the Bhaiyathan Project was progressing at a slow pace due to certain pending statutory clearances relating to the captive coal blocks allocated for the Project. Accordingly, all Project related costs incurred during the year had been charged to the Statement of Profit and Loss.

During the financial year ended March 31, 2013, in view of the denial of forest clearance for coal mines by the Ministry of Environment and Forests to the proposal of the state government, the fuel linkage which had earlier been allotted to the Project became unavailable. Accordingly, in terms of the CSEB-SSA, ICBPL decided to abandon the Bhaiyathan Project and had sought refund from CSEB for monies invested and the return of its performance bank guarantees given in respect of the Bhaiyathan Project. In view thereof, ICBPL had written off capital work in progress and expenditure during construction aggregating to ₹ 1,571,069 and ₹ 269,673,881 respectively, and had adjusted the balance amounts in capital work in progress and capital advances aggregating to ₹ 502,079,190 as recoverable from CSEB. Accordingly, in view of the above, the company had waived the recovery of its loans to ICBPL to the extent of such write off and ICBPL had written back the same to the Statement of Profit and Loss.

During the year, Chhattisgarh State Power Holding Company Limited "CSPHCL", on behalf of CSEB, has entered into a Settlement Agreement dated July 12, 2013 with ICBPL, wherein it has been agreed that CSPHCL will pay an amount of ₹ 289,400,000 as full and final Settlement. Accordingly, ICBPL has written off advances amounting to ₹ 212,679,190 through the Statement of Profit and Loss. In view of above, the company has waived the recovery

of its loans to ICBPL to the extent of such write off and ICBPL has written back the same to the Statement of Profit and Loss.

Consequent to the above, the Board of ICBPL has resolved to pursue other profitable business opportunities for the operations of ICBPL. ICBPL has, as at the Balance Sheet date, accumulated losses aggregating to ₹ 18,808,601 which is far in excess of the Share Capital of ICBPL amounting to ₹ 740,000. The continuity of the operations of ICBPL is dependent on the continued financial, technical and operational support of the Company. Further, ICBPL is in receipt of letter from the Company, whereby they have confirmed that they shall continue to provide the necessary financial, technical and operational support to enable ICBPL to meet its liabilities and obligations as they fall due. Consequently, the accounts of ICBPL have been prepared on a going concern basis.

(iv) Other Projects:

The Company, through its subsidiary Company Poena Power Development Limited, is developing a Mega Thermal Power Project in Mansa, Punjab and through its three subsidiaries viz. Kaya Hydropower Projects Limited, Sepla Hydropower Projects Limited and TharangWarang Hydro Power Projects Limited, medium sized Hydro Power Projects in the state of Arunachal Pradesh. Development work in these projects is at presently at nascent stages. The Company has entered into MOUs with the respective State Governments in relation to these projects.

31. Contingent Liabilities not provided for in respect of:

- Public Interest Litigation (PIL) was instituted before the Hon'ble Bombay High Court (Nagpur Bench) by the Society for Backlog Removal & Development, Amravati (Help Line) & Others against State of Maharashtra and Others where the Company was Respondent No. 5. The petition, amongst others, challenged the water allocation from the live reservoir of Upper Wardha Project to the thermal power plant being set up by the Company in Amravati District to be against the directives issued by the Governor of Maharashtra under Article 371 (2) of the Constitution of India.

Another Writ Petition was been filed by the Company before the Hon'ble Bombay High Court (Nagpur Bench) challenging the powers of the Governor to issue directives under Article 371 (2) of the Constitution of India.

The Hon'ble High Court after hearing the parties at length dismissed the petition during the year holding that allocation of water is not in contravention of the directives issued by the Governor of Maharashtra under Article 371 (2) of the Constitution of India. Appeal filed by the petitioners before the Supreme Court has also been dismissed.

- The Company had filed an application before the Nagpur Bench of the Hon'ble Bombay High Court to bring to its knowledge the publication of an article by the Hitavada Newspaper that casts aspersions against Indiabulls and the Advocate General. The Court has taken cognizance and issued notices to the contemnors. The contemnors have filed their replies and the Company has filed the rejoinder. It is understood that the Hon'ble Court has consigned the file and hence the case is closed. No formal order has been passed. The pecuniary risk involved in the present case cannot be quantified as at March 31, 2014 and March 31, 2013.
- Tata Power Trading Company Limited (TPTCL) had executed PPA with IPL for tying up maximum 100 MW power from its Amravati Power Plant. Pursuant to public interest litigation challenging the water allocation for the power plant IPL invoked force majeure suspending its obligations to perform under the PPA. TPTCL disputed the same and invoked arbitration claiming specific performance of the PPA. During the arbitration proceedings IPL terminated the PPA. During the year, the Tribunal has passed an award on October 15, 2013 denying specific performance on one hand and holding that invocation of force majeure was not valid. Further, while holding that the PPA is otherwise determinable in nature, the Tribunal held that the termination during arbitration proceedings is not valid. Neither party has challenged the award. As per the PPA dated June 05, 2009, within one year TPTCL had to tie up sale of power up to 1,000 MW on long term basis on terms acceptable to IPL. The said period has since expired and hence, the obligations of the parties under the PPA are no longer binding. Therefore, there is no pecuniary risk involved in the case as at March 31, 2014.
- A PIL has been filed by the Society for Environmental Protection & Others praying the court to direct the Respondent No.5 (the Company) to immediately stop proceeding with the proposed Power Plant at Nandgaonpeth, Amravati on the grounds of damage to environment and the depletion of water resources. The Matter has been transferred to National Green Tribunal (NGT) by the Hon'ble High Court for further adjudication. The pecuniary risk involved in the present case cannot be quantified as at March 31, 2014 and March 31 2013.

Notes forming part of the Consolidated Financial Statements of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

- MSEDCL had invited long term power procurement for domestic coal based power station using coal from Bhivkund coal blocks through a tariff based competitive bidding process in which the Company was one of the bidder. A Writ Petition was filed by Today Energy (M.P) Private Limited seeking Directions to MSEDCL to consider its financial bid. During the year, MSEDCL has since withdrawn the tender and returned IPL's bank guarantee vide its letter dated August 06, 2013. Accordingly the petition has become infructuous and there is no pecuniary risk involved in the case as at March 31, 2014.
- Writ Petition had been filed by the Company during the financial year 2012-13, challenging the validity of demand raised by WRD for payment of irrigation restoration charges at ₹ 100,000/- per Hectare vide letter dated January 29, 2013 instead of ₹ 50,000/- per Hectare (as provided in Circular dated February 21, 2004). The Respondents have been restrained from taking any coercive steps till further orders. The statement is accepted.
- A Writ Petition has been filed before the Hon'ble High Court of Madras in the State of Tamil Nadu regarding the Tamil Nadu VAT reversal by BHEL and consequential recovery of the same from Indiabulls Realtech Limited (IRL), relating to supply agreement executed between BHEL and Indiabulls Realtech Limited for supply of Boiler Turbine Generators (BTG) items for the Nashik Project. The matter was listed for hearing and the Hon'ble High Court has issued a notice and had ordered for Status Quo in the said case. The Notice for the same has been accepted by the State Counsel. The case will be listed in due course before the appropriate bench. The pecuniary cost involved in the present case is approximately ₹ 800,000 (Previous year ₹ 800,000).
- A suit has been filed during the previous year before the Civil Judge, Junior Division, Sinnar, Nashik by the Plaintiffs with respect to the Pipe Line work which is being done in the Sinnar Nagar Palika area. It has been alleged that the said work carried out by IRL is against the public interest & safety and the authority who gave such permission have fulfilled their own interests. The matter has been dismissed by the Court during the year.
- Two suits have also been filed before the Civil Judge, Junior Division, Sinnar, Nashik by the Plaintiffs with respect to the Pipe Line work which is being done in the Sinnar Nagar Palika area. It has been alleged that the land of the plaintiffs was not acquired for this purpose and IRL's activity of laying pipeline work in the plaintiffs' property is illegal and it will damage the crops, land and well of the plaintiffs' permanently. The pecuniary risk involved in the present case cannot be quantified as at March 31, 2014 and March 31, 2013.
- A PIL has been filed during the previous year before Aurangabad Bench by Plaintiff against State of Maharashtra & others, challenging allocation of water for Nasik Thermal Power Plant being setup at IRL at Nashik. The matter is at Pre-admission stage. The pecuniary risk involved in the present case cannot be quantified as at March 31, 2014 and March 31, 2013.
- A suit has been filed during the previous year by the Plaintiff at Patiala House Courts, New Delhi for recovery of ₹ 651,100 claimed to be the amount outstanding for the work done by it under the work order given by IRL for consultancy services for the proposed railway siding.
- An appeal has been filed during the previous year by Plaintiff before the APTEL against the Order of MERC approving procurement of additional quantum of 650 MW power from IRL. APTEL has not granted any stay but has stated that any further action shall be subject to outcome of the appeal. The pecuniary risk involved in the present case cannot be quantified as at March 31, 2014 and March 31, 2013.
- A Writ Petition has been filed during the year before the Hon'ble High Court of Bombay by the Plaintiff against the land acquisition for railway land for Nashik Power Plant of IRL. The pecuniary risk involved in the present case cannot be quantified as at March 31, 2014.
- A petition had been filed before Chhattisgarh State Electricity Regulatory Commission (CSERC), Raipur by ICBPL against the Chhattisgarh State Power Holding Co. Ltd. and other (CSPHCL). The petition, amongst others, challenged the notice dated May 26, 2010 whereby CSPHCL have sought to allege non-compliance of obligations by ICBPL under the Power Purchase Agreement dated October 13, 2008 (PPA). The Commission passed Order on December 31, 2011 quashing the letter dated May 26, 2010 issued by CSPHCL and directed the parties to review the terms and conditions of PPA so that the Bhaiyathan Project could be brought up. ICBPL had filed an appeal against the Order of CSERC before the Appellate Tribunal for Electricity (APTEL) partially challenging the CSERC Order seeking that directions to review the PPA be set aside and finding of Force Majeure be expunged. On February 17, 2012 APTEL while deciding the case in favour of ICBPL vide its Order dated February 18, 2013 has set aside the findings and directions given by State Commission in its Order dated December 13, 2011.

As at March 31, 2013, future cash outflows in respect of the above, if any, was determinable only on receipt of judgement/ decision pending with the relevant authorities. During the year, Chhattisgarh State Power Holding

Company Limited "CSPHCL", on behalf of CSEB, has entered into a Settlement Agreement dated July 12, 2013 with ICBPL, wherein it has been agreed that CSPHCL will pay an amount of ₹ 289,400,000 as full and final Settlement. Accordingly, there are no contingent liability in respect of above as on March 31, 2014.

- Demand pending under section 143(3) of Income tax act, 1961:
 - (a) For ₹ 7,737,610/- with respect to the FY 2009-10 against disallowance U/s 14(A) of the Income tax act, 1961, against which appeal is filed by the Company during the year and is pending before CIT(Appeals).
 - (b) For ₹ 32,998,260/- with respect to the FY 2010-11 against disallowance U/s 14(A) of the Income tax act, 1961, against which appeal is filed subsequently on April 28, 2014 by the Company and is pending before CIT(Appeals).
 - (c) For ₹ 31,988,910/- with respect to the FY 2010-11 against disallowance U/s 37 of the Income tax act, 1961, against which appeal is filed by the ICBPL during the year and is pending before CIT(Appeals).
 - (d) For ₹ 1,557,850/- with respect to the FY 2010-11 against disallowance U/s 14(A) of the Income tax act, 1961, against which appeal is filed by the EPIL during the year and is pending before CIT (Appeals).

Future cash outflows in respect of the above, if any, is determinable only on receipt of judgement/ decision pending with the relevant authorities. The Company does not expect the outcome of the matter stated above to have a material adverse impact on its financial condition, results of operations and cash flows.

- Performance Bank Guarantee of ₹ Nil (Previous Year: ₹ 1,000,000,000) issued to Chhattisgarh State Electricity Board by Indiabulls CSEB Bhairath Power Limited, a wholly owned subsidiary company, secured partly by pledge of Fixed deposits of ₹ Nil (Previous Year: ₹ 400,000,000) of the Company and partly by way of Corporate Guarantee of ₹ Nil (Previous Year: ₹ 600,000,000) of Indiabulls Real Estate Limited.
 - Guarantee provided on behalf of Indiabulls Realtech Limited (IRL), a wholly owned subsidiary, towards Commitment Bank Guarantees of ₹ 590,378,940 (Previous Year: ₹ 835,223,070) issued to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for IRL's Nashik Thermal Power Project, partly secured by way of pledge of fixed deposits of ₹ 44,295,000 (Previous Year: ₹ 242,936,850) and partly by way of corporate guarantee of ₹ Nil (Previous Year: ₹ 198,641,850) of the company and pledge of fixed deposits of ₹ 15,244,036 (Previous Year: ₹ Nil) of Indiabulls Realtech Limited.
32. Estimated amount of contracts remaining to be executed on account of capital and other commitments towards the Project not provided for: ₹ 148,431,865,256 (Previous Year: ₹ 209,474,524,365) – advances made there against ₹ 16,181,282,995 (Previous Year: ₹ 13,830,509,174).

Further, the Company has signed a long term power purchase agreement (PPA) with Maharashtra State Electricity Distribution Company Limited for supply of 1,200MW of power generated from the power station. The PPA has a tenure of twenty five years.

33. Other current and non-current assets includes interest accrued but not due of ₹ 37,548,984 (Previous Year: ₹ 41,648,495) on fixed deposits pledged with banks.

34. **Minority Interest represents the minority's share in equity of the subsidiaries as below:**

(Amount in ₹)

Particulars	As at March 31, 2014			As at March 31, 2013		
	Share in Equity Capital	Share in Reserves and Surplus	Total	Share in Equity Capital	Share in Reserves and Surplus	Total
Diana Energy Limited	1,300,000	(847,133)	452,867	1,300,000	(860,170)	439,830
Devona Thermal Power and Infrastructure Limited*	130,000	(130,000)	-	130,000	(130,000)	-
Hecate Power Transmission Limited*	245,000	(245,000)	-	245,000	(245,000)	-
Indiabulls Power Generation Limited	1,300,000	16,235,850	17,535,850	1,300,000	13,995,904	15,295,904
Indiabulls Power Transmission Limited	490,000	72,918	562,918	490,000	47,975	537,975
Poena Power Limited*	130,000	(130,000)	-	130,000	(130,000)	-
Total	3,595,000	14,956,635	18,551,635	3,595,000	12,678,709	16,273,709

* The losses applicable to the minority in the subsidiaries being consolidated, which have exceeded the minority interest in the equity of the respective subsidiaries, are attributed to the Group.

35. Employee Stock Options Schemes :

The Company has formulated ESOS/ ESOP schemes for applicable/ eligible employees. The schemes so formulated are also applicable to the eligible employees of its subsidiaries. The subsidiaries have adopted the said schemes of the Company which are administered by a Compensation Committee constituted by the Board of Directors of the Company.

Stock Option Schemes of Indiabulls Power Limited. ("IPL"):

On January 10, 2008 the erstwhile IPSL, had established the IPSL ESOS Plan, under which, IPSL was authorised to issue upto 20,000,000 equity settled options at an exercise price of ₹ 10 per option to eligible employees. Employees covered by the plan were granted an option to purchase equity shares of IPSL subject to the requirements of vesting. A Compensation Committee constituted by the Board of Directors of IPSL administered the plan. All these options were outstanding as at April 01, 2008.

Pursuant to a Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956, duly approved by the Hon'ble High Court of Delhi at New Delhi vide its Order dated September 1, 2008, IPSL was merged with Sophia Power Company Limited ("SPCL"). With effect from the Appointed Date the IPSL ESOS Plan was terminated and in lieu, in terms of Clause 14 (c) of the Scheme of Arrangement, SPCL – IPSL Employees Stock Option Plan - 2008 ("SPCL – IPSL ESOP - 2008") was established in SPCL for the outstanding, unvested options for the benefit of the erstwhile IPSL option holders, on terms and conditions not less favourable than those provided in the erstwhile IPSL ESOS Plan and taking into account the share exchange ratio i.e. one equity share of SPCL of face value ₹ 10 each for every one equity share of IPSL of face value ₹ 10 each. All the option holders under the IPSL ESOS Plan on the Effective Date were granted options under the SPCL – IPSL ESOP - 2008 in lieu of their cancelled options under the IPSL ESOS Plan. The SPCL – IPSL ESOP - 2008 was treated as a continuation of the IPSL ESOS Plan and all such options were treated outstanding from their respective date of grant under the IPSL ESOS Plan. Accordingly, no compensation expense was recognised. No adjustment is required in respect of the number and exercise price of options as the share exchange ratio is one equity share of face value ₹ 10 each of SPCL for every one equity share of face value ₹ 10 each of IPSL.

During the year ended March 31, 2014, 594,000 (Previous Year 3,600,000) ESOPs were surrendered/ lapsed under the SPCL – IPSL ESOP - 2008 Scheme. During the previous year, on September 1, 2012, 2,000,000 ESOPs were re-granted by the Committee to an eligible employee at an exercise price of ₹ 10 per option under the SPCL – IPSL ESOP – 2008 Scheme.

These options vest uniformly over a period of 10 years commencing one year after the date of grant. The Company follows the Intrinsic Value method of accounting as permitted in the Guidance Note on Accounting for Employees Share Based Payments ("Guidance Note"), issued by the Institute of Chartered Accountants of India. There is no impact on the profits after taxes and the basic and diluted earnings per equity share of the holding company on account of SPCL – IPSL ESOP - 2008.

During the financial year ended March 31, 2010, IPL had established the Indiabulls Power Limited. Employees' Stock Option Scheme 2009 ("IPL ESOS 2009"). IPL had issued 20,000,000 equity settled options at an exercise price of ₹ 14 per option under the IPL ESOS 2009 to eligible employees which gave them the right to subscribe to stock options representing an equal number of equity shares of face value ₹ 10 each of IPL. These options vest uniformly over a period of 10 years commencing one year after the date of grant. The Company follows the Intrinsic Value method of accounting as permitted by the Guidance Note on Accounting for Employees Share Based Payments ("Guidance Note"), issued by the Institute of Chartered Accountants of India. There is no impact on the profits after taxes and the basic and diluted earnings per equity share of the holding company on account of the IPL ESOS 2009.

During the year ended March 31, 2014, 660,000 (Previous Year 627,000) ESOPs were surrendered/ lapsed under the IPL ESOS 2009 Scheme.

During the Financial Year ended March 31, 2012, IPL had established the "Indiabulls Power Limited. Employee Stock Option Scheme -2011 ("IPL ESOS -2011"): IPL had issued 50,000,000 equity settled options at an exercise price of ₹ 12 per option equivalent to the fair market value of the equity shares of the company on the date of grant of option under the IPL ESOS -2011 to the eligible employees of the Company which gave them the right to subscribe an equal number of equity shares of face value of ₹ 10 each of IPL. These options vest uniformly over a period of 10 years commencing one year after the date of grant. The Company follows the Intrinsic Value method of accounting as permitted by the Guidance Note on Accounting for Employees Share Based Payments ("Guidance Note"), issued by the Institute of Chartered Accountants of India. There is no impact on the profits after taxes and the basic and diluted earnings per equity share of the holding company on account of IPL ESOS 2011.

During the year ended March 31, 2014, 616,000 (Previous Year 102,000) ESOPs were surrendered/ lapsed under the IPL ESOS 2011 Scheme.

The Fair values of the options under the SPCL – IPSL ESOP – 2008, IPL ESOS 2009 and IPL ESOS 2011 using the binomial pricing model based on the following parameters, is ₹ Nil per option, as certified by an independent firm of Chartered Accountants. The fair value of the re-granted options under the SPCL – IPSL ESOP - 2008 plan is ₹ 1.58 per option and under IPL ESOS 2011 plan is ₹ 1.78 per option as certified by an independent firm of Chartered Accountants.

Sr. No	Particulars	SPCL – IPSL ESOP – 2008				IPL ESOS 2009	IPL ESOS 2011
		Grant on January 10, 2008	Grant on September 15, 2008	Re-grant on December 2, 2010	Re-grant on September 1, 2012	Grant on July 4, 2009	Grant on October 7, 2011
1	Exercise price (₹ Per option)	₹ 10.00	₹ 26.00	₹ 27.80	₹ 10.00	₹ 14.00	₹ 12.00
2	Expected volatility	0%	0%	42%	34.67%	0%	30.48%
3	Expected forfeiture percentage on each vesting date	5%	5%	5%	0%	5%	0%
4	Option Life	1 through 10 years	1 through 10 years	1 through 10 years	1 through 10 years	1 through 10 years	1 through 10 years
5	Expected Dividend Yield	8%	8%	0%	0%	6.50%	16.67 % from 2014 onwards
6	Risk Free rate of Interest	8%	8%	8.03%	8.12% to 8.76%	6.50%	8.12% to 8.72%

The other disclosures in respect of the SPCL – IPSL ESOP – 2008, IPL ESOS 2009 and IPL ESOS -2011 are as under:

Particulars	As at March 31, 2014		
	SPCL – IPSL ESOP- 2008	IPL ESOS 2009	IPL ESOS 2011
Total Options under the Scheme	20,000,000	20,000,000	50,000,000
Outstanding at the beginning of the year (Nos.)	4,140,200	1,875,200	1,743,000
Options surrendered/ lapsed during the year	594,000	660,000	616,000
Exercise price for options granted on January 10, 2008	₹ 10 per option	NA	NA
Exercise price for options granted on July 4, 2009	NA	₹ 14 per option	NA
Exercise price for options re-granted on December 1, 2010	₹ 27.80 per option	NA	NA
Exercise price for options granted on October 7, 2011	NA	NA	₹ 12 per option
Options vested during the year (Nos.)	431,200	200,300	130,500
Exercised during the year (Nos.)	-	-	-
Vesting period and Percentage	Ten Years, 10% each year	Ten Years, 10% each year	Ten Years, 10% each year
Expired during the year (Nos.)	-	-	-
Options outstanding at the year-end (Nos.)	3,546,200	1,215,200	1,127,000
Out of the above exercisable at year end (Nos.)	821,400	412,400	251,000
Options which are yet to be granted (Nos.)	11,765,000	18,503,000	48,873,000
Weighted average remaining contractual life (Months)	91	71	94

Notes forming part of the Consolidated Financial Statements of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

Fair Value Methodology:

As the IPL ESOS 2009 Plans were issued at a value higher than 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 equity share.

The SPCL – IPL ESOP - 2008 (re-grant) and IPL ESOS 2011 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) and IPL ESOS 2011 been determined based on the fair value approach, the Company's net profit and earnings per equity share would have been as per the Proforma amounts indicated below:-

Particulars	March 31, 2014 Amount ₹	March 31, 2013 Amount ₹
Loss after tax (as reported)	(1,010,422,135)	(889,987,998)
Less: Share of Minority (including share of Reserve Fund)	(2,277,926)	(2,787,954)
Net Loss available to Equity Share Holders (as reported)	(1,012,700,061)	(892,775,952)
Less : Stock-based compensation expense determined under fair value based method: [Gross ₹ 3,440,881 (Previous Year: ₹ 6,510,546)] (Proforma)	2,012,293	2,232,778
Net Loss available to Equity Share Holders (Proforma)	(1,014,712,354)	(895,008,730)
Basic earnings per equity share (as reported)	(0.383)	(0.350)
Basic earnings per equity share (Proforma)	(0.384)	(0.351)
Diluted earnings per equity share (as reported)	(0.383)	(0.350)
Diluted earnings per equity share (Proforma)	(0.384)	(0.351)

Indiabulls Employees' Welfare Trust:

During the F.Y. 2010-11, Indiabulls Employee Welfare Trust ("IEWT", "Trust") was formed, with the Company being one of the Settlers of the Trust, to administer and implement Company's current and future un-granted Employee Stock Option Schemes.

The Trust is administered by independent Trustees. In terms of the Trust Deed, equity shares of the Company were purchased by the Trust to the extent permissible in terms of ESOP/ ESOS schemes as approved by the Members of the Company, for the purpose of transfer of the same to eligible employees of the Company and its subsidiaries, upon exercise of granted options.

In response to SEBI Circular no. CIR/CFD/DIL/3/2013 dated January 17, 2013, the Company has submitted the required information to the stock exchanges within the prescribed period and has assured and represented that it shall comply with the requirements of the said Circular. SEBI has thereafter further issued Circular no. CIR/CFD/DIL/7/2013 dated May 13, 2013 and the Circular no. CIR/CFD/POLICYCELL/14/2013 dated November 29, 2013, whereby, inter-alia, SEBI has extended the timeline for alignment of the Schemes, wherever applicable, to June 30, 2014.

36. Employee Benefits

Contributions are made to the Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the eligible employees and the company make pre-determined contributions to the Provident Fund. The contributions are normally based upon a proportion of the employee's salary. The company has recognised in the Statement of Profit and Loss an amount of ₹ 201,073 (Previous Year: ₹ 66,063) and in Expenditure during construction pending capitalization ₹ 836,307 (Previous Year: ₹ 696,123) towards employer's contribution towards Provident Fund.

Provision for unfunded Gratuity and Compensated absences payable to eligible employees on retirement/ separation is based upon an actuarial valuation as at the year ended March 31, 2014. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. After the issuance of Accounting Standard (AS) 15 (Revised) on 'Employee Benefits', as notified under the Companies (Accounting Standards) Rules, 2006, as amended, commitments are actuarially determined using the 'Projected Unit Credit Method'. Gains/ losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss/ Expenditure during construction pending capitalisation, as applicable and as identified by the Management of the Company.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of Gratuity and Compensated Absences and the amounts recognised in the financial statements for the year ended March 31, 2014 as per Accounting Standard (AS) 15- 'Employee Benefits', as notified under the Companies (Accounting Standards) Rules, 2006, as amended:

(Amount in ₹)

Particulars	Gratuity		Compensated Absences		Superannuation Benefits	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Reconciliation of liability recognised in the Balance sheet:						
Present Value of commitments	39,173,566	35,304,314	36,961,910	38,436,448	296,129,490	343,192,858
Fair value of plan assets	NA	NA	NA	NA	NA	NA
Net liability in the Balance sheet	39,173,566	35,304,314	36,961,910	38,436,448	296,129,490	343,192,858
Movement in net liability recognised in the Balance sheet:						
Net liability as at the beginning of the year	35,304,314	26,601,074	38,436,448	27,919,371	343,192,858	211,194,989
Net amount recognised as expenses in the Statement of Profit and Loss/ Expenditure During Construction Pending Capitalisation	6,373,030	9,914,247	7,272,117	12,070,103	22,496,172	131,997,869
Benefits Paid	(3,802,711)	(1,211,007)	(3,724,805)	(1,553,026)	-	-
Acquisition adjustment	1,298,933		(5,021,850)		(69,559,540)	
Contribution during the year	NA	NA	NA	NA	NA	NA
Net liability as at the end of the year	39,173,566	35,304,314	36,961,910	38,436,448	296,129,490	343,192,858
Expenses recognised in the Statement of Profit and Loss/ Expenditure During Construction Pending Capitalisation						
Current service cost	10,572,959	12,018,268	9,038,128	12,906,605	38,270,367	51,852,184
Past Service Cost	-	-	-	-	-	-
Interest Cost	2,966,629	2,403,212	3,023,173	2,670,547	23,461,329	21,607,231
Expected return on plan assets	-	-	-	-	-	-
Actuarial (gains)/ losses	(7,166,558)	(4,507,233)	(4,789,184)	(3,507,049)	(39,235,524)	58,538,454
Expenses charged to the Statement of Profit and Loss/ Expenditure During Construction Pending Capitalisation	6,373,030	9,914,247	7,272,117	12,070,103	22,496,172	131,997,869
Return on Plan assets:						
Expected return on Plan assets	NA	NA	NA	NA	NA	NA
Actuarial (gains)/ losses	NA	NA	NA	NA	NA	NA
Actual return on plan assets	NA	NA	NA	NA	NA	NA
Reconciliation of defined-benefit commitments:						
Commitments as at the beginning of the year	35,304,314	26,601,074	38,436,448	27,919,371	343,192,858	211,194,989
Current service cost	10,572,959	12,018,268	9,038,128	12,906,605	38,270,367	51,852,184
Past Service Cost	-	-	-	-	-	-
Interest cost	2,966,629	2,403,212	3,023,173	2,670,547	23,461,329	21,607,231
Benefits Paid	(3,802,711)	(1,211,007)	(3,724,805)	(1,553,026)	-	-

Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

Particulars	Gratuity		Compensated Absences		Superannuation Benefits	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Actuarial (gains)/ losses	(7,166,558)	(4,507,233)	(4,789,184)	(3,507,049)	(39,235,524)	58,538,454
Acquisition adjustment	1,298,933	-	(5,021,850)	-	(69,559,540)	-
Commitments as at the end of the year	39,173,566	35,304,314	36,961,910	38,436,448	296,129,490	343,192,858
Reconciliation of Plan assets:						
Plan assets as at the beginning of the year	NA	NA	NA	NA	NA	NA
Expected return on plan assets	NA	NA	NA	NA	NA	NA
Contributions during the year	NA	NA	NA	NA	NA	NA
Paid benefits	NA	NA	NA	NA	NA	NA
Actuarial (gains)/ losses	NA	NA	NA	NA	NA	NA
Plan assets as at the end of the year	NA	NA	NA	NA	NA	NA

(Amount in ₹)

Particulars	Gratuity(Unfunded)				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Experience adjustment:					
On plan liabilities	4,996,518	4,571,222	(2,224,066)	(372,300)	(1,413,647)
On plan assets	-	-	-	-	-
Present value of benefit obligation	39,173,566	35,304,314	26,601,074	15,351,760	9,180,550
Fair value of plan assets	-	-	-	-	-
Excess of (obligation over plan assets)	(39,173,566)	(35,304,314)	(26,601,074)	(15,351,760)	(9,180,550)

(Amount in ₹)

Particulars	Compensated Absences (Unfunded)				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Experience adjustment:					
On plan liabilities	2,417,488	3,695,896	(4,311,051)	691,227	(1,336,583)
On plan assets	-	-	-	-	-
Present value of benefit obligation	36,961,910	38,436,448	27,919,371	14,320,976	8,944,650
Fair value of plan assets	-	-	-	-	-
Excess of (obligation over plan assets)	(36,961,910)	(38,436,448)	(27,919,371)	(14,320,976)	(8,944,650)

(Amount in ₹)

Particulars	Superannuation (Unfunded)				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Experience adjustment:					
On plan liabilities	17,948,792	(58,429,363)	(36,000,966)	(24,073,023)	(20,474,855)
On plan assets	-	-	-	-	-
Present value of benefit obligation	296,129,490	343,192,858	211,194,989	128,118,798	89,053,226
Fair value of plan assets	-	-	-	-	-
Excess of (obligation over plan assets)	(296,129,490)	(343,192,858)	(211,194,989)	(128,118,798)	(89,053,226)

(a) Economic Assumptions

	31-Mar-14	31-Mar-13
Discount rate	8.50%	8.00%
Expected return on plan assets	NA	NA
Expected rate of salary increase	5.00%	5.00%

	31-Mar-14	31-Mar-13
Retirement Age	60 Years	60 Years
Mortality Table	IALM (2006-08)	LIC (1994-96)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
- Upto 30 Years	3	3
- From 31 to 44 Years	2	2
- Above 44 Years	1	1

37. Goodwill on Consolidation comprises of:

(Amount in ₹)		
Particulars	As at March 31, 2014	As at March 31, 2013
Opening Balance	3,123,238	3,123,238
Add: Movement during the year	-	-
Closing Balance	3,123,238	3,123,238

Nature of relationship

Related party

Related parties where control exists:

- | | |
|------------------------------------------------|--------------------------------------------------------------------------------------|
| I. Holding Company | Indiabulls Infrastructure and Power Limited (upto June 20, 2012)
(Refer Note 1) |
| II. Company having substantial interest | Indiabulls Infrastructure and Power Limited (w.e.f. June 21, 2012)
(Refer Note 1) |

Other related parties:

III Enterprise over which Key Management Personnel have significant influence

(with whom transactions have been entered during the year/ previous year)

IIC Limited (formerly known as Indiabulls Infrastructure Company Limited)

IV. Interest in the Trust –

IPL-PPSL Scheme Trust (Refer note 1)

Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

V. Key Management Personnel

Name	Designation
Sameer Gehlaut	Chairman and Director of the Company
Rajiv Rattan	Vice Chairman and Whole Time Director of the Company
Saurabh K. Mittal	Director of the Company
Ajit Kumar Panda	Manager of the Company
Ranjit Gupta	Chief Executive Officer of the Company (upto October 19, 2012)
Vishna Chandra Vishwakarma	Whole Time Director of the Company (w.e.f. February 14, 2014)
Rajendra Kumar Sugandhi	Deputy Managing Director of the Company, (Acting CEO)

VI. Summary of significant Transactions with Related Parties:

(Amount in ₹)

Nature of Transactions	Year Ended	Holding Company/ Company having Substantial Interest	Enterprise over which Key Management Personnel have significant influence	Key Management Personnel	Total
Finance					
Sale of Investment In Equity	31-Mar-14	-	-	-	-
Shares of Subsidiary Company	31-Mar-13	-	500,000	-	500,000
Loan Taken / Inter Corporate Deposit Received*	31-Mar-14	437,200,000	-	-	437,200,000
	31-Mar-13	293,400,000	-	-	293,400,000
Loans Given / Inter Corporate Deposits Placed*	31-Mar-14	-	5,445,315,000	-	5,445,315,000
	31-Mar-13	-	3,941,565,000	-	3,941,565,000
Expenses					
Interest on Loan Taken /	31-Mar-14	29,485,733	-	-	29,485,733
Inter Corporate Deposit Received	31-Mar-13	24,685,964	-	-	24,685,964
Reimbursement received of BG Financing charges including General expenses	31-Mar-14	1,691,746	185,225	-	1,876,971
	31-Mar-13	120,664	255,444	-	376,108
Reimbursement received of Personnel Costs / employee benefit liability	31-Mar-14	2,859,248	-	-	2,859,248
	31-Mar-13	-	-	-	-
Remuneration	31-Mar-14	-	-	247,699,280	247,699,280
	31-Mar-13	-	-	419,233,830	419,233,830
Income					
Interest on Loans Given /	31-Mar-14	-	446,893,321	-	446,893,321
Inter Corporate Deposits Placed	31-Mar-13	-	308,447,834	-	308,447,834
Construction & Project Related Income	31-Mar-14	-	-	-	-
	31-Mar-13	-	10,040,996	-	10,040,996
Others					
Capital Work-in-Progress (Excluding taxes)	31-Mar-14	-	3,331,929,867	-	3,331,929,867
	31-Mar-13	-	7,644,028,455	-	7,644,028,455
Capital Advances	31-Mar-14	-	1,236,707,016	-	1,236,707,016
	31-Mar-13	-	1,131,060,342	-	1,131,060,342
Short term advances	31-Mar-14	-	-	-	-
	31-Mar-13	-	503,951,936	-	503,951,936
Capital Advances received back	31-Mar-14	-	-	-	-
	31-Mar-13	-	2,262,000,000	-	2,262,000,000

*Maximum Outstanding Balance at any time during the year.

VII. Summary of outstanding balances as at March 31, 2014

(Amount in ₹)

Nature of Transactions	Year Ended	Holding Company/ Company having Substantial Interest	Enterprise over which Key Management Personnel have significant influence	Total
Loan Taken/ Inter Corporate Deposit Received	31-Mar-14	434,050,000	-	434,050,000
	31-Mar-13	250,550,000	-	250,550,000
Loan Given/ Inter Corporate Deposit Placed	31-Mar-14	-	4,933,315,000	4,933,315,000
	31-Mar-13	-	3,871,965,000	3,871,965,000
Accrued Interest on Loan Taken/ Inter Corporate Deposits Received	31-Mar-14	26,537,159	-	26,537,159
	31-Mar-13	22,217,368	-	22,217,368
Accrued Interest on Loan Given/ Inter Corporate Deposits Placed	31-Mar-14	-	402,203,989	402,203,989
	31-Mar-13	-	277,603,050	277,603,050
Construction & Project Related Income	31-Mar-14	-	-	-
	31-Mar-13	-	10,040,996	10,040,996
General and Personnel costs receivable / (payable)	31-Mar-14	-	-	-
	31-Mar-13	119,164	255,444	374,608
Short term advances	31-Mar-14	-	-	-
	31-Mar-13	-	288,389,093	288,389,093
Retention Money Payable/ Payables on Purchase of Fixed Assets	31-Mar-14	-	992,653,375	992,653,375
	31-Mar-13	-	1,011,737,779	1,011,737,779
Capital Advances	31-Mar-14	-	10,199,669,850	10,199,669,850
	31-Mar-13	-	9,640,363,284	9,640,363,284

VIII. Detail of Outstanding Balance as at March 31, 2014

(Amount in ₹)

Name	Year Ended	Loan Given/ (Taken) Inter Corporate Deposit Placed/ (Received)	Accrued Interest on Loan Given/ (Taken) Inter Corporate Deposit (Received)/ Placed	Construction & Project Related Income	General and Personnel costs receivable/ (payable)	Short term advances	Retention Money Payable/ Payables on Purchase of Fixed Assets	Capital Advances
Holding Company/ Company having Substantial Interest								
Indiabulls Infrastructure and Power Limited	31-Mar-14	(434,050,000)	(26,537,159)	-	-	-	-	-
	31-Mar-13	(250,550,000)	(22,217,368)	-	119,164	-	-	-
Enterprise over which Key Management Personnel have significant influence								
IIC Limited (Formerly known as Indiabulls Infrastructure Company Limited)	31-Mar-14	4,933,315,000	402,203,989	-	-	-	992,653,375	10,199,669,850
	31-Mar-13	3,871,965,000	277,603,050	10,040,996	255,444	288,389,093	1,011,737,779	9,640,363,284
Total	31-Mar-14	4,499,265,000	375,666,830	-	-	-	992,653,375	10,199,669,850
	31-Mar-13	3,621,415,000	255,385,682	10,040,996	374,608	288,389,093	1,011,737,779	9,640,363,284

Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

IX. Statement of Material Transactions

- a) In respect of Loan Given/(Taken) Inter Corporate Deposit Placed/(Received) [Maximum Outstanding Balances] and interest thereon, Reimbursement received of Personnel Costs/ employee benefit liability and Reimbursement received of BG Financing charges including General expenses

(Amount in ₹)

Name	Year Ended	Loan Given/ (Taken) Inter Corporate Deposit Placed/ (Received) [Maximum Outstanding Balances]	Interest Expense/ (Income) for Loan Taken / Given and InterCorporate Deposit Received/ Placed	Reimbursement received of Personnel Costs/ employee benefit liability	Reimbursement received of BG Financing charges including General expenses
Holding Company/ Company having Substantial Interest					
Indiabulls Infrastructure and Power Limited	31-Mar-14	(437,200,000)	29,485,733	2,859,248	1,691,746
	31-Mar-13	(293,400,000)	24,685,964	-	120,664
Enterprise over which Key Management Personnel have significant influence					
IIC Limited (Formerly known as Indiabulls Infrastructure Company Limited)	31-Mar-14	5,445,315,000	(446,893,321)	-	185,225
	31-Mar-13	3,941,565,000	(308,447,834)	-	255,444
Total	31-Mar-14	5,008,115,000	(417,407,588)	2,859,248	1,876,971
	31-Mar-13	3,648,165,000	(283,761,870)	-	376,108

- b) In respect of Short term advances, Capital Work-in-Progress, Capital Advances, Capital Advances received back, Sale of Investment In Equity Shares of Subsidiary Company, Remuneration and Construction & Project Related Income

(Amount in ₹)

Name	Year Ended	Short term advances	Capital Work-in- Progress (Excluding Taxes)	Capital Advances	Capital Advances received back	Sale of Investment In Equity Shares of Subsidiary Company	Remuneration	Construction & Project Related Income (Excluding Taxes)
Enterprise over which Key Management Personnel have significant influence								
IIC Limited (Formerly known as Indiabulls Infrastructure Company Limited)	31-Mar-14	-	3,331,929,867	1,236,707,016	-	-	-	-
	31-Mar-13	503,951,936	7,644,028,455	1,131,060,342	2,262,000,000	500,000	-	10,040,996
Key Management Personnel								
Rajiv Rattan	31-Mar-14	-	-	-	-	-	155,108,069	-
	31-Mar-13	-	-	-	-	-	232,975,830	-
Saurabh K. Mittal	31-Mar-14	-	-	-	-	-	80,718,686	-
	31-Mar-13	-	-	-	-	-	170,322,453	-
Ranjit Gupta	31-Mar-14	-	-	-	-	-	-	-
	31-Mar-13	-	-	-	-	-	11,021,508	-
Rajendra Kumar Sugandhi	31-Mar-14	-	-	-	-	-	6,138,512	-
	31-Mar-13	-	-	-	-	-	4,914,039	-
Vishna Chandra Vishwakarma	31-Mar-14	-	-	-	-	-	3,554,171	-
	31-Mar-13	-	-	-	-	-	-	-
Ajit Kumar Panda	31-Mar-14	-	-	-	-	-	2,179,842	-
	31-Mar-13	-	-	-	-	-	-	-
Total	31-Mar-14	-	3,331,929,867	1,236,707,016	-	-	247,699,280	-
	31-Mar-13	503,951,936	7,644,028,455	1,131,060,342	2,262,000,000	500,000	419,233,830	10,040,996 -

Note: Related Party relationships as given above is as identified by the Management of the Company.

39. Earnings Per Equity Share (EPS):

The basic earnings per equity share is computed by dividing the net profit/ loss after tax (including the post tax effect of extraordinary items, if any) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the profit/ loss

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

Amount in ₹ except number of shares

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Loss after tax (₹)	(1,010,422,135)	(889,987,998)
Less: Share of Minority	(2,277,926)	(2,787,954)
Net Loss available to Equity Share Holders	(1,012,700,061)	(892,775,952)
Weighted average number of Shares used in computing Basic earnings per equity share (Number of Shares)	2,642,729,953	2,551,681,842
Add: Effect of number of equity shares on account of Employees Stock option plans of the company	-	896,731
Weighted average number of Shares used in computing Diluted earnings per equity share (Number of Shares)	2,642,729,953	2,552,578,573
Face Value per equity share – (₹)	10.00	10.00
Basic Earnings per equity share – (₹)	(0.383)	(0.350)
Diluted Earnings per equity share – (₹)	(0.383)	(0.350)

ESOSs and ESOPs which are anti-dilutive have been ignored from Earnings Per Equity Share calculation.

40. Details of consumption of imported and indigenous items:

Particulars	For the year ended March 31, 2014		For the year ended March 31, 2013	
	Amount (₹)	%	Amount (₹)	%
(i) Indigenous*	2,450,324,788	100%	141,542,376	100%
(ii) Imported	Nil	Nil	Nil	Nil
TOTAL	2,450,324,788	100%	141,542,376	100%

*Out of the above consumption amounting to ₹ 616,909,199 (Previous Year ₹ 119,051,584) is Included under Expenditure during construction pending capitalisation- Pre-operative expenses (Refer Note 14).

- 41.** The Company has taken various premises on operating leases/ leave and license and lease payments recognised in the Statement of Profit and Loss/ Expenditure during construction pending capitalisation for the year ended March 31, 2014 is ₹ 117,294,273 (Previous Year: ₹ 261,422,235) in respect of the same have been incurred during the year ended March 31, 2014. The underlying agreements are executed for a period generally ranging from one year to three years, renewable at the option of the Company and are cancellable, by giving a notice generally of 30 to 90 days. There are no restrictions imposed by such leases and there are no subleases. The minimum lease rentals outstanding as at March 31, 2014, are as under:

Notes forming part of the Consolidated Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

Minimum lease rentals payables	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Within one year	17,165,118	56,837,027
One to Five years	9,857,590	12,761,772
Above Five Years	Nil	Nil

42. The Group's activities are engaged in power generation and the setting up of power projects for generating, transmitting and supplying all forms of electrical energy and to undertake allied/ Incidental activities. Considering the nature of the Company's business and operations, the company has one reportable business segment i.e. "Power generation and allied activities" and operates in one geographical segment, i.e. "within India". Hence, no separate information for segment wise disclosure is given in accordance with the requirements of Accounting Standard 17 – 'Segment Reporting', as notified under the Companies (Accounting Standards) Rules, 2006, as amended.
43. Expenditure during construction pending capitalisation includes expenditure (net of income) incurred during the year aggregating to ₹ 13,931,388,179 (Previous Year: ₹ 10,898,508,284), relating to the setting up of various power projects by the Company.
44. During the previous year, the Group sold its investments in its wholly owned subsidiaries viz; Papu Hydropower Projects Limited and Pachi Hydropower Projects Limited at a profit of ₹ 101,293,783 and ₹ 49,647,523 respectively; and Corus Power Limited at cost.
45. The Company considers its investment in subsidiaries as strategic and long term in nature and accordingly, in the view of the Management, any decline in value of such long-term investments in subsidiaries is considered as temporary in nature and hence no provision for diminution in value is considered necessary.
46. The Group has not entered into any derivative instruments during the year. The Group has not incurred any expenditure in foreign currency during the year or previous year. Foreign currency exposure not hedged as at March 31, 2014 pertaining to Inter-Corporate Deposits (ICD) given to wholly owned foreign subsidiary company of ₹ 931,546,900 (US Dollars 15.50 million) (Previous Year: ₹ 843,034,150 (US Dollars 15.50 million)). Interest receivable on the above ICD not hedged as at March 31, 2014 ₹ 89,153,813 (US Dollars 1,483,429) (Previous Year: ₹ 72,978,583 (US Dollars 1,341,782)).
47. As per the best estimates of the Management, no provision is required to be made as per Accounting Standard (AS) 29 on Provisions, Contingent Liabilities and Contingent Assets as notified under the Companies (Accounting Standards) Rules, 2006, as amended in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.
48. In the opinion of the Board of Directors, all current and non-current assets, long term and short term loans and advances appearing in the Balance Sheet as at March 31, 2014 have a value on realisation in the ordinary course of the Company's business at least equal to the amount at which they are stated in the Balance Sheet.
49. Previous Year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

For and on behalf of the Board of Directors

Rajiv Rattan
Vice Chairman

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

Place : Gurgaon
Date : May 12, 2014

Independent Auditors' Report

Indiabulls
Indiabulls Power Ltd.

**TO THE MEMBERS OF
INDIABULLS POWER LIMITED.**

Report on the Financial Statements

We have audited the accompanying financial statements of **INDIABULLS POWER LIMITED.** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

Independent Auditors' Report (contd.)

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs).
- (e) On the basis of the written representations received from the directors as on March 31, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No.117365W)

K. A. Katki
Partner
(Membership No.038568)

Mumbai, May 12, 2014

Annexure to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to the nature of the Company's business / activities / results during the year, clauses (xiii), (xix) and (xx) of paragraph 4 of the Order are not applicable to the Company.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) Where each of such transaction is in excess of Rs.5 lakhs in respect of any party, having regard to our comments in paragraph (v) above, the transactions have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time, other than certain purchases which are of a special nature for which comparable quotations are not available.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (viii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.

Annexure to the Independent Auditors' Report (contd.)

- (ix) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 and the Cost Accounting Records (Electricity Industry) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, *prima facie*, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (x) According to the information and explanations given to us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax (VAT), Wealth Tax, Service Tax, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. The Company has no dues towards Investor Education and Protection Fund and Customs Duty.
 - There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax (VAT), Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2014 for a period of more than six months from the date they became payable.
 - Details of dues of Income Tax which have not been deposited as on March 31, 2014 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs.)
The Income Tax Act, 1961	Income-Tax	Commissioner of Income Tax (Appeals)	Year ended March 31, 2010	7,737,610

There are no dues of Sales Tax (VAT), Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2014 on account of disputes.

- The accumulated losses of the Company at the end of the financial year are less than fifty per cent of its net worth and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- During the year, the Company has received sanctions from the Consortium of Banks and Financial Institutions for the reschedulement of the loans. Having regard to the same, in our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.
- In our opinion, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- Based on our examination of the records and evaluations of the related internal controls, the Company has maintained proper records of the transactions and contracts in respect of its dealing in other investments and timely entries have been made therein. The aforesaid investments have been held by the Company in its own name, other than those investments for which exemption has been granted under Section 49 of the Companies Act, 1956. During the year, the Company has not dealt in any shares, securities or debentures.
- In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, *prima facie*, prejudicial to the interests of the Company.
- In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.

- (xvii) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, *prima facie*, not been used during the year for long- term investment.
- (xviii) During the year the Company has not made any preferential allotment of shares to the parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No.117365W)

K. A. Katki
Partner
(Membership No.038568)

Mumbai, May 12, 2014

Balance Sheet

of Indiabulls Power Limited. as at March 31, 2014

Particulars	Note No.	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
I. EQUITY AND LIABILITIES			
1) Shareholders' funds			
a) Share capital	3	26,427,299,530	26,427,299,530
b) Reserves and surplus	4	26,475,470,607	27,132,064,877
2) Non-current liabilities			
a) Long-term borrowings	5	54,460,353,677	27,469,643,473
b) Other long-term liabilities	6	1,677,993,872	2,415,924,518
c) Long-term provisions	7	35,078,292	28,414,293
3) Current liabilities			
a) Short-term borrowings	8	1,192,309,856	250,550,000
b) Trade payables	9	49,153,198	-
c) Other current liabilities	10	4,911,039,130	21,558,147,072
d) Short-term provisions	11	37,732,060	3,310,248
TOTAL		115,266,430,222	105,285,354,011
II. ASSETS			
1) Non-current assets			
a) Fixed assets	12		
i) Tangible assets		28,643,271,868	1,094,533,574
ii) Intangible assets		27,055,541	2,035,653
iii) Capital work-in-progress		33,832,430,526	47,650,574,109
iv) Intangible assets under development		-	30,283,264
b) Expenditure during construction pending capitalisation	13	11,578,818,257	11,652,501,045
c) Non-current investments	14	24,271,741,552	20,520,219,552
d) Deferred tax assets (net)	15	-	18,621,599
e) Long-term loans and advances	16	12,098,579,640	19,208,162,368
f) Other non-current assets	17	673,724,203	424,739,326
2) Current assets			
a) Inventories	18	130,787,407	129,312,495
b) Trade receivable	19	1,230,313,472	-
c) Cash and bank balances	20	1,753,373,125	2,544,423,021
d) Short-term loans and advances	21	441,736,548	1,980,851,985
e) Other current assets	22	584,598,083	29,096,020
TOTAL		115,266,430,222	105,285,354,011
See accompanying notes forming part of the financial statements	1-50		

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

K. A. Katki
Partner

Rajiv Rattan
Vice Chairman

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

Place : Mumbai
Date : May 12, 2014

Place : Gurgaon
Date : May 12, 2014

Statement of Profit and Loss

of Indiabulls Power Limited. for the year ended March 31, 2014

Indiabulls

Indiabulls Power Ltd.

Particulars	Note No.	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
1 Revenue from operations	23	3,790,023,704	-
2 Other income	24	135,863,246	346,822,723
3 Total Revenue (1+2)		3,925,886,950	346,822,723
4 Expenses:			
Cost of fuel, power and water consumed	25	2,036,092,218	-
Employee benefits expense	26	85,939,760	16,999,526
Finance costs	27	1,290,406,335	34,189,868
Depreciation and amortisation expense	12	652,762,204	12,185,169
Other expenses	28	588,837,413	629,169,351
Total Expenses		4,654,037,930	692,543,914
5 Loss before tax (3-4)		(728,150,980)	(345,721,191)
6 Tax expense/ (benefit) :			
a) MAT Credit Entitlement relating to prior year		-	(57,482,512)
b) Short/ (excess) provision for tax relating to prior years		5,940,536	(313,816)
c) Net current tax expense/ (benefit) (a+b)		5,940,536	(57,796,328)
d) Deferred tax (Refer Note 15)		18,621,599	(25,091,656)
Net tax expense/ (benefit) (c+d)		24,562,135	(82,887,984)
7 Loss for the year (5-6)		(752,713,115)	(262,833,207)
Earnings per equity share: (Face value ₹ 10) (Refer Note 35)			
– Basic		(0.285)	(0.103)
– Diluted		(0.285)	(0.103)
See accompanying notes forming part of the financial statements	1-50		

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

K. A. Katki
Partner

Place : Mumbai
Date : May 12, 2014

For and on behalf of the Board of Directors

Rajiv Rattan
Vice Chairman

Place : Gurgaon
Date : May 12, 2014

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

Cash Flow Statement

of Indiabulls Power Limited. for the year ended March 31, 2014

	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
A Cash Flow From Operating Activities :		
Loss Before Tax	(728,150,980)	(345,721,191)
Adjustment for :		
Depreciation/ Amortisation expense	652,762,204	12,185,169
Finance Costs	1,290,406,335	34,189,868
Provision for Gratuity and Compensated Absences	1,733,962	552,733
Dividend on Units of Mutual Funds	(10,473,474)	(33,687,651)
Interest Income on Deposit Accounts	(70,369,763)	(132,253,555)
Advances written off	212,679,190	271,244,950
Provision for Liquidated damages	34,039,666	-
Inventory adjusted pursuant to merger	-	326,661,176
Loss on disposal of fixed assets	417,743	-
Profit on sale of Investments in subsidiaries	-	(150,941,306)
Profit on Redemption of Mutual Fund	(1,689,784)	-
Interest income on overdue trade receivable and security deposits	(43,634,566)	-
Interest income on Inter Corporate Deposits	(9,655,815)	(29,062,919)
	2,056,215,698	298,888,465
Operating Profit/ (Loss) before Working Capital Changes	1,328,064,718	(46,832,726)
Adjustments for:		
Decrease in Long & Short-term loans and advances and other current assets	6,787,539,680	4,409,478,351
(Increase)/ Decrease in Trade receivables	(1,230,313,472)	2,700,000
Increase in Inventories	(1,474,912)	(129,312,495)
Increase in Trade payables	49,153,198	-
Decrease in short-term and long-term provisions	(2,644,581)	(2,327,245)
Increase/ (Decrease) in Other long-term and Current liabilities	1,064,938,456	(22,365,990)
	6,667,198,369	4,258,172,621
Cash generated from Operations	7,995,263,087	4,211,339,895
Income taxes paid	(83,309,048)	(86,186,506)
Net Cash generated from Operations	7,911,954,039	4,125,153,389
B Cash flow from Investing Activities		
Purchase of Tangible and Intangible Assets	(23,607,336)	(27,174,947)
Proceeds from disposal of Tangible Assets	3,034,531	-
Intangible assets under development	-	(13,113,264)
Capital Work-in-Progress (including Capital Advances)/ Expenditure During Construction Pending Capitalisation	(14,290,689,467)	(24,573,862,461)
Investment in Equity Shares of Subsidiary Companies	(3,751,522,000)	(3,606,000,000)
Cash and cash equivalents arising on merger (Refer Note 4 below)	-	220,653
Proceeds on sale of Investment in Equity Shares in Subsidiary Companies	-	132,441,306
Proceeds from Redemption of Mutual Funds - (net)	1,689,784	125,000,000
Inter Corporate Deposits given to subsidiaries received back - (net)	1,283,392,908	2,649,315,435
Deposit Accounts matured/ (placed) with bank - (net)	1,295,027,211	(154,936,726)
Interest received on Deposit Accounts	73,176,733	167,646,695
Interest received on Inter Corporate Deposits given	949,193	18,041,118
Interest received on Loans given	-	8,145,396
Dividend on Units of Mutual Funds	10,473,474	33,687,651
Net Cash Used in Investing Activities	(15,398,074,969)	(25,240,589,144)

Cash Flow Statement

of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

Indiabulls

Indiabulls Power Ltd.

	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
C Cash flow from Financing Activities		
Loans taken/ (repaid) from Banks and Financial Institutions - (net)	9,874,506,195	18,314,647,612
Cash Credit facilities taken from Banks	758,259,856	-
Inter Corporate Deposit taken/ (repaid) from Company having Substantial interest - (net)	183,500,000	(42,850,000)
Finance Costs paid	(2,615,263,659)	(14,712,682)
Net Cash Generated From Financing Activities	8,201,002,392	18,257,084,930
D Net Increase/ (Decrease) in Cash and Cash equivalents (A+B+C)	714,881,462	(2,858,350,825)
E Cash and Cash Equivalents as at the beginning of the Year	948,999,827	3,807,350,652
F Cash and Cash Equivalents as at the end of the year (D+E)	1,663,881,289	948,999,827

Note :

- The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in Accounting Standard - 3 on 'Cash Flow Statements' as notified under the Companies (Accounting Standards) Rules, 2006, as amended.
- Cash and cash equivalents as at the year end :**

Cash and bank balances (Refer Note 20)	1,753,373,125	2,544,423,021
Less: In other deposit accounts having maturity of more than 3 months	89,350,086	1,595,281,444
Less: Unclaimed share application money received for allotment of securities and due for refund (Refer Note 3 below)	141,750	141,750
Cash and cash equivalents as restated	1,663,881,289	948,999,827
- Unclaimed IPO Share Application Money balance of ₹ 141,750 (Previous Year ₹ 141,750) in designated bank accounts are not available for use by the Company.
- The above cash flow excludes assets (other than cash and cash equivalent) and liabilities arising on merger (Refer Note 3(iii) & (iv)).

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

K. A. Katki
Partner

Place : Mumbai
Date : May 12, 2014

For and on behalf of the Board of Directors

Rajiv Rattan
Vice Chairman

Place : Gurgaon
Date : May 12, 2014

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

Notes forming part

of the Financial Statements of Indiabulls Power Limited. for the year ended March 31, 2014

1 Corporate Information

Indiabulls Power Limited. ("the Company") was incorporated on October 08, 2007 as a wholly owned subsidiary of Indiabulls Real Estate Limited ("IBREL") with an authorised capital of ₹ 500,000 divided into 50,000 equity shares of face value ₹ 10 each. During the financial year 2009-10, the authorised capital was increased to ₹ 50,000,000,000 (Rupees Five Thousand Crores) divided into 5,000,000,000 (Five Hundred Crores) equity shares of face value ₹ 10 each. The main business activities of the Company included inter alia, dealing in power generation, distribution, trading and transmission and other ancillary and incidental activities. The Company is in process of setting up a Thermal Power Project at Amravati ("Amravati Project", "the Project") in the State of Maharashtra in two phases of 1,350 MW each, with an ultimate capacity of 2,700 MW.

On February 12, 2008, the Company had entered into a Shareholder's agreement ("Agreement") with IBREL, individual promoters of IBREL (Sameer Gehlaut, Rajiv Rattan and Saurabh K. Mittal), Investors (FIM Limited and LNM India Internet Ventures Limited) and the erstwhile Indiabulls Power Services Limited ("IPSL" or "Amalgamating Company"), a fellow subsidiary. The Company had also entered into a Share Subscription Agreement ("SSA") dated February 12, 2008, with IBREL, FIM Limited and LNM India Internet Ventures Limited. In terms of the Agreement and the SSA, the Company had issued and allotted 237,000,000 equity shares of face value of ₹ 10 each at a premium of ₹ 56.67 per share to the Investors on February 22, 2008.

In terms of the Agreement, IPSL was merged with the Company, with effect from the Appointed Date on April 1, 2008. Consequently, the Company applied for and received approval dated January 16, 2009, from the FIPB Unit, Department of Economic Affairs, Ministry of Finance, Government of India to engage in the business of generating, developing, transmitting, distributing and supplying all forms of electrical power (except atomic energy) and to act as an operating cum holding company.

In accordance with the provisions of Section 21 and other applicable provisions of the Companies Act, 1956, the Members of the Company at their Extraordinary General Meeting held on July 4, 2009, accorded their approval to change the name of the Company. The Company has since received fresh certificate of incorporation consequent upon change of name, from the Registrar of Companies, National Capital Territory of Delhi & Haryana, dated July 07, 2009 in respect of the said change. Accordingly, the name of the Company was changed to 'Indiabulls Power Limited.'

Pursuant to and in terms of the Court approved Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956, by and among Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited, Indiabulls Builders Limited, Indiabulls Power Limited. (the Company), Poena Power Supply Limited and their respective shareholders and creditors (Scheme - 2011), which had been approved by the Hon'ble High Court of Delhi vide its Order dated October 17, 2011 and came into effect on November 25, 2011, with effect from April 1, 2011 i.e. the Appointed Date.

In pursuance of the Scheme - 2011, with effect from the Appointed Date:

- (a) The Power business undertaking of Indiabulls Real Estate Limited (IBREL) which included IBREL's investment in the Company, stood demerged from IBREL and transferred to and vested in favour of Indiabulls Infrastructure and Power Limited (IIPL) which had the effect of making IIPL the Promoter Group/ holding company of the Company.
- (b) Poena Power Supply Limited (PPSL) a wholly owned subsidiary of the Company was merged with the Company as a going concern under the 'pooling of interests method' as specified in Accounting Standard 14 on 'Accounting for Amalgamations' as notified under the Companies (Accounting Standards) Rules, 2006, as amended, with the entire business, including all the assets and liabilities as recorded in the books of PPSL as on the Appointed Date (there were no fixed assets held by PPSL), being transferred to the Company at their book values as on the said date. Poena Power Supply Limited was, prior to its merger, engaged in the business, inter-alia, of power project management, design and management of facilities and services on site and off site, maintenance and operation of support services, project advisory/consultancy and other related services; which business continues after the merger.

The Company had on October 20, 2010 allotted 420,000,000 Share Warrants to certain Promoter Group entities which were partly paid and at the option of the warrant holders were convertible into equivalent number of Equity shares of the Company. Under the Court approved Scheme of Arrangement by and amongst Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited, Indiabulls Builders Limited, the Company, Poena Power Supply Limited and their respective shareholders and creditors (Scheme - 2011), it had been stipulated that any of such Warrants remaining outstanding on the day of the Scheme - 2011 becoming effective, would stand converted into partly paid

Equity shares of the Company. However, prior to the effectiveness of the Scheme - 2011 the warrant holding entities conveyed to the Company their unwillingness to exercise the warrants per se, so that as on the date of effectiveness of the Scheme - 2011, no warrants were outstanding. Consequently, an amount of ₹ 3,045,000,000 representing the upfront money paid on these warrants was forfeited by the Board of Directors of the Company and appropriated to the Capital Reserve.

In terms of the Court approved Scheme of Arrangement (Scheme - 2012) which came into effect on June 2, 2012 (Effective Date), Indiabulls Infrastructure Development Limited (IIDL) was merged with the Company as a going concern with effect from April 1, 2012, the Appointed Date under the Scheme - 2012, upon which the entire undertaking and the entire assets and liabilities of IIDL stand transferred to and vested in the Company at their book values. Pursuant to the Scheme - 2012 as aforesaid, an aggregate of 41,54,07,007 Equity shares of face value ₹ 10 each in the Company were issued and allotted in favour of the IIDL shareholders as on the Effective Date, thereby increasing the paid up capital of the Company to ₹ 26,427,299,530 divided into 264,27,29,953 Equity shares of face value ₹ 10 each. Consequent to issuance and allotment of equity shares to the shareholders of IIDL, the Indiabulls Infrastructure and Power Limited (IIPL) has ceased to be the ultimate holding company w.e.f June 20, 2012. IIDL was, prior to its merger, engaged in the business, inter-alia, of the development of real estate projects, providing management advisory services and other related and ancillary activities.

2 Significant Accounting Policies

2.01 Basis of Accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.02 Use of Estimates

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

2.03 Inventories

Inventories are valued at the lower of cost derived on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of consumption, including Octroi and other levies, transit insurance and receiving charges.

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

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

2.05 Cash flow statement

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

2.06 Depreciation/ Amortisation

Depreciation in respect of assets used in the generation of power is provided at the rates as well as methodology

Notes forming part of the Financial Statements of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

notified by the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulation 2009 (CERC) in terms of General circular no. 31/2011 dated May 31 2011 issued by the Ministry of Corporate Affairs.

In respect of other assets, depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

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

Intangible assets consisting of Software are amortized on a Straight Line basis over a period of four years from the date when the assets are available for use. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

2.07 Revenue Recognition

Revenue from supply of power is recognised when delivered, and measured on an accrual basis based on the rates in accordance with the provisions of the Power Purchase Agreements (PPAs) entered into by the Company with the procurer/s of power. Claims for delayed payment charges and other claims are accounted by the Company on accrual basis in accordance with the provisions of the PPAs only when it is reasonable to expect ultimate collection.

Revenue from Power generated during trial runs is accounted on the basis of accruals and billings to State Transmission Utilities and is reduced from the Pre-operative expenses.

Revenue from Power Consultancy/ Advisory Services is recognised when services are rendered. Interest income from deposits and others is recognised on an accrual basis. Dividend income is recognised when the right to receive the dividend is established. Profit/ loss on sale of investments is recognised on the date of the transaction of sale and is computed with reference to the original cost of the investment sold.

2.08 Fixed Assets (Tangible/ Intangible)

Fixed assets are carried at cost less accumulated depreciation/ amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase/ completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

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

Projects under which fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Expenditure on development of intangible assets eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

2.09 Expenditure during construction pending capitalisation

Any expenditure directly/ indirectly related and attributable to the construction of power projects and incidental to setting up power project facilities, incurred prior to the Commercial Operation Date (COD) of the Power Project, are accumulated under "Expenditure during construction pending capitalisation", to be capitalised on completion of construction of the respective power projects/ COD.

2.10 Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company and net investment in non-integral foreign

operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items of the Company and its net investment in non-integral foreign operation outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences

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. The exchange differences on restatement/ settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in the "Foreign Currency Translation Reserve" until disposal/ recovery of the net investment.

2.11 Investments

Investments are classified as long term and current. Long-term investments are carried individually at cost less provision for diminution, if any, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

2.12 Employee Benefits

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

2.13 Borrowing Costs

Borrowing costs include interest and amortisation of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Any income earned on the temporary deployment/ investment of those borrowings is deducted from the borrowing costs so incurred.

2.14 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised on a straight-line basis to the Statement of Profit and Loss/ Expenditure during construction pending capitalisation, as applicable.

2.15 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the

Notes forming part of the Financial Statements of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefits associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.16 Impairment of Assets

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

2.17 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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

Liquidated Damages/ Penalty as per the Contracts entered into with contractees are provided for at the end of the Contract or as agreed upon.

2.18 Share Issue Expenses

Share issue expenses 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 off in the Statement of Profit and Loss.

2.19 Employee share based payments

The Company has formulated Employee Stock Option Schemes (ESOS) and Employee Stock Purchase Schemes (ESOP) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The Schemes provide for grant of options to employees of the Company and its subsidiaries to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period.

Deferred Employee Stock Compensation Costs for Stock Options are recognised in accordance with the Guidance Note on "Accounting for Employee Share Based Payments" issued by the Institute of Chartered Accountants of India, which establishes financial accounting and reporting principles for employee share based payment plans. The Company has elected to apply the Intrinsic Value method of accounting. Accordingly, employee stock compensation costs are measured as 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 an independent valuation performed by an independent firm of Chartered Accountants in respect of stock options granted.

Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

NOTE 3
Share Capital

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Authorised		
5,000,000,000 (Previous Year 5,000,000,000) Equity Shares of ₹10 each	50,000,000,000	50,000,000,000
	<u>50,000,000,000</u>	<u>50,000,000,000</u>
Issued, Subscribed and Fully Paid up		
Equity Share Capital		
2,642,729,953 (Previous Year 2,642,729,953) Equity Shares of ₹10 each fully paid up (Refer Note 5(i))	26,427,299,530	26,427,299,530
Total - Share capital	<u>26,427,299,530</u>	<u>26,427,299,530</u>

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	As at March 31, 2014		As at March 31, 2013	
Equity Shares	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
As at the beginning of the year	2,642,729,953	26,427,299,530	2,227,322,946	22,273,229,460
Add: Issued during the year				
– Under the Schemes of Arrangement ⁽ⁱⁱⁱ⁾ & ^(iv)	-	-	415,407,007	4,154,070,070
Balance as at the end of the year	<u>2,642,729,953</u>	<u>26,427,299,530</u>	<u>2,642,729,953</u>	<u>26,427,299,530</u>

b) Terms/ Rights attached to Equity Shares

The Company has only one class of equity shares with voting rights, having a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share held. Each share is entitled to dividend, if declared, in Indian Rupees. The dividend, if any, proposed by Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

c) Shares held by the company having substantial interest/ (Previous year - holding company (iv) Refer Note 1)

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Indiabulls Infrastructure and Power Limited ⁽ⁱⁱⁱ⁾ & ^(iv)		
1,185,000,000 (Previous Year 1,185,000,000 ^(iv)) equity shares of ₹ 10 each fully paid	11,850,000,000	11,850,000,000 ^(iv)

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

	As at March 31, 2014		As at March 31, 2013	
	No of Shares	% holding	No of Shares	% holding
Equity Shares of ₹ 10 each fully paid				
Indiabulls Infrastructure and Power Limited, the Company having substantial interest ^(iv)	1,185,000,000	44.84%	1,185,000,000	44.84%
Indiabulls Real Estate Limited	219,050,000	8.29%	219,050,000	8.29%
FIM Limited	393,273,458	14.88%	393,273,458	14.88%
LNM India Internet Ventures Limited	134,236,116	5.08%	134,236,116	5.08%
IPL - PPSL Scheme Trust	202,500,000	7.66%	202,500,000	7.66%

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

e) Aggregate Number of Shares reserved for issuance under Stock Option plans of the Company

Particulars	Aggregate number of Shares as at March 31, 2014	Aggregate number of Shares as at March 31, 2013
SPCL – IPSL ESOP, 2008	3,546,200	4,140,200
IPL ESOS 2009	1,215,200	1,875,200
IPL ESOS - 2011	1,127,000	1,743,000

f) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash and bonus shares for the period of 5 years immediately preceding the Balance Sheet date:

	Aggregate number of Shares as at March 31, 2014	Aggregate number of Shares as at March 31, 2013
Equity shares allotted as fully paid bonus shares by utilisation of Securities Premium Account ⁽ⁱ⁾	829,500,000	829,500,000
Equity shares allotted as fully paid pursuant to the Schemes of Arrangement ^{(ii),(iii) & (iv)}	815,407,007	815,407,007

(i) During the financial year 2009-10, 829,500,000 Equity Shares of ₹ 10 each were issued as fully paid up bonus shares by utilisation of the Securities Premium Account.

(ii) 197,500,000 Equity Shares of ₹ 10 each fully paid up were allotted to eligible shareholders pursuant to a Scheme of Arrangement of Indiabulls Power Services Limited with the Company (formerly known as Sophia Power Company Limited) w.e.f. April 1, 2008 as approved by the Hon'ble High Court of Delhi without payment being received in cash.

(iii) Pursuant to and in terms of the Court approved Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956, by and among Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited, Indiabulls Builders Limited, Indiabulls Power Limited. (the Company), Poena Power Supply Limited and their respective shareholders and creditors (Scheme - 2011), which had been approved by the Hon'ble High Court of Delhi vide its Order dated October 17, 2011 and came into effect on November 25, 2011, with effect from April 1, 2011 i.e. the Appointed Date.

In pursuance of the Scheme - 2011, with effect from the Appointed Date:

(a) The Power business undertaking of Indiabulls Real Estate Limited (IBREL) which included IBREL's investment in the Company, stood demerged from IBREL and transferred to and vested in favour of Indiabulls Infrastructure and Power Limited (IPL) which had the effect of making IPL the Promoter Group/ holding company of the Company.

(b) Poena Power Supply Limited (PPSL) a wholly owned subsidiary of the Company was merged with the Company as a going concern under the 'pooling of interests method' as specified in Accounting Standard 14 on 'Accounting for Amalgamations' as notified under the Companies (Accounting Standards) Rules, 2006, as amended, with the entire business, including all the assets and liabilities as recorded in the books of PPSL as on the Appointed Date (there were no fixed assets held by PPSL), being transferred to the Company at their book values as on the said date. Poena Power Supply Limited was, prior to its merger, engaged in the business, inter-alia, of power project management, design and management of facilities and services on site and off site, maintenance and operation of support services, project advisory/ consultancy and other related services; which business continues after the merger.

Pursuant to the Scheme - 2011 and in consideration for an aggregate of 202,500,000 Equity shares of face value of Re. 1 each held in Poena Power Supply Limited, an equivalent number of fully paid Equity shares of face value ₹ 10 each of IPL were issued to the IPL - PPSL Scheme Trust, the shareholder of PPSL, as of the aforesaid Effective Date of the Scheme. The shares so allotted constituted 9.09% of the paid up capital of IPL as on March 31, 2012.

In terms of the Scheme - 2011, an adjustment of an amount of ₹ 1,812,783,293 (after netting off the opening balance of the surplus in the Statement of Profit and Loss of PPSL taken over amounting to ₹ 9,716,710) being the difference between the consideration and the value of net assets upon merger in terms of the Scheme - 2011 has been adjusted out of the Surplus in the Statement of Profit and Loss of the Company.

- (iv) (a) In terms of the Court approved Scheme of Arrangement (Scheme - 2012) which came into effect on June 2, 2012 (Effective Date), Indiabulls Infrastructure Development Limited (IIDL) was merged with the Company as a going concern with effect from April 1, 2012, the Appointed Date under the Scheme - 2012, upon which the entire undertaking and the entire assets and liabilities of IIDL stand transferred to and vested in the Company at their book values. Pursuant to the Scheme - 2012 as aforesaid, an aggregate of 415,407,007 Equity shares of face value ₹ 10 each in the Company were issued and allotted in favour of the IIDL shareholders as on the Effective Date, thereby increasing the paid up capital of the Company to ₹ 26,427,299,530 divided into 2,642,729,953 Equity shares of face value ₹ 10 each. The shares so allotted constitute 15.72% of the paid up capital of IPL as on March 31, 2013. Consequent to the issuance and allotment of equity shares to the shareholders of IIDL, Indiabulls Infrastructure and Power Limited (IIPL) had ceased to be the ultimate holding company w.e.f. June 20, 2012.
- (b) Consequent to the above being given effect to, the Reserves & Surplus of the Company stood increased by ₹ 6,346,415,530 (net), on account of transfer of Securities Premium Account by ₹ 7,699,860,412 and opening credit balance in the Statement of Profit and Loss by ₹ 1,567,963,448 from IIDL in terms of the Scheme - 2012; and an amount of ₹ 2,921,408,330 being the difference between the Share Capital issued under the Scheme -2012 and the Share Capital of IIDL has been adjusted out of the Surplus in the Statement of Profit and Loss for the year ended March 31, 2013.
- (c) IIDL was, prior to its merger, engaged in the business, inter-alia, of the development of real estate projects, providing management advisory services and other related and ancillary activities; which business continues after the merger.

As a result of the above, the Earnings per equity share and the figures in respect of the current year are not comparable with the previous year presented.

NOTE 4 Reserves and Surplus	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
a) Capital Reserve		
Opening Balance	3,045,000,000	3,045,000,000
Add : Addition during the year	-	-
Closing Balance	3,045,000,000	3,045,000,000
b) Securities Premium Account		
Opening Balance	25,077,686,929	17,377,826,517
Add : Pursuant to the Scheme of Arrangement (Refer Note 3 (iv))	-	7,699,860,412
Closing Balance	25,077,686,929	25,077,686,929
c) Foreign Currency Translation Reserve		
Opening Balance	235,197,618	161,739,788
Add: Effect of foreign exchange rate variations during the year	96,118,845	73,457,830
Closing Balance	331,316,463	235,197,618
d) Deficit in the Statement of Profit and Loss		
Opening Balance	(1,225,819,670)	390,458,419
Add: Loss for the year	(752,713,115)	(262,833,207)
— Pursuant to the Scheme of Arrangement (Refer Note 3 (iv))	-	1,567,963,448
— Adjustment pursuant to the Scheme of Arrangement (Refer Note 3 (iv))	-	(2,921,408,330)
Closing Balance	(1,978,532,785)	(1,225,819,670)
Total - Reserves and surplus	26,475,470,607	27,132,064,877

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 5		
Long-term borrowings	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Secured Loans		
Term loans ^{(i) to (iv)}		
– From Consortium of Banks (Refer Note 10 for Current Portion)	29,802,667,722	12,561,829,712
– From Consortium of Financial Institutions (Refer Note 10 for Current Portion)	22,657,685,955	12,907,813,761
– From Other Bank	2,000,000,000	2,000,000,000
Total - Long-term borrowings	54,460,353,677	27,469,643,473

- (i) Loans from Consortium of Banks & Financial Institutions aggregating to ₹ 52,997,366,677 (Previous Year: ₹ 28,751,243,473) and Bills of Exchange related to the Project aggregating to ₹ 41,613,946 (Previous Year: ₹ 14,413,230,955) are secured by way of first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project Phase I. Loan from Other Bank aggregating to ₹ 2,000,000,000 (Previous Year: ₹ 2,000,000,000) are secured by way of first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project Phase II. The aforesaid Composite Facility (Loans and Bills of Exchanges) are further secured by the pledge of 1,057,091,981 (Previous Year: 1,057,091,981) equity shares (40% of the total equity share capital) of the Company held by IIPL through execution of a Deed of Pledge amongst IIPL (Pledger), IPL and IDBI Trusteeship Services Limited. Also, disbursements against cost overrun underwritten portion is secured by a pledge of 39,707,724 (Previous Year: Nil) equity shares of the Company held by Indiabulls Infrastructure and Power Limited and 219,050,000 (Previous Year: Nil) equity shares held by Indiabulls Real Estate Limited in the Company and further, is secured by 1,504,514 (Previous Year: Nil) equity shares of Indiabulls Realtech Limited in favour of Power Finance Corporation Limited. Additionally, the Company is required by Non-Disposal and Safety Net Arrangement Agreement not to dispose off 11% equity shares of promoter's holding in the Company.
- (ii) The Company has during the year rescheduled its loans with Consortium of Banks and Financial Institutions for Phase I of the Project. The Company has received a sanction letter from PFC vide letter No. 03/19 /IPL/GEN-TH/Vol IX/S0901001 dated August 07, 2013 and has entered into Cost overrun cum Underwriting agreement dated January 15, 2014 towards the same and according to which, PFC has sanctioned additional loans, extension of repayment dates and other terms stated therein subject to conditions being met by the Company in terms of the said agreement. The Company has received sanction letters from other Banks and Financial Institutions in the consortium and has entered in time overrun agreements with some of the Banks and Financial Institutions in the Consortium. Accordingly, the Company has revised its Project Cost to ₹ 74,933,300,000 from ₹ 66,315,200,000 (after exclusion of ₹ 2,564,800,000 allocated to the Cost of transmission Line from the sanctioned Project Cost of ₹ 68,880,000,000) thereby resulting in net increase in the Project Cost by ₹ 8,618,100,000 for meeting the cost overruns. As per the said sanction letter and the Cost overrun cum underwriting agreement, PFC is agreeable in principle to underwrite entire debt component of cost overrun of ₹ 6,463,600,000 which is 75% of the total cost overrun of ₹ 8,618,100,000. Further, PFC has also disbursed additional loans in terms of the Cost Overrun cum underwriting agreement aggregating to ₹ 3,500,000,000 upto March 31, 2014.
- (iii) Considering the rescheduling of loans mentioned above, once the loans would be fully drawn down from the Consortium of Banks/ Financial Institutions for Phase I and other bank for Phase II:
- Term loan from Consortium of Banks for Phase I are repayable in 40 quarterly structured installments beginning from March 31, 2015 as follows;
One installment of ₹ 537,013,000 during the quarter ending March 31, 2015; Seven installments each of ₹ 795,180,000 during the quarter ending June 30, 2015 to December 31, 2016; One installment of ₹ 893,011,000 during the quarter ending March 31, 2017; Three installments each of ₹ 934,189,000 during the quarter ending June 30, 2017 to December 31, 2017; One installment of ₹ 1,032,020,000 during the quarter ending March 31, 2018; Three installments each of ₹ 1,073,198,000 during the quarter ending June 30, 2018 to December 31, 2018; One installment of ₹ 975,367,000 during the quarter ending March 31, 2019; Three installments each of ₹ 934,189,000 during the quarter ending June 30, 2019 to December 31, 2019; One installment of ₹ 836,358,000 during the quarter ending March 31, 2020; Three installments each of ₹ 795,180,000 during the quarter ending June 30, 2020 to December 31, 2020; One installment of ₹ 697,349,000 during the quarter ending March 31, 2021; Fifteen installments each of ₹ 656,171,000 during the quarter ending June 30, 2021 to December 31, 2024 and One installment of ₹ 216,989,000 during the quarter ending March 31, 2025.
 - Term loan from Consortium of Financial Institutions for Phase I are repayable in 40 quarterly structured installment beginning from April 15, 2015 as follows;
Eight installments each of ₹ 609,740,000 during the quarter ending June 30, 2015 to March 31, 2017; Four installments each of ₹ 692,156,000 during the quarter ending June 30, 2017 to March 31, 2018; Four installments each of ₹ 774,572,000

- during the quarter ending June 30, 2018 to March 31, 2019; Four installments each of ₹ 692,156,000 during the quarter ending June 30, 2019 to March 31, 2020; Four installments each of ₹ 609,740,000 during the quarter ending June 30, 2020 to March 31, 2021; Sixteen installments each of ₹ 527,324,000 during the quarter ending June 30, 2021 to March 31, 2025.
- the term loan from Bank for Phase II would be repayable in 40 equal quarterly installments of ₹ 996,250,000 each beginning from April 15, 2015. The Company has also obtained sanction of further loan of ₹ 10,000,000,000 from REC which would be repayable in 40 equal quarterly installments of ₹ 250,000,000 each beginning from October 15, 2015.
- (iv) Previous year, the repayment terms were as mentioned below:
Once the loans would be fully drawn down from the Consortium of Banks/ Financial Institutions for Phase I and other bank for Phase II:
- the term loan from Bank of India for Phase I would be repayable in 40 equal quarterly installments of ₹ 96,300,000 each beginning from October 15, 2013;
 - the term loans from other Consortium Banks for Phase I would be repayable in 40 equal quarterly installments of ₹ 698,000,000 each beginning from September 30, 2013;
 - the term loans from Consortium of Financial Institutions for Phase I would be repayable in 40 equal quarterly installments of ₹ 57,500,000 each beginning from October 15, 2013 in case of Life Insurance Corporation, 40 equal quarterly installments of ₹ 250,000,000 each beginning from October 15, 2013 in case of Power Finance Corporation and 40 equal quarterly installments of ₹ 190,000,000 each beginning from December 31, 2013 in case of Rural Electrification Corporation;
 - the term loan from Bank for Phase II would be repayable in 40 equal quarterly installments of ₹ 1,246,250,000 each beginning from January 1, 2015.
- (v) The above mentioned loans from consortium of banks and financial institutions carry floating rates of Interest ranging from 11.50 % p.a. to 14.00% p.a. (Previous Year 11.50% p.a. to 15.50% p.a.) and the term loan from other bank carries a floating rate of interest of 15.00% p.a. (Previous Year floating rate of interest ranging from 13.50% p.a. to 14.50% p.a.)
- (vi) There were no continuing defaults in payment of interest as at the year ended March 31, 2014 and March 31, 2013. No loan were due for repayment during the year and previous year.

NOTE 6

Other long-term liabilities

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Retention Money		
(Refer Note 10 for Current Portion)	1,677,993,872	2,415,924,518
Total - Other long-term liabilities	1,677,993,872	2,415,924,518

NOTE 7

Long-term provisions

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Provision for employee benefits (Refer Note 34)		
Provision for Compensated Absences (unfunded)	12,243,826	9,604,814
Provision for Gratuity (unfunded)	22,834,466	18,809,479
Total - Long-term provisions	35,078,292	28,414,293

NOTE 8

Short-term borrowings

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Loans repayable on demand - Secured		
Cash Credit facilities from Banks ⁽ⁱ⁾ & ⁽ⁱⁱ⁾	758,259,856	-
Unsecured		
Loans and advances from related parties (Refer Note 36)		
Inter Corporate Deposits from Company having substantial interest ⁽ⁱⁱⁱ⁾ (Refer note 3(iii) & (iv))	434,050,000	250,550,000
Total - Short-term borrowings	1,192,309,856	250,550,000

Notes forming part of the Financial Statements of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

- (i) The facilities are secured by hypothecation charges on all movables & immovable assets, present and future, of the the project under implementation by way of first charge ranking pari passu.
- (ii) There were no continuing defaults in repayment of loans and interest as at the year ended March 31, 2014 and March 31, 2013.

NOTE 9	As at	As at
Trade payables	March 31, 2014	March 31, 2013
	(₹)	(₹)
Dues to Micro and Small Enterprises (Refer Note 48)	-	-
Dues for Goods and Services	49,153,198	-
Total - Trade payables	<u>49,153,198</u>	<u>-</u>

NOTE 10	As at	As at
Other current liabilities	March 31, 2014	March 31, 2013
	(₹)	(₹)
Current maturities of long-term borrowings/ liabilities		
– Term loan from Consortium of banks (Refer Note 5)	537,013,000	2,286,600,000
– Term loan from Consortium of Financial Institutions (Refer Note 5)	-	995,000,000
– Bills of Exchange (Refer Note 5 (i))	41,613,946	14,413,230,955
– Retention Money (Refer Note 6)	1,258,452,608	198,372,237
Interest Accrued but not due - Bills Of Exchange	581,190	1,537,265,063
Interest Accrued but not due - Term Loans	410,594,953	203,088,195
Interest Accrued but not due on Inter Corporate Deposits from Company having substantial interest (Refer Note 3(iii) & (iv))	26,537,159	22,217,368
Temporary Overdrawn balance as per books	-	3,499,550
Security Deposits from customers	525,000	525,000
Other Payables		
Statutory remittances (Contribution to Provident Fund and ESIC, Withholding Taxes, VAT payable, Service Tax, Works Contract Tax and Professional tax)	19,751,831	25,717,211
Payables on purchase of fixed assets	167,588,363	176,504,073
Contractual Expenses Payable	2,447,923,840	1,695,170,180
Equity Share Application Money Refundable	141,750	141,750
Earnest Money deposit	315,490	815,490
Total - Other current liabilities	<u>4,911,039,130</u>	<u>21,558,147,072</u>

NOTE 11	As at	As at
Short-term provisions	March 31, 2014	March 31, 2013
	(₹)	(₹)
Provision for employee benefits (Refer Note 34)		
Provision for Compensated Absences (unfunded)	2,688,904	1,912,907
Provision for Gratuity (unfunded)	481,266	793,964
	<u>3,170,170</u>	<u>2,706,871</u>
Provision - Others		
Provision for Liquidated Damages	34,039,666	-
Provision for Wealth Tax	522,224	603,377
	<u>34,561,890</u>	<u>603,377</u>
Total - Short-term provisions	<u>37,732,060</u>	<u>3,310,248</u>

Notes forming part of the financial statements for the year ended
March 31, 2014 (contd.)

NOTE 12
Fixed Assets ⁽ⁱ⁾

Fixed Assets ⁽ⁱ⁾		Amount in ₹										
		Gross block at cost					Accumulated depreciation / amortisation			Net block		
Particulars	As at April 1, 2013	Additions during the year	Acquisition through Scheme of Arrangement ⁽ⁱⁱ⁾	Disposals during the year	As at March 31, 2014	As at April 1, 2013	Provided during the year (ii)	Acquisition through Scheme of Arrangement ⁽ⁱⁱⁱ⁾	Elimination on disposals during the year	As at March 31, 2014	As at March 31, 2013	
1) Tangible assets												
Land												
- Freehold	1,481,000	-	-	-	1,481,000	-	-	-	-	1,481,000	1,481,000	
(Previous year)	1,481,000	-	-	-	1,481,000	-	-	-	-	1,481,000	1,481,000	
- Leasehold	987,111,800	-	-	-	987,111,800	34,445,723	10,390,653	-	-	44,836,376	952,666,077	
(Previous year)	987,111,800	-	-	-	987,111,800	24,055,069	10,390,654	-	-	34,445,723	963,056,731	
Buildings - Other	1,172,748	-	-	-	1,172,748	66,565	19,116	-	-	85,681	1,106,183	
(Previous year)	1,172,748	-	-	-	1,172,748	47,449	19,116	-	-	66,565	1,125,299	
Buildings - Plant ^(iv)	-	1,146,295,704	-	-	1,146,295,704	-	20,188,871	-	-	20,188,871	-	
(Previous year)	-	-	-	-	-	-	-	-	-	-	-	
Plant and Equipment ^(iv)	10,145,015	27,052,450,163	-	-	27,062,595,178	1,012,426	612,886,451	-	-	613,898,877	9,132,589	
(Previous year)	7,529,978	2,611,737	3,300	-	10,145,015	485,111	524,015	3,300	-	1,012,426	7,044,867	
Furniture and Fixtures	26,382,928	1,216,991	-	-	27,599,919	6,037,270	2,290,445	-	-	8,327,715	20,345,658	
(Previous year)	19,739,808	6,560,795	82,325	-	26,382,928	4,255,676	1,732,330	49,264	-	6,037,270	15,484,132	
Vehicles	104,817,890	7,964,788	-	2,676,120	110,106,558	27,196,119	10,462,621	-	196,260	37,462,480	72,644,078	
(Previous year)	93,374,399	10,056,839	1,386,652	-	104,817,890	16,947,155	9,584,777	664,187	-	27,196,119	77,621,771	
Office Equipment	18,372,797	3,915,704	-	-	22,288,501	2,824,369	1,041,299	-	-	3,865,668	18,422,893	
(Previous year)	14,958,786	2,714,779	699,232	-	18,372,797	1,772,131	895,119	157,119	-	2,824,369	13,186,655	
Computers	21,182,773	1,124,787	-	1,027,295	21,280,265	7,829,334	3,361,048	-	54,881	11,135,501	10,144,764	
(Previous year)	18,473,006	2,352,177	357,590	-	21,182,773	4,450,596	3,200,999	177,739	-	7,829,334	13,353,439	
Ships	4,103,744	-	-	-	4,103,744	825,315	137,065	-	-	962,380	3,278,429	
(Previous year)	-	178,452	3,925,292	-	4,103,744	-	136,429	688,886	-	825,315	-	
TOTAL (1)	1,174,770,695	28,212,968,137	-	3,703,415	29,384,035,417	80,237,121	660,777,569	-	251,141	740,763,549	1,094,533,574	
Previous Year (a)	1,143,841,525	24,474,779	6,454,391	-	1,174,770,695	52,013,187	26,483,439	1,740,495	-	80,237,121	1,094,533,574	
2) Intangible assets Software	7,955,595	32,073,344	-	-	40,028,939	5,919,942	7,053,456	-	-	12,973,398	2,035,653	
(Previous year)	6,774,009	519,186	662,400	-	7,955,595	3,706,319	1,703,666	509,957	-	5,919,942	3,067,690	
TOTAL (2)	7,955,595	32,073,344	-	-	40,028,939	5,919,942	7,053,456	-	-	12,973,398	2,035,653	
Previous Year (b)	6,774,009	519,186	662,400	-	7,955,595	3,706,319	1,703,666	509,957	-	5,919,942	3,067,690	
GRAND TOTAL (1+2)	1,182,726,290	28,245,041,481	-	3,703,415	29,424,064,356	86,157,063	667,831,025	-	251,141	753,736,947	1,096,569,227	
Previous Year (a+b)	1,150,615,534	24,993,965	7,116,791	-	1,182,726,290	55,719,506	28,187,105	2,250,452	-	86,157,063	1,096,569,227	
3) Capital work-in-progress ^(v)												
Previous Year (c)	-	-	-	-	-	-	-	-	-	-	-	
TOTAL (3)	-	-	-	-	-	-	-	-	-	-	-	
Previous Year (c)	-	-	-	-	-	-	-	-	-	-	-	
4) Intangible assets under development-Software												
Previous Year (d)	-	-	-	-	-	-	-	-	-	-	-	
TOTAL (4)	-	-	-	-	-	-	-	-	-	-	-	
Previous Year (d)	-	-	-	-	-	-	-	-	-	-	-	

- (i) Loans, Bills of exchanges and Cash credit facilities are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project. (Refer Note 5(i) and Note 8).
- (ii) Depreciation and amortisation aggregating to ₹ 15,068,821 (Previous Year ₹ 16,001,936) on assets directly related to the Project has been transferred to Expenditure during construction pending capitalisation and depreciation and amortisation aggregating to ₹ 652,762,204 (Previous year ₹ 12,185,169) being depreciation and amortisation on account of fixed assets has been debited to the Statement of Profit and loss for the year ended March 31, 2014.
- (iii) Fixed assets arising on the merger pursuant to the Scheme - 2012 - Refer Note 3(iv).
- (iv) During the year, upon COD of the Company's Amravati Power Project - Unit-I (Phase - I) on June 03, 2013, the Company has capitalised ₹ 13,796,864,977 of Plant and Equipment and ₹ 723,899,124 of Buildings - Plant, upon COD of the Company's Amravati Power Project - Unit-II (Phase - I) on March 28, 2014, the Company has capitalised ₹ 13,247,990,200 of Plant and Equipment and ₹ 422,396,580 of Buildings - Plant. Accordingly, during the year ₹ 11,391,357,005 and ₹ 9,996,988,827 is reduced from CWP and ₹ 3,129,407,096 and ₹ 3,671,397,953 is reduced from Expenditure during construction pending capitalisation respectively on account of capitalisation of Unit-I and Unit-II. (Also Refer Note 13(iii))

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 13

Expenditure during Construction Pending Capitalisation ⁽ⁱ⁾ (Refer Note 41)

Particulars	Opening balance as at April 1, 2013 (₹)	Additions during the year (₹)	Capitalised during the year (Refer Note 12 (iv)) (₹)	Closing balance as at March 31, 2014 (₹)
Employee Remuneration and Benefits [Including Provision for Gratuity and Compensated Absences ₹ 7,956,764 (Previous Year: ₹ 8,681,597)]	1,068,697,406	394,585,404	575,603,676	887,679,134
Interest and Financing Charges ⁽ⁱⁱ⁾	8,302,462,069	5,304,490,291	4,526,021,363	9,080,930,997
Bank guarantee and other bank charges	200,486,105	49,583,279	94,916,929	155,152,455
Communication Expenses	14,766,101	8,198,056	8,566,407	14,397,750
Depreciation / Amortisation Expense	47,983,879	15,068,821	25,338,322	37,714,378
Lease Rent Expenses (Refer Note 38)	523,481,168	77,853,164	258,481,797	342,852,535
Legal and Professional Charges	216,972,804	56,055,821	61,655,662	211,372,963
Rates & Taxes	71,469,435	4,400,658	28,522,168	47,347,925
Repairs and Maintenance				
- Vehicles	5,758,789	2,274,412	3,160,044	4,873,157
- Others	37,668,001	6,827,006	18,937,312	25,557,695
Pre - Operative Expense (net of revenue from supply of Infirm Power ₹ 63,996,553 (Previous Year: ₹ 676,488) (Refer Note 37)	259,389,653	508,318,693	767,708,346	-
Water Expenses	171,483,073	90,382,515	101,601,857	160,263,731
Staff Welfare Expenses	21,690,918	4,402,426	10,961,487	15,131,857
Travelling & Conveyance	302,107,212	55,207,331	109,027,321	248,287,222
Administrative and Other Expenses	367,882,733	157,446,363	200,967,587	324,361,509
Software Expenses	115,143,954	3,727,725	30,293,605	88,578,074
Miscellaneous Expenses	63,210,184	43,655,354	41,176,395	65,689,143
Sub Total (a)	11,790,653,484	6,782,477,319	6,862,940,278	11,710,190,525
Less:				
Other Income				
- Dividend on units of Mutual Funds	111,443,553	20,634,120	46,626,693	85,450,980
- Interest on Deposit Accounts	23,025,372	28,181,224	13,504,206	37,702,390
- Interest on Security Deposits	-	5,474,831	1,129,665	4,345,166
- Profit on Redemption of Mutual Funds	3,683,514	1,064,883	874,665	3,873,732
Sub Total (b)	138,152,439	55,355,058	62,135,229	131,372,268
Total - Expenditure during construction pending capitalisation (a - b)	11,652,501,045	6,727,122,261	6,800,805,049	11,578,818,257

- (i) Loans, Bills of exchanges and Cash credit facilities are secured by first mortgage and charge on all immovable and movable assets, both present and future, of the Amravati Project. (Refer Note 5(i) and Note 8).
- (ii) Interest and Financing Charges represents Borrowing costs i.e. Financing charges and Interest During Construction to be capitalised to Fixed Assets on completion of construction of the Project. During the year borrowing cost of ₹ 2,006,489,037 and ₹ 2,519,532,326 is capitalised on June 03, 2013 and March 28, 2014 respectively on account of capitalisation of Unit-I (Phase-I) and Unit-II (Phase-I) and have been added to the cost of Plant and equipment and Buildings - Plant (Refer Note 12).

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 14

Non-current Investments (Refer Note 39)

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
A. Long Term - Other Investments, Unquoted		
a) In fully paid equity instruments of Subsidiary Companies (At Cost)		
1,750,000 (Previous Year 1,750,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Trading Limited	17,500,000	17,500,000
370,000 (Previous Year 370,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Generation Limited	3,700,000	3,700,000
370,000 (Previous Year 370,000) Equity Shares of Face Value of ₹ 10 each in Diana Energy Limited	3,700,000	3,700,000
74,000 (Previous Year 74,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls CSEB Bhaiyathan Power Limited	740,000	740,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Aravali Properties Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Lucina Power And Infrastructure Limited	500,000	500,000
18,771,511 (Previous Year 15,710,364) Equity Shares of Face Value of ₹ 10 each in Indiabulls Realtech Limited ⁽ⁱ⁾	18,722,011,000	15,660,864,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Distribution Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Hydro Electric Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Hydro Energy Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Hydro Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Hydro Power Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Infrastructure Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Thermal Energy Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Thermal Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Electricity Company Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Diana Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Fama Power Company Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Selene Power Company Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Sentia Thermal Power And Infrastructure Limited	500,000	500,000

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 14 (contd.)

Non-current Investments (Refer Note 39)

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Sepset Thermal Power And Infrastructure Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Triton Energy Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Kaya Hydropower Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Sepia Hydropower Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Tharang Warang Hydropower Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Zeus Energy Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Airmid Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Albina Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Mabon Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Serida Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Lenus Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Angina Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Ashkit Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Chloris Power Limited	500,000	500,000
5,000,000 (Previous Year 5,000,000) Equity Shares of Face Value of ₹ 10 each in Elena Power And Infrastructure Limited	50,000,000	50,000,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Fornax Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Mariana Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Apesh Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Varali Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Power Company Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Power Services Limited	500,000	500,000

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 14 (contd.)

Non-current Investments (Refer Note 39)

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Thermal Power And Infrastructure Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Power Generation Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Power Distributors Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Power And Energy Resources Limited	500,000	500,000
37,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Poena Power Limited	370,000	370,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Hydro Electric Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Energy Trading Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Energy Private Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Power Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Poena Thermal Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Poena Power Company Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Poena Power Services Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Poena Power Distributors Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Poena Power Generation Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Poena Hydro Power Projects Limited	500,000	500,000
100,000,000 (Previous Year 100,000,000) Equity Shares of Face Value of US Dollar 1 each in Bracond Limited	4,327,710,552	4,327,710,552
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Poena Power Trading Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Generation Company Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Supply Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Solutions Limited	500,000	500,000
51,000 (Previous Year 51,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Transmission Limited	510,000	510,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Utility Limited	500,000	500,000

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 14 (contd.)

Non-current Investments (Refer Note 39)

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Powergen Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Electric Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Power Development Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Power Systems Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Power Management Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Power Supply Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Power Utility Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Power Solutions Limited	500,000	500,000
25,500 (Previous Year 25,500) Equity Shares of Face Value of ₹ 10 each in Hecate Power Transmission Limited	255,000	255,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Powergen Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Hecate Electric Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Poena Power Development Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Poana Power Systems Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Poena Power Management Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Poena Power Utility Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Poena Power Solutions Limited	500,000	500,000
740,375 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Amravati Power Transmission Company Limited ⁽ⁱ⁾	690,875,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Development Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Systems Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Management Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Power Projects Development Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Electric Power Limited	500,000	500,000

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 14 (contd.)

Non-current Investments (Refer Note 39)

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Electric Energy Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Electric Company Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Electricity Generation Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Thermal Power Management Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Thermal Power Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Indiabulls Thermal Projects Limited	500,000	500,000
37,000 (Previous Year 37,000) Equity Shares of Face Value of ₹ 10 each in Devona Thermal Power And Infrastructure Limited	370,000	370,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of ₹ 10 each in Citra Thermal Power And Infrastructure Limited	500,000	500,000
Total Investment in equity instruments of Subsidiary Companies	23,859,241,552	20,107,719,552

- (i) 13,346,131 (Previous Year: 8,012,286) equity shares of Indiabulls Realtech Limited (IRL) and 377,592 (Previous Year: Nil) equity shares of Amravati Power Transmission Company Limited are pledged in favour of the Project Lenders of the Company and its subsidiaries. Out of the said shares, for 27,770 equity shares (Previous Year: 39,059 equity shares) of IRL, action for placing them under a pledge in favour of IDBI Trusteeship Services Limited had been initiated during the year and the confirmation from the depository participants of the Lenders was awaited as on respective Balance Sheet dates.

b) In fully paid up Preference shares of Subsidiary Companies (At Cost)

21,000,000 (Previous Year 21,000,000) 0.0001% Cumulative Non-Convertible Redeemable Preference Shares of Face Value of ₹ 10 each in Indiabulls Power Generation Limited

c) Investment in Trust (IPL-PPSL Scheme Trust) (At Cost)

Total - Non-current investments

Aggregate amount of Quoted Investments and market value thereof

Aggregate amount of Unquoted Investments

Aggregate provision for diminution in value of investments (Refer Note 44)

	210,000,000	210,000,000
	202,500,000	202,500,000
Total - Non-current investments	24,271,741,552	20,520,219,552
Aggregate amount of Quoted Investments and market value thereof	-	-
Aggregate amount of Unquoted Investments	24,271,741,552	20,520,219,552
Aggregate provision for diminution in value of investments (Refer Note 44)	-	-

NOTE 15

Deferred tax assets (net)

Deferred tax assets

Arising on account of timing differences due to:

- Provision for Compensated Absences
- Provision for Gratuity
- Difference between book and tax depreciation
- Unabsorbed Depreciation ⁽ⁱⁱⁱ⁾

Deferred tax assets (A)

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Arising on account of timing differences due to:		
- Provision for Compensated Absences	959,125	643,316
- Provision for Gratuity	1,558,854	1,200,539
- Difference between book and tax depreciation	-	16,777,744
- Unabsorbed Depreciation ⁽ⁱⁱⁱ⁾	1,662,245,227	-
Deferred tax assets (A)	1,664,763,206	18,621,599

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 15 (contd.)

Deferred tax assets (net)

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Deferred tax liability		
Arising on account of timing differences due to:		
- Difference between book and tax depreciation	1,664,763,206	-
Deferred tax liability (B)	1,664,763,206	-
Total - Deferred tax assets (net) (A-B)	-	18,621,599

- i) Pursuant to Accounting Standard 22 (AS 22) on 'Accounting for Taxes on Income', as notified under the Companies (Accounting Standards) Rules, 2006, as amended, the Company has debited an amount of ₹ 18,621,599 (Previous Year credited ₹ 25,091,656) as deferred tax charge (net) to the Statement of Profit and Loss for the year ended March 31, 2014. Previous year credit includes deferred tax liability taken over from IIDL amounting to ₹ 415,017 on account of merger.
- ii) The Company has restricted the recognition of deferred tax asset on unabsorbed depreciation and brought forward business losses to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax the reversal of which is virtually certain. Excess amount of Deferred Tax Assets amounting to ₹ 2,338,737,951 is not recognised on account of there being no virtual certainty of reversal.

NOTE 16

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

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Capital Advances	6,676,400,469	12,480,697,844
Security Deposits		
- Security Deposits - Premises	44,001,185	83,404,388
- Security Deposits - Others	118,923,931	112,286,468
Loans and advances to related parties (Refer Note 36)		
- Inter Corporate Deposits/ Loans given to subsidiaries	4,883,450,641	6,295,989,090
Prepaid Expenses	7,378,158	2,232,275
Advance Income Tax/ Tax Deducted At Source		
[Net of provision for tax ₹ 147,706,527 (Previous Year ₹ 147,706,527)]	133,829,308	50,878,852
Advance Fringe Benefit Tax	34,307	34,307
MAT Credit Entitlement	70,964,842	76,546,786
Balances with Government authorities		
- CENVAT credit receivable	75,887,856	20,100,653
- VAT credit receivable	87,708,943	85,991,705
Total - Long-term loans and advances	12,098,579,640	19,208,162,368

NOTE 17

Other non-current assets

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Other Deposit Accounts - Non-Current Portion (Refer Note 20) (Pledged against Bank Guarantees - Refer Note 30)	554,236,724	343,332,577
Accrued Interest		
- on Deposit Accounts	30,333,666	8,428,166
- on Inter Corporate Deposits/ Loans given to Subsidiaries (Refer Note 36)	89,153,813	72,978,583
Total - Other non-current assets	673,724,203	424,739,326

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 18 Inventories (At lower of cost and net realisable value)	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Stores and Spares		
Coal - Stores ⁽ⁱ⁾	57,463,060	95,662,713
Light Diesel Oil - Stores ⁽ⁱⁱ⁾	50,425,573	31,624,322
Stores and Spares ⁽ⁱⁱⁱ⁾	10,084,688	-
Other Consumables ^(iv)	12,814,086	2,025,460
Total - Inventories	130,787,407	129,312,495

(i) Coal - Stores including Good-in-transit during the year ended of ₹ 9,269,648 (Previous Year ₹ 25,177,091).

(ii) Light Diesel Oil - Stores including Good-in-transit during the year ended of ₹ 514,070 (Previous Year ₹ 204,516).

(iii) Stores and Spares - including Good-in-transit during the year ended of ₹ 6,319,536 (Previous Year ₹ Nil).

(iv) Other Consumables - including Good-in-transit during the year ended of ₹ 6,354,937 (Previous Year ₹ Nil).

NOTE 19 Trade receivables	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	-	-
Other Trade Receivables - Unsecured, considered good	1,230,313,472	-
Total - Trade receivables	1,230,313,472	-

NOTE 20 Cash and bank balances	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
A. Cash and cash equivalents		
Cash on hand	582,121	225,109
Balances with Banks		
- In Current Accounts	105,999,168	948,774,718
- In Demand Deposit Accounts	1,550,000,000	-
- In other deposit accounts with original maturity of 3 months or less ⁽ⁱ⁾	7,300,000	-
B. Other bank balances		
- Unclaimed share application money received for allotment of securities and due for refund	141,750	141,750
- In other deposit accounts with original maturity more than 3 months ⁽ⁱ⁾	89,350,086	1,595,281,444
Total - Cash and bank balances	1,753,373,125	2,544,423,021

(i) Pledged against Bank guarantees and Letter of Credit - Refer Note 30

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 21	As at	As at
Short-term loans and advances (Unsecured, considered good)	March 31, 2014	March 31, 2013
	(₹)	(₹)
A. Loans and advances to related parties (Refer Note 36)		
- Inter Corporate Deposits/ Loans given to subsidiaries	124,700,000	119,720,899
- Advances for Transmission lines	-	1,690,299,402
B. Security Deposits - Premises	1,235,118	988,502
C. Loans and advances to employees	3,048,248	6,663,701
D. Prepaid Expenses	36,283,033	4,247,702
E. Other loans and advances		
- Advances to Suppliers and Others	276,446,878	158,920,141
- Advance Rent	23,271	11,638
Total - Short-term loans and advances	441,736,548	1,980,851,985

NOTE 22	As at	As at
Other current assets	March 31, 2014	March 31, 2013
	(₹)	(₹)
Unbilled revenue	531,644,137	676,488
(Includes towards supply of Infirm power ₹ Nil (Previous Year ₹ 676,488))		
Interest on overdue trade receivables	42,848,670	-
Interest on Security Deposits	6,260,727	-
Accrued Interest		
- on Deposit Accounts	2,866,536	27,579,006
- on Inter Corporate Deposits/ Loans given to subsidiaries (Refer Note 36)	978,013	840,526
Total - Other current assets	584,598,083	29,096,020

Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

Indiabulls
Indiabulls Power Ltd.

NOTE 23 Revenue from Operations	For the Year Ended March 31, 2014 (₹)	For the Year Ended March 31, 2013 (₹)
Revenue from Power Supply	3,370,023,704	-
Other Operating Revenue		
Income from Advisory Services (Refer Note 36)	420,000,000	-
Total - Revenue from operations	3,790,023,704	-

NOTE 24 Other Income	For the Year Ended March 31, 2014 (₹)	For the Year Ended March 31, 2013 (₹)
Interest Income		
- Interest on Deposit Accounts	70,369,763	132,253,555
- Interest on Inter Corporate Deposits (Refer Note 36)	9,655,815	29,062,919
- Interest on Overdue Trade Receivables	42,848,670	-
- Interest on Security Deposits	785,896	-
Dividend Income		
- From Current Investments in Units of Mutual Funds	10,473,474	24,740,399
- From Long Term Investments in Units of Mutual Funds	-	8,947,252
Profit on Redemption of Mutual Funds		
- From Current Investments	1,689,784	-
Profit on sale of Investments in Subsidiaries	-	150,941,306
Construction & Project Related Income (net of cost of goods sold ₹ Nil (Previous Year : ₹ 1,984,204)	-	245,849
Miscellaneous Income	39,844	631,443
Total - Other income	135,863,246	346,822,723

NOTE 25 Cost of fuel, power and water consumed (Refer Note 37)	For the Year Ended March 31, 2014 (₹)	For the Year Ended March 31, 2013 (₹)
Coal, Liquid Diesel Oil and Other Consumables Consumed	1,833,415,589	-
Water Consumed	94,697,754	-
Electricity Consumed	107,978,875	-
Total - Cost of fuel, power and water consumed	2,036,092,218	-

NOTE 26 Employee Benefits Expense	For the Year Ended March 31, 2014 (₹)	For the Year Ended March 31, 2013 (₹)
Salaries and Wages	82,891,885	16,370,231
Contribution to Provident and Other Funds	194,817	-
Provision for Gratuity (Refer Note 34)	885,983	376,351
Provision for Compensated Absences (Refer Note 34)	847,979	176,382
Recruitment and training	105,872	2,060
Staff Welfare Expenses	1,013,224	74,502
Total - Employee benefits expense	85,939,760	16,999,526

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

NOTE 27 Finance Costs	For the Year Ended March 31, 2014 (₹)	For the Year Ended March 31, 2013 (₹)
Interest expenses on :		
- term loans and bills of exchanges	1,222,057,122	-
- inter corporate deposits (Refer Note 36)	29,485,733	24,685,964
- cash credit facility	26,919,753	-
- delayed/ deferred payment of income tax	1,825	7,657,218
- vehicle loans	-	15,186
Other finance costs :		
- loan processing fees	3,377,356	-
- bank guarantee charges	8,564,546	1,831,500
Total - Finance costs	1,290,406,335	34,189,868

NOTE 28 Other Expenses	For the Year Ended March 31, 2014 (₹)	For the Year Ended March 31, 2013 (₹)
Rent (Refer Note 38)	17,962,886	451,880
Rates and Taxes	9,260,005	7,351,600
Legal and Professional Charges	17,207,778	7,551,290
Advertisement	137,777	179,131
Communication	1,928,278	101,702
Operation & Maintenance	231,836,955	-
Printing and Stationery	2,390,050	200,270
Postage and Telegram	2,892,930	2,749,727
Travelling and Conveyance	9,900,640	2,836,931
Insurance Expenses	28,283,719	-
Running and Maintenance - Vehicle	658,533	925,436
Repairs and Maintenance - Office	937,126	-
Repairs and Maintenance - Others	494,927	1,196,900
Security Expenses	7,338,778	90,847
Software	691,931	98,382
Business Promotion	2,037,625	1,438,607
Payments to the Auditors comprise		
- to statutory auditors (excluding service tax of ₹ 469,680)		
(Previous Year ₹ 642,720)		
- for audit	1,950,000	2,700,000
- for certification	250,000	700,000
- for other services	1,350,000	1,350,000
- reimbursement of expenses	250,000	450,000
- to cost auditors	25,000	-
Membership and Subscription Fees	924,470	598,148
Loss on sale of fixed assets	417,743	-
Inventory adjusted pursuant to merger	-	326,661,176
Advances written off (Refer Note 36)	212,679,190	271,244,950
Merger expenses	-	122,440
Provision for Liquidated damages	34,039,666	-
Miscellaneous expenses	2,991,406	169,934
Total - Other expenses	588,837,413	629,169,351

29 Project under Development

The Company is in process of setting up a Thermal Power Project at Amravati ("Amravati Project", "the Project") in the State of Maharashtra in two phases of 1,350 MW each, with an ultimate capacity of 2,700 MW. Project construction activities are in line with the estimated targets of the Management of the Company. During the year, upon COD of the Company's Amravati Power Project - Unit-I (Phase - I) on June 03, 2013 and Unit-II (Phase - I) on March 28, 2014, the Plant and Equipment and Building - Plants of Unit-I and Unit-II are capitalised on respective CODs (Refer Note 12 and 13). The Company is receiving coal under the Fuel Supply Agreement signed with South Eastern Coalfields Limited, subsidiary of Coal India Limited as on December 22, 2012 which would be sufficient for meeting coal requirement for functioning of Unit I and II of Phase I.

30 Contingent Liabilities not provided for in respect of:

A Public Interest Litigation (PIL) was instituted before the Hon'ble Bombay High Court (Nagpur Bench) by the Society for Backlog Removal & Development, Amravati (Help Line) & Others against State of Maharashtra and Others where the Company was Respondent No. 5. The petition, amongst others, challenged the water allocation from the live reservoir of Upper Wardha Project to the thermal power plant being set up by the Company in Amravati District to be against the directives issued by the Governor of Maharashtra under Article 371 (2) of the Constitution of India.

Another Writ Petition was been filed by the Company before the Hon'ble Bombay High Court (Nagpur Bench) challenging the powers of the Governor to issue directives under Article 371 (2) of the Constitution of India.

The Hon'ble High Court after hearing the parties at length dismissed the petition during the year holding that allocation of water is not in contravention of the directives issued by the Governor of Maharashtra under Article 371 (2) of the Constitution of India. Appeal filed by the petitioners before the Supreme Court has also been dismissed.

B The Company had filed an application before the Nagpur Bench of the Hon'ble Bombay High Court to bring to its knowledge the publication of an article by the Hitavada Newspaper that casts aspersions against Indiabulls and the Advocate General. The Court has taken cognizance and issued notices to the contemnors. The contemnors have filed their replies and the Company has filed the rejoinder. It is understood that the Hon'ble Court has consigned the file and hence the case is closed. No formal order has been passed. The pecuniary risk involved in the present case cannot be quantified as at March 31, 2014 and March 31 2013.

C Tata Power Trading Company Limited (TPTCL) had executed PPA with IPL for tying up maximum 100 MW power from its Amravati Power Plant. Pursuant to public interest litigation challenging the water allocation for the power plant IPL invoked force majeure suspending its obligations to perform under the PPA. TPTCL disputed the same and invoked arbitration claiming specific performance of the PPA. During the arbitration proceedings IPL terminated the PPA. During the year, the Tribunal has passed an award on October 15, 2013 denying specific performance on one hand and holding that invocation of force majeure was not valid. Further, while holding that the PPA is otherwise determinable in nature, the Tribunal held that the termination during arbitration proceedings is not valid. Neither party has challenged the award. As per the PPA dated June 05, 2009, within one year TPTCL had to tie up sale of power up to 1,000 MW on long term basis on terms acceptable to IPL. The said period has since expired and hence, the obligations of the parties under the PPA are no longer binding. Therefore, there is no pecuniary risk involved in the case as at March 31, 2014.

D A PIL has been filed by the Society for Environmental Protection & Others praying the court to direct the Respondent No.5 (the Company) to immediately stop proceeding with the proposed Power Plant at Nandgaonpeth, Amravati on the grounds of damage to environment and the depletion of water resources. The Matter has been transferred to National Green Tribunal (NGT) by the Hon'ble High Court for further adjudication. The pecuniary risk involved in the present case cannot be quantified as at March 31, 2014 and March 31 2013.

E MSEDCL had invited long term power procurement for domestic coal based power station using coal from Bhivkund coal blocks through a tariff based competitive bidding process in which the Company was one of the bidder. A Writ Petition was filed by Today Energy (M.P) Private Limited seeking Directions to MSEDCL to consider its financial bid. During the year, MSEDCL has since withdrawn the tender and returned IPL's bank guarantee vide its letter dated August 06, 2013. Accordingly the petition has become infructuous and there is no pecuniary risk involved in the case as at March 31, 2014.

F Writ Petition had been filed by the Company during the financial year 2012-13, challenging the validity of demand raised by WRD for payment of irrigation restoration charges at ₹ 100,000/- per Hectare vide letter dated January

Notes forming part of the Financial Statements of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

29, 2013 instead of ₹ 50,000/- per Hectare (as provided in Circular dated February 21, 2004). The Respondents have been restrained from taking any coercive steps till further orders. The statement is accepted.

G Performance Bank Guarantee of ₹ Nil (Previous Year: ₹ 1,000,000,000) issued to Chhattisgarh State Electricity Board by Indiabulls CSEB Bhaiyathan Power Limited, a wholly owned subsidiary company, secured partly by pledge of Fixed deposits of ₹ Nil (Previous Year: ₹ 400,000,000) of the Company.

H Guarantee provided on behalf of Indiabulls Realtech Limited (IRL), a wholly owned subsidiary, towards Commitment Bank Guarantees of ₹ 590,378,940 (Previous Year: ₹ 835,223,070) issued to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for IRL's Nashik Thermal Power Project, partly secured by way of pledge of fixed deposits of ₹ 44,295,000 (Previous Year: ₹ 242,936,850) and partly by way of corporate guarantee of ₹ Nil (Previous Year: ₹ 198,641,850) of the Company and pledge of fixed deposits of ₹ 15,244,036 (Previous Year: ₹ Nil) of Indiabulls Realtech Limited.

I Demand pending under section 143(3) of Income tax act, 1961:

(a) For ₹ 7,737,610/- with respect to the F.Y 2009-10 against disallowance U/s 14(A) of the Income tax act, 1961, against which appeal is filed during the year and is pending before CIT(Appeals).

(b) For ₹ 32,998,260/- with respect to the F.Y 2010-11 against disallowance U/s 14(A) of the Income tax act, 1961, against which appeal is filed subsequently on April 28, 2014 and is pending before CIT(Appeals).

Future cash outflows in respect of the above, if any, is determinable only on receipt of judgement/ decision pending with the relevant authorities. The Company does not expect the outcome of the matters stated above to have a material adverse impact on its financial condition, results of operations and cash flows.

31 Estimated amount of contracts remaining to be executed on account of capital and other commitments towards the Project not provided for: ₹ 65,603,868,387 (Previous Year: ₹ 55,249,049,322) – advances made there against ₹ 9,597,274,864 (Previous Year: ₹ 7,175,095,706).

Further, the Company has signed a long term power purchase agreement (PPA) with Maharashtra State Electricity Distribution Company Limited for supply of 1,200MW of power generated from the power station. The PPA has a tenure of twenty five years.

32 Other current and non-current assets includes interest accrued but not due of ₹ 32,454,928 (Previous Year: ₹ 35,953,530) on fixed deposits pledged with banks.

33 Employee Stock Options Schemes :

The Company has formulated ESOS/ ESOP schemes for applicable/ eligible employees. The schemes so formulated are also applicable to the eligible employees of its subsidiaries. The subsidiaries have adopted the said schemes of the Company which are administered by a Compensation Committee constituted by the Board of Directors of the Company.

Stock Option Schemes of Indiabulls Power Limited. ("IPL"):

On January 10, 2008 the erstwhile IPSL, had established the IPSL ESOS Plan, under which, IPSL was authorised to issue upto 20,000,000 equity settled options at an exercise price of ₹ 10 per option to eligible employees. Employees covered by the plan were granted an option to purchase equity shares of IPSL subject to the requirements of vesting. A Compensation Committee constituted by the Board of Directors of IPSL administered the plan. All these options were outstanding as at April 01, 2008.

Pursuant to a Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956, duly approved by the Hon'ble High Court of Delhi at New Delhi vide its Order dated September 1, 2008, IPSL was merged with Sophia Power Company Limited ("SPCL"). With effect from the Appointed Date the IPSL ESOS Plan was terminated and in lieu, in terms of Clause 14 (c) of the Scheme of Arrangement, SPCL – IPSL Employees Stock Option Plan - 2008 ("SPCL – IPSL ESOP - 2008") was established in SPCL for the outstanding, unvested options for the benefit of the erstwhile IPSL option holders, on terms and conditions not less favourable than those provided in the erstwhile IPSL ESOS Plan and taking into account the share exchange ratio i.e. one equity share of SPCL of face value ₹ 10 each for every one equity share of IPSL of face value ₹ 10 each. All the option holders under the IPSL ESOS Plan on the Effective Date were granted options under the SPCL – IPSL ESOP - 2008 in lieu of their cancelled options under the IPSL ESOS Plan. The SPCL – IPSL ESOP - 2008 was treated as a continuation of the IPSL ESOS Plan and all such options were treated outstanding from their respective date of grant under the IPSL ESOS Plan. Accordingly, no compensation expense was recognised. No adjustment is required in respect of the number and exercise price of options as the share exchange ratio is one equity share of face value ₹ 10 each of SPCL for every one equity share of face value ₹ 10 each of IPSL.

During the year ended March 31, 2014, 594,000 (Previous Year 3,600,000) ESOPs were surrendered/ lapsed under the SPCL – IPLS ESOP - 2008 Scheme. During the previous year, on September 1, 2012, 2,000,000 ESOPs were re-granted by the Committee to an eligible employee at an exercise price of ₹ 10 per option under the SPCL – IPLS ESOP – 2008 Scheme.

These options vest uniformly over a period of 10 years commencing one year after the date of grant. The Company follows the Intrinsic Value method of accounting as permitted in the Guidance Note on Accounting for Employees Share Based Payments (“Guidance Note”), issued by the Institute of Chartered Accountants of India. There is no impact on the profits after taxes and the basic and diluted earnings per equity share of the holding company on account of SPCL – IPLS ESOP - 2008.

During the financial year ended March 31, 2010, IPL had established the Indiabulls Power Limited. Employees’ Stock Option Scheme 2009 (“IPL ESOS 2009”). IPL had issued 20,000,000 equity settled options at an exercise price of ₹ 14 per option under the IPL ESOS 2009 to eligible employees which gave them the right to subscribe to stock options representing an equal number of equity shares of face value ₹ 10 each of IPL. These options vest uniformly over a period of 10 years commencing one year after the date of grant. The Company follows the Intrinsic Value method of accounting as permitted by the Guidance Note on Accounting for Employees Share Based Payments (“Guidance Note”), issued by the Institute of Chartered Accountants of India. There is no impact on the profits after taxes and the basic and diluted earnings per equity share of the holding company on account of the IPL ESOS 2009.

During the year ended March 31, 2014, 660,000 (Previous Year 627,000) ESOPs were surrendered/ lapsed under the IPL ESOS 2009 Scheme.

During the Financial Year ended March 31, 2012, IPL had established the “Indiabulls Power Limited. Employee Stock Option Scheme -2011 (“IPL ESOS -2011”): IPL had issued 50,000,000 equity settled options at an exercise price of ₹ 12 per option equivalent to the fair market value of the equity shares of the company on the date of grant of option under the IPL ESOS -2011 to the eligible employees of the Company which gave them the right to subscribe an equal number of equity shares of face value of ₹ 10 each of IPL. These options vest uniformly over a period of 10 years commencing one year after the date of grant. The Company follows the Intrinsic Value method of accounting as permitted by the Guidance Note on Accounting for Employees Share Based Payments (“Guidance Note”), issued by the Institute of Chartered Accountants of India. There is no impact on the profits after taxes and the basic and diluted earnings per equity share of the holding company on account of IPL ESOS 2011.

During the year ended March 31, 2014, 616,000 (Previous Year 102,000) ESOPs were surrendered/ lapsed under the IPL ESOS 2011 Scheme.

The Fair values of the options under the SPCL – IPLS ESOP – 2008, IPL ESOS 2009 and IPL ESOS 2011 using the binomial pricing model based on the following parameters, is ₹ Nil per option, as certified by an independent firm of Chartered Accountants. The fair value of the re-granted options under the SPCL – IPLS ESOP - 2008 plan is ₹ 1.58 per option and under IPL ESOS 2011 plan is ₹ 1.78 per option as certified by an independent firm of Chartered Accountants.

Sr. No	Particulars	SPCL – IPLS ESOP - 2008				IPL ESOS 2009	IPL ESOS 2011
		Grant on January 10, 2008	Grant on September 15, 2008	Re-grant on December 2, 2010	Re-grant on September 1, 2012	Grant on July 4, 2009	Grant on October 7, 2011
1	Exercise price (₹ Per option)	₹ 10.00	₹ 26.00	₹ 27.80	₹ 10.00	₹ 14.00	₹ 12.00
2	Expected volatility	0%	0%	42%	34.67%	0%	30.48%
3	Expected forfeiture percentage on each vesting date	5%	5%	5%	0%	5%	0%
4	Option Life	1 through 10 years	1 through 10 years	1 through 10 years	1 through 10 years	1 through 10 years	1 through 10 years
5	Expected Dividend Yield	8%	8%	0%	0%	6.50%	16.67 % from 2014 onwards
6	Risk Free rate of Interest	8%	8%	8.03%	8.12% to 8.76%	6.50%	8.12% to 8.72%

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

The other disclosures in respect of the SPCL – IPL ESOP – 2008, IPL ESOS 2009 and IPL ESOS 2011 are as under:

Particulars	As at March 31, 2014		
	SPCL – IPL ESOP, 2008	IPL ESOS 2009	IPL ESOS 2011
Total Options under the Scheme	20,000,000	20,000,000	50,000,000
Outstanding at the beginning of the year (Nos.)	4,140,200	1,875,200	1,743,000
Options surrendered/ lapsed during the year	594,000	660,000	616,000
Exercise price for options granted on January 10, 2008	₹ 10 per option	NA	NA
Exercise price for options granted on July 4, 2009	NA	₹ 14 per option	NA
Exercise price for options re-granted on December 1, 2010	₹ 27.80 per option	NA	NA
Exercise price for options granted on October 7, 2011	NA	NA	₹ 12 per option
Options vested during the year (Nos.)	431,200	200,300	130,500
Exercised during the year (Nos.)	-	-	-
Vesting period and Percentage	Ten Years, 10% each year	Ten Years, 10% each year	Ten Years, 10% each year
Expired during the year (Nos.)	-	-	-
Options outstanding at the year-end (Nos.)	3,546,200	1,215,200	1,127,000
Out of the above exercisable at year end (Nos.)	821,400	412,400	251,000
Options which are yet to be granted (Nos.)	11,765,000	18,503,000	48,873,000
Weighted average remaining contractual life (Months)	91	71	94

Fair Value Methodology:

As the IPL ESOS 2009 Plans were issued at a value higher than 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 equity share.

The SPCL – IPL ESOP - 2008 (re-grant) and IPL ESOS 2011 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) and IPL ESOS 2011 been determined based on the fair value approach, the Company's net profit and earnings per equity share would have been as per the Proforma amounts indicated below:-

Particulars	31-Mar-14 Amount ₹	31-Mar-13 Amount ₹
Net Loss available to Equity Share Holders (as reported)	(752,713,115)	(262,833,207)
Less : Stock-based compensation expense determined under fair value based method:[Gross ₹ 3,440,881 (Previous Year: ₹ 6,510,546)] (Proforma)	2,012,293	2,232,778
Net Loss available to Equity Share Holders (Proforma)	(754,725,408)	(265,065,985)
Basic earnings per equity share (as reported)	(0.285)	(0.103)
Basic earnings per equity share (Proforma)	(0.286)	(0.104)
Diluted earnings per equity share (as reported)	(0.285)	(0.103)
Diluted earnings per equity share (Proforma)	(0.286)	(0.104)

Indiabulls Employee s' Welfare Trust:

During the FY. 2010-11, Indiabulls Employee Welfare Trust ("IEWT", "Trust") was formed, with the Company being one of the Settlor of the Trust, to administer and implement Company's current and future un-granted Employee Stock Option Schemes.

The Trust is administered by independent Trustees. In terms of the Trust Deed, equity shares of the Company were purchased by the Trust to the extent permissible in terms of ESOP/ ESOS schemes as approved by the Members of the Company, for the purpose of transfer of the same to eligible employees of the Company and its subsidiaries, upon exercise of granted options.

In response to SEBI Circular no. CIR/CFD/DIL/3/2013 dated January 17, 2013, the Company has submitted the required information to the stock exchanges within the prescribed period and has assured and represented that it shall comply with the requirements of the said Circular. SEBI has thereafter further issued Circular no. CIR/CFD/DIL/7/2013 dated May 13, 2013 and the Circular no. CIR/CFD/POLICYCELL/14/2013 dated November 29, 2013, whereby, inter-alia, SEBI has extended the timeline for alignment of the Schemes, wherever applicable, to June 30, 2014.

34 Employee Benefits

Contributions are made to the Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the eligible employees and the company make pre-determined contributions to the Provident Fund. The contributions are normally based upon a proportion of the employee's salary. The company has recognized in the Statement of Profit and Loss an amount of ₹164,552 (Previous Year: ₹ Nil) and in Expenditure during construction pending capitalization ₹ 793,868 (Previous Year: ₹ 660,610) towards employer's contribution towards Provident Fund.

Provision for unfunded Gratuity and Compensated absences payable to eligible employees on retirement/ separation is based upon an actuarial valuation as at the year ended March 31, 2014. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. After the issuance of Accounting Standard (AS) 15 (Revised) on 'Employee Benefits', as notified under the Companies (Accounting Standards) Rules, 2006, as amended, commitments are actuarially determined using the 'Projected Unit Credit Method'. Gains/ losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss/ Expenditure during construction pending capitalisation, as applicable and as identified by the Management of the Company.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of Gratuity and Compensated Absences and the amounts recognised in the financial statements for the year ended March 31, 2014 as per Accounting Standard (AS) 15- 'Employee Benefits', as notified under the Companies (Accounting Standards) Rules, 2006, as amended:

(Amount in ₹)

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Reconciliation of liability recognised in the Balance sheet:				
Present Value of commitments (as per Actuarial valuation)	23,315,732	19,603,443	14,932,730	11,517,721
Fair value of plan assets	NA	NA	NA	NA
Net liability in the Balance sheet (as per Actuarial valuation)	23,315,732	19,603,443	14,932,730	11,517,721
Movement in net liability recognised in the Balance sheet:				
Net liability as at the beginning of the year	19,603,443	15,130,191	11,517,721	9,443,753
Net amount recognised as expenses in the Statement of Profit and Loss / Expenditure during construction pending capitalization	4,788,913	5,653,769	4,901,813	3,580,561
Benefits paid	(1,839,941)	(1,180,517)	(1,755,786)	(1,506,593)
Acquisition adjustment*	763,317	-	268,982	-
Contribution during the year	NA	NA	NA	NA
Net liability as at the end of the year	23,315,732	19,603,443	14,932,730	11,517,721

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

(Amount in ₹)

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Expenses recognised in the Statement of Profit and Loss / Expenditure during construction pending capitalisation				
Current service cost	6,414,284	6,523,436	4,775,238	4,860,823
Past Service Cost	-	-	-	-
Interest Cost	1,707,964	1,363,046	1,019,909	856,672
Expected return on plan assets	-	-	-	-
Actuarial (gains) / losses	(3,333,335)	(2,232,713)	(893,334)	(2,136,934)
Expenses charged to the Statement of Profit and Loss / Expenditure during construction pending capitalisation	4,788,913	5,653,769	4,901,813	3,580,561
Return on Plan assets:				
Expected return on Plan assets	NA	NA	NA	NA
Actuarial (gains) / losses	NA	NA	NA	NA
Actual return on plan assets	NA	NA	NA	NA
Reconciliation of defined-benefit commitments:				
Commitments as at the beginning of the year	19,603,443	15,130,191	11,517,721	9,443,753
Current service cost	6,414,284	6,523,436	4,775,238	4,860,823
Past Service Cost	-	-	-	-
Interest cost	1,707,964	1,363,046	1,019,909	856,672
Benefits paid	(1,839,941)	(1,180,517)	(1,755,786)	(1,506,593)
Actuarial (gains) / losses	(3,333,335)	(2,232,713)	(893,334)	(2,136,934)
Acquisition adjustment*	763,317	-	268,982	-
Commitments as at the end of the year	23,315,732	19,603,443	14,932,730	11,517,721
Reconciliation of Plan assets:				
Plan assets as at the beginning of the year	NA	NA	NA	NA
Expected return on plan assets	NA	NA	NA	NA
Contributions during the year	NA	NA	NA	NA
Paid benefits	NA	NA	NA	NA
Actuarial (gains) / losses	NA	NA	NA	NA
Plan assets as at the end of the year	NA	NA	NA	NA

* Liability transferred from Indiabulls Infrastructure and Power Limited, the Company having substantial interest pursuant to services of certain employees transferred to the Company effective September 01, 2013.

(Amount in ₹)

Particulars	Gratuity (Unfunded)				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Experience adjustments:					
On plan liabilities	2,163,475	2,277,714	(2,865,549)	(437,733)	(988,003)
On plan assets	-	-	-	-	-
Present value of benefit obligation	23,315,732	19,603,443	15,130,191	10,677,957	6,303,827
Fair value of plan assets	-	-	-	-	-
Excess of (obligation over plan assets)	(23,315,732)	(19,603,443)	(15,130,191)	(10,677,957)	(6,303,827)

(Amount in ₹)

Particulars	Compensated Absences (Unfunded)				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Experience adjustments:					
On plan liabilities	179,136	2,365,391	(1,987,504)	880,781	(980,359)
On plan assets	-	-	-	-	-
Present value of benefit obligation	14,932,730	11,517,721	9,443,753	7,655,606	4,580,527
Fair value of plan assets	-	-	-	-	-
Excess of (obligation over plan assets)	(14,932,730)	(11,517,721)	(9,443,753)	(7,655,606)	(4,580,527)

The actuarial valuation in respect of commitments and expenses relating to unfunded Gratuity and Compensated absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

(a) Economic Assumptions

	31-Mar-14	31-Mar-13
Discount rate	8.50%	8.00%
Expected return on plan assets	NA	NA
Expected rate of salary increase	5.00%	5.00%

(b) Demographic Assumptions

	31-Mar-14	31-Mar-13
Retirement Age	60 Years	60 Years
Mortality Table	IALM (2006 - 08)	IALM (1994-96)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
- Upto 30 Years	3	3
- From 31 to 44 Years	2	2
- Above 44 Years	1	1

The employer's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity and Compensated Absences is ₹5,286,243 (Previous Year: ₹ 7,263,484) and ₹ 4,128,228 (Previous Year: ₹ 4,717,448) respectively.

35 Earnings Per Equity Share (EPS):

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

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

Amount in ₹ except number of shares

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Loss for the year (₹)	(752,713,115)	(262,833,207)
Weighted average number of Shares used in computing Basic earnings per equity share (Number of Shares)	2,642,729,953	2,551,681,842
Add: Effect of number of equity shares on account of Employees Stock option plans of the company	-	896,731
Weighted average number of Shares used in computing Diluted earnings per equity share (Number of Shares)	2,642,729,953	2,552,578,573
Face Value per equity share – (₹)	10.00	10.00
Basic Earnings per equity share – (₹)	(0.285)	(0.103)
Diluted Earnings per equity share – (₹)	(0.285)	(0.103)

ESOSs and ESOPs which are anti-dilutive have been ignored from Earnings Per Equity Share calculation.

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

Nature of relationship

Related party

Related parties where control exists:

I. Holding Company

Indiabulls Infrastructure and Power Limited (upto June 20, 2012)
(Refer Note 1)

II. Company having substantial interest

Indiabulls Infrastructure and Power Limited (w.e.f. June 21, 2012)
(Refer Note 1)

Other related parties:

III. Subsidiaries*

Name of Subsidiary Companies	Name of Subsidiary Companies
Airmid Power Limited	Indiabulls Power Generation Limited
Albina Power Limited	Indiabulls Power Infrastructure Limited
Amravati Power Transmission Company Limited	Indiabulls Power Management Limited
Angina Power Limited	Indiabulls Power Projects Development Limited
Apesh Power Limited	Indiabulls Power Projects Limited
Aravali Properties Limited	Indiabulls Power Solutions Limited
Ashkit Power Limited	Indiabulls Power Supply Limited
Bracond Limited	Indiabulls Power Systems Limited
Chloris Power Limited	Indiabulls Power Trading Limited
Citra Thermal Power and Infrastructure Limited	Indiabulls Power Transmission Limited
Corus Power Limited***	Indiabulls Power Utility Limited
Devona Thermal Power and Infrastructure Limited	Indiabulls Powergen Limited
Diana Energy Limited	Indiabulls Realtech Limited
Diana Power Limited	Indiabulls Thermal Energy Limited
Elena Power And Infrastructure Limited	Indiabulls Thermal Power Limited
Fama Power Company Limited	Indiabulls Thermal Power Management Limited
Fornax Power Limited	Indiabulls Thermal Power Projects Limited

Name of Subsidiary Companies	Name of Subsidiary Companies
Genoformus Limited	Indiabulls Thermal Projects Limited
Hecate Electric Limited	Indiabulls Water Supply & Waste Management Services Limited
Hecate Energy Private Limited	Kaya Hydropower Projects Limited
Hecate Energy Trading Limited	Lenus Power Limited
Hecate Hydro Electric Power Limited	Lucina Power And Infrastructure Limited
Hecate Power and Energy Resources Limited	Mabon Power Limited
Hecate Power Company Limited	Mariana Power Limited
Hecate Power Development Limited	Pachi Hydropower Projects Limited**
Hecate Power Distributors Limited	Papu Hydropower Projects Limited**
Hecate Power Generation Limited	Poana Power Systems Limited
Hecate Power Limited	Poena Hydro Power Projects Limited
Hecate Power Management Limited	Poena Power Company Limited
Hecate Power Projects Limited	Poena Power Development Limited
Hecate Power Services Limited	Poena Power Distributors Limited
Hecate Power Solutions Limited	Poena Power Generation Limited
Hecate Power Supply Limited	Poena Power Limited
Hecate Power Systems Limited	Poena Power Management Limited
Hecate Power Transmission Limited	Poena Power Services Limited
Hecate Power Utility Limited	Poena Power Solutions Limited
Hecate Powergen Limited	Poena Power Trading Limited
Hecate Thermal Power And Infrastructure Limited	Poena Power Utility Limited
Indiabulls CSEB Bhaiyathan Power Limited	Poena Thermal Power Limited
Indiabulls Electric Company Limited	Renemark Limited
Indiabulls Electric Energy Limited	Selene Power Company Limited
Indiabulls Electric Limited	Sentia Thermal Power and Infrastructure Limited
Indiabulls Electric Power Limited	Sepla Hydropower Projects Limited
Indiabulls Electricity Company Limited	Sepset Thermal Power and Infrastructure Limited
Indiabulls Electricity Generation Limited	Serida Power Limited
Indiabulls Hydro Electric Power Limited	Sinnar Power Transmission Company Limited
Indiabulls Hydro Energy Limited	Tharang Warang Hydropower Projects Limited
Indiabulls Hydro Power Limited	Triton Energy Limited
Indiabulls Hydro Power Projects Limited	Varali Power Limited
Indiabulls Power Development Limited	Zeus Energy Limited
Indiabulls Power Distribution Limited	
Indiabulls Power Generation Company Limited	

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

** Sale of wholly owned subsidiaries to CSEC Limited was effected as on May 15, 2012

*** Sale of wholly owned subsidiary to IIC Limited, was effected as on May 21, 2012

Notes forming part of the Financial Statements of Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

IV. Enterprise over which Key Management Personnel have significant influence –

(with whom transactions have been entered during the year/ previous year)

IIC Limited (formerly known as Indiabulls Infrastructure Company Limited)

V. Interest in the Trust –

IPL-PPSL Scheme Trust (Refer note 1)

VI. Key Management Personnel

Name	Designation
Sameer Gehlaut	Chairman and Director of the Company
Rajiv Rattan	Vice Chairman and Whole Time Director of the Company
Saurabh K. Mittal	Director of the Company
Ajit Kumar Panda	Manager of the Company
Ranjit Gupta	Chief Executive Officer of the Company (upto October 19, 2012)
Vishna Chandra Vishwakarma	Whole Time Director of the Company (w.e.f. February 14, 2014)
Rajendra Kumar Sugandhi	Deputy Managing Director of the Company, (Acting CEO)

VII. Summary of significant Transactions with Related Parties:

(Amount in ₹)

Nature of Transactions	Year Ended	Holding Company/ Company having Substantial Interest	Subsidiaries	Enterprise over which Key Management Personnel have significant influence	Key Management Personnel	Total
Finance						
Investment in Equity Shares	31-Mar-14	-	3,751,522,000	-	-	3,751,522,000
	31-Mar-13	-	3,606,000,000	-	-	3,606,000,000
Sale of Investment In Equity Shares of Subsidiary Company	31-Mar-14	-	-	-	-	-
	31-Mar-13	-	-	500,000	-	500,000
Loan Taken / Inter Corporate Deposit Received*	31-Mar-14	437,200,000	-	-	-	437,200,000
	31-Mar-13	293,400,000	-	-	-	293,400,000
Loan Given / Inter Corporate Deposit Placed*	31-Mar-14	-	8,025,283,038	-	-	8,025,283,038
	31-Mar-13	-	9,315,277,331	-	-	9,315,277,331
Expenses						
Interest on Loan Taken / Inter Corporate Deposit Received	31-Mar-14	29,485,733	-	-	-	29,485,733
	31-Mar-13	24,685,964	-	-	-	24,685,964
Loan Given/ Inter Corporate Deposits Placed written off	31-Mar-14	-	212,679,190	-	-	212,679,190
	31-Mar-13	-	271,244,950	-	-	271,244,950
Reimbursement received of Personnel Costs/ employee benefit liability	31-Mar-14	1,032,299	-	-	-	1,032,299
	31-Mar-13	-	-	-	-	-
Reimbursement received of Bank Guarantee Financing charges including General expenses	31-Mar-14	1,691,746	7,375,322	185,225	-	9,252,293
	31-Mar-13	120,664	4,794,570	255,444	-	5,170,678
Remuneration	31-Mar-14	-	-	-	11,872,525	11,872,525
	31-Mar-13	-	-	-	15,935,547	15,935,547

Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

(Amount in ₹)

Nature of Transactions	Year Ended	Holding Company/ Company having Substantial Interest	Subsidiaries	Enterprise over which Key Management Personnel have significant influence	Key Management Personnel	Total
Income						
Interest on Loan Given / Inter Corporate Deposit Placed	31-Mar-14	-	9,655,815	-	-	9,655,815
	31-Mar-13	-	12,102,620	-	-	12,102,620
Interest on advances given	31-Mar-14	-	339,964,712			339,964,712
	31-Mar-13	-	-			
Construction & Project Related Income	31-Mar-14	-	-	-	-	-
	31-Mar-13	-	-	2,230,053	-	2,230,053
Consultancy Income (Excluding Taxes)	31-Mar-14	-	420,000,000	-	-	420,000,000
	31-Mar-13	-	-	-	-	-
Others						
Disposals of Fixed Assets (Excluding taxes)	31-Mar-14	-	972,414	-	-	972,414
	31-Mar-13	-	-	-	-	-
Capital Work-in-Progress (Excluding taxes)	31-Mar-14	-	4,478,031,311	1,000,203,368	-	5,478,234,679
	31-Mar-13	-	14,010,470,673	967,742,316	-	14,978,212,989
Capital Advances	31-Mar-14	-	736,573,868	505,289,429	-	1,241,863,297
	31-Mar-13	-	158,638,295	1,101,734,918	-	1,260,373,213
Vendor Advance Transferred	31-Mar-14	-	15,826,374			15,826,374
	31-Mar-13	-	-			
Capital Advances received back	31-Mar-14	-	-	-	-	-
	31-Mar-13	-	237,352,500	-	-	237,352,500
Short term advances given/ (received back)	31-Mar-14	-	(1,690,299,402)	-	-	(1,690,299,402)
	31-Mar-13	-	750,459,044	-	-	750,459,044
Bank Guarantees	31-Mar-14	-	Refer Note 30	-	-	-
	31-Mar-13					

* Maximum outstanding balance at any time during the year.

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

VIII. Summary of Outstanding Balances as at March 31, 2014

(Amount in ₹)

Nature of Transactions	Year Ended	Holding Company/ Company having Substantial Interest	Subsidiaries	Enterprise over which Key Management Personnel have significant influence	Total
Loan Taken/ Inter Corporate Deposit Received	31-Mar-14	434,050,000	-	-	434,050,000
	31-Mar-13	250,550,000	-	-	250,550,000
Loan Given/ Inter Corporate Deposit Placed	31-Mar-14	-	5,008,150,641	-	5,008,150,641
	31-Mar-13	-	6,415,709,989	-	6,415,709,989
Accrued Interest on Loan Taken/ Inter Corporate Deposits Received	31-Mar-14	26,537,159	-	-	26,537,159
	31-Mar-13	22,217,368	-	-	22,217,368
Accrued Interest on Loan Given/ Inter Corporate Deposits Placed	31-Mar-14	-	90,131,826	-	90,131,826
	31-Mar-13	-	73,819,109	-	73,819,109
Construction & Project Related Income	31-Mar-14	-	-	-	-
	31-Mar-13	-	-	2,230,053	2,230,053
General and Personnel cost receivable/ (payable)	31-Mar-14	-	(7,365,916)	-	(7,365,916)
	31-Mar-13	119,164	(5,726,915)	255,444	(5,352,307)
Short Term Advances	31-Mar-14	-	-	-	-
	31-Mar-13	-	1,690,299,402	-	1,690,299,402
Trade Receivables	31-Mar-14	-	174,012,000	-	174,012,000
	31-Mar-13	-	-	-	-
Vendor Advance Transferred (payable)	31-Mar-14	-	(15,826,374)	-	(15,826,374)
	31-Mar-13	-	-	-	-
Capital Advances	31-Mar-14	-	1,155,109,607	4,138,682,438	5,293,792,045
	31-Mar-13	-	1,883,908,763	3,986,779,484	5,870,688,247
Retention Money Payable/ Payables on Purchase of Fixed Assets	31-Mar-14	-	1,694,440,935	226,769,934	1,921,210,869
	31-Mar-13	-	1,780,578,136	174,321,198	1,954,899,334

Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

IX. Outstanding Balance as at Balance Sheet date (Other than Loans Given / (Taken) Inter Corporate Deposits Placed / (Received)):

Name of Related Party	Year ended	Accrued Interest on Loan Given/ (Taken) / Inter Corporate Deposits (Received)/ Placed	Construction & Project Related Income	General and Personnel costs receivable / (payable)	Short term advances	Trade Receivables	Vendor Advance Transferred (payable)	Capital Advances	Retention Money Payable/ Payables on Purchase of Fixed Assets	Amount in ₹ (Unless otherwise Stated)
Holding Company / Company having Substantial Interest										
Indiabulls Infrastructure and Power Limited	31-Mar-14	(26,537,159)	-	-	-	-	-	-	-	-
	31-Mar-13	(22,217,368)	-	119,164	-	-	-	-	-	-
Subsidiaries										
Elena Power And Infrastructure Limited	31-Mar-14	-	-	-	-	-	-	1,155,109,607	1,694,440,935	
	31-Mar-13	-	-	193,750	-	-	-	1,883,908,763	1,780,578,136	
Bracond Limited	31-Mar-14	89,153,813 (USD 1,483,429)	-	-	-	-	-	-	-	
	31-Mar-13	72,978,583 (USD 1,341,782)	-	-	-	-	-	-	-	
Devona Thermal Power And Infrastructure Limited	31-Mar-14	875,010	-	-	-	-	-	-	-	
	31-Mar-13	751,508	-	-	-	-	-	-	-	
Indiabulls Realtech Limited	31-Mar-14	-	-	(7,365,916)	-	-	(15,826,374)	-	-	
	31-Mar-13	-	-	(6,073,910)	-	-	-	-	-	
Indiabulls CSEB Bhayathan Power Limited	31-Mar-14	-	-	-	-	-	-	-	-	
	31-Mar-13	-	-	8,246	-	-	-	-	-	
Amravati Power Transmission Limited	31-Mar-14	-	-	-	-	-	-	-	-	
	31-Mar-13	-	-	45,477	1,690,299,402	-	-	-	-	
Poena Power Development Limited	31-Mar-14	-	-	-	-	-	-	-	-	
	31-Mar-13	-	-	7,474	-	-	-	-	-	
Poena Power Limited	31-Mar-14	50,390	-	-	-	-	-	-	-	
	31-Mar-13	44,659	-	-	-	-	-	-	-	
Hecate Power Transmission Limited	31-Mar-14	52,613	-	-	-	-	-	-	-	
	31-Mar-13	44,359	-	-	-	-	-	-	-	
Sinnar Power Transmission Company Limited	31-Mar-14	-	-	-	-	-	-	-	-	
	31-Mar-13	-	-	92,048	-	-	-	-	-	
Enterprise over which Key Management Personnel have significant influence										
IIC Limited (formerly known as Indiabulls Infrastructure Company Limited)	31-Mar-14	-	-	-	-	-	-	4,138,682,438	226,769,934	
	31-Mar-13	-	2,230,053	255,444	-	-	-	3,986,779,484	174,321,198	
Total	31-Mar-14	63,594,667	-	(7,365,916)	-	174,012,000	(15,826,374)	5,293,792,045	1,921,210,869	
	31-Mar-13	51,601,741	2,230,053	(5,352,307)	1,690,299,402	-	-	5,870,688,247	1,954,899,334	

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

X. Statement of Material Transactions

a) In respect of Investment in Equity Shares, Loan Given/ (Taken) Inter Corporate Deposit Placed/ (Received) [Maximum Outstanding Balances] and interest thereon, Outstanding Balances of Loans Given/ (Taken) Inter Corporate Deposits placed/ (Received) as on Balance Sheet date, Loan Given/ Inter Corporate Deposits Placed written off, Disposals of Fixed Assets, Reimbursement received of Personnel Costs/ employee benefit liability and Reimbursement received of Bank Guarantees Financing charges including General expenses:

Name of Related Party	Year ended	Investment in Equity Shares	Loan Given/ (Taken) Inter Corporate Deposits Placed/ (Received) [Maximum Outstanding Balances]	Interest Expense/ (Income) for Loans Taken/ Given and Inter Corporate Deposits Received/Placed	Outstanding advances Balances of Loans Given/ (Taken) Inter Corporate Deposits Placed/ (Received)	Loan Given/ Inter Corporate Deposits Placed written off	Disposals of Fixed Assets (Excluding taxes)	Reimbursement received of Personnel Costs/ employee benefit liability	Reimbursement received of BG Financing charges including General expenses ⁽ⁱ⁾
Holding Company / Company having Substantial Interest									
Indiabulls Infrastructure and Power Limited	31-Mar-14	-	(437,200,000)	29,485,733	(434,050,000)	-	-	1,032,299	1,691,746
	31-Mar-13	-	(293,400,000)	24,685,964	(250,550,000)	-	-	-	120,664
Subsidiaries									
Airmid Power Limited	31-Mar-14	-	2,820,031	-	2,820,031	-	-	-	-
	31-Mar-13	-	2,750,031	-	2,750,031	-	-	-	-
Amravati Power Transmission Company Limited	31-Mar-14	690,375,000	203,950,000	-	-	-	-	-	995,294
	31-Mar-13	-	-	-	-	-	-	-	46,377
Angina Power Limited	31-Mar-14	-	6,122,000	-	6,122,000	-	-	-	-
	31-Mar-13	-	6,052,000	-	6,052,000	-	-	-	-
Aravali Properties Limited	31-Mar-14	-	8,613,500	-	8,613,500	-	-	-	-
	31-Mar-13	-	8,553,500	-	8,553,500	-	-	-	-
Bracond Limited	31-Mar-14	-	1,059,580,000 (USD 15,500,000)	(8,569,134) (USD 141,647)	931,546,900 (USD 15,500,000)	-	-	-	-
	31-Mar-13	-	1,023,130,000 (USD 20,000,000)	(11,168,702) (USD 205,114)	843,034,150 (USD 15,500,000)	-	-	-	-
Citra Thermal Power And Infrastructure Limited	31-Mar-14	-	1,539,074	-	1,539,074	-	-	-	-
	31-Mar-13	-	1,524,074	-	1,524,074	-	-	-	-
Corus Power Limited	31-Mar-14	-	-	-	-	-	-	-	-
	31-Mar-13	-	80,000	-	-	-	-	-	-
Devona Thermal Power and Infrastructure Limited	31-Mar-14	-	10,334,802	(972,233)	10,334,802	-	-	-	-
	31-Mar-13	-	9,482,802	(835,009)	9,482,802	-	-	-	-
Elena Power And Infrastructure Limited	31-Mar-14	-	2,183,065,000	-	518,775,000	-	972,414	-	78,730
	31-Mar-13	-	1,103,565,000	-	1,060,565,000	-	-	-	1,764,521
Fama Power Company Limited	31-Mar-14	-	495,000	-	495,000	-	-	-	-
	31-Mar-13	-	480,000	-	480,000	-	-	-	-
Hecate Power Projects Limited	31-Mar-14	-	80,000	-	80,000	-	-	-	-
	31-Mar-13	-	60,000	-	60,000	-	-	-	-
Hecate Power Solutions Limited	31-Mar-14	-	75,000	-	75,000	-	-	-	-
	31-Mar-13	-	60,000	-	60,000	-	-	-	-
Hecate Power Systems Limited	31-Mar-14	-	1,000,000	-	1,000,000	-	-	-	-
	31-Mar-13	-	1,000,000	-	1,000,000	-	-	-	-

Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

X. Statement of Material Transactions (Contd..)

Name of Related Party	Year ended	Investment in Equity Shares	Loan Given/ (Taken) Inter Corporate Deposits Placed/ (Received) [Maximum Outstanding Balances]	Interest Expense/ (Income) for Loans Taken/ Given and Inter Corporate Deposits Received/Placed	Outstanding advances Balances of Loans Given/ (Taken) Inter Corporate Deposits Placed/ (Received)	Loan Given/ Inter Corporate Deposits Placed written off	Disposals of Fixed Assets (Excluding taxes)	Amount in ₹ (Unless otherwise Stated)		
								Reimbursement received of Personnel Costs/ employee benefit liability	Reimbursement received of BG Financing charges including General expenses ⁽ⁱ⁾	
Hecate Power Transmission Limited	31-Mar-14	-	626,000	(58,459)	626,000	-	-	-	-	-
	31-Mar-13	-	561,000	(49,288)	561,000	-	-	-	-	-
	31-Mar-14	-	-	-	-	-	-	-	-	-
	31-Mar-13	-	2,970,000	-	-	-	-	-	-	-
Hecate Thermal Power And Infrastructure Limited	31-Mar-14	-	-	-	-	-	-	-	-	-
	31-Mar-13	-	2,495,000	-	-	-	-	-	-	-
Indiabulls CSEB Bhaiyathan Power Limited	31-Mar-14	-	519,749,780	-	308,480,590	212,679,190	-	-	-	-
	31-Mar-13	-	794,213,727	-	518,274,780	271,244,950	-	-	-	9,746
Indiabulls Electricity Company Limited	31-Mar-14	-	1,090,000	-	1,090,000	-	-	-	-	-
	31-Mar-13	-	1,075,000	-	1,075,000	-	-	-	-	-
Indiabulls Hydro Electric Power Limited	31-Mar-14	-	739,500	-	739,500	-	-	-	-	-
	31-Mar-13	-	724,500	-	724,500	-	-	-	-	-
Indiabulls Hydro Energy Limited	31-Mar-14	-	1,743,000	-	1,743,000	-	-	-	-	-
	31-Mar-13	-	1,723,000	-	1,723,000	-	-	-	-	-
Indiabulls Power Generation Limited	31-Mar-14	-	-	-	-	-	-	-	-	-
	31-Mar-13	-	-	-	-	-	-	-	-	9,618
Indiabulls Power Infrastructure Limited	31-Mar-14	-	4,122,054	-	4,122,054	-	-	-	-	-
	31-Mar-13	-	4,102,054	-	4,102,054	-	-	-	-	-
Indiabulls Realtech Limited	31-Mar-14	3,061,147,000	124,700,000	-	124,700,000	-	-	-	-	2,496,205
	31-Mar-13	3,606,000,000	177,900,000	-	72,000,000	-	-	-	-	2,863,286
Kaya Hydropower Projects Limited	31-Mar-14	-	9,742,929	-	9,742,929	-	-	-	-	82,617
	31-Mar-13	-	8,782,929	-	8,782,929	-	-	-	-	-
Lucina Power and Infrastructure Limited	31-Mar-14	-	800,000	-	800,000	-	-	-	-	-
	31-Mar-13	-	800,000	-	800,000	-	-	-	-	-
Pachi Hydropower Projects Limited	31-Mar-14	-	-	-	-	-	-	-	-	-
	31-Mar-13	-	21,185,335	-	-	-	-	-	-	-
Papu Hydropower Projects Limited	31-Mar-14	-	-	-	-	-	-	-	-	-
	31-Mar-13	-	16,417,210	-	-	-	-	-	-	-
Poana Power Systems Limited	31-Mar-14	-	1,000,000	-	1,000,000	-	-	-	-	-
	31-Mar-13	-	1,000,000	-	1,000,000	-	-	-	-	-

Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

X. Statement of Material Transactions (Contd..)

Name of Related Party	Year ended	Investment in Equity Shares	Loan Given/ (Taken) Inter Corporate Deposits Placed/ (Received) [Maximum Outstanding Balances]	Interest Expense/ (Income) for Loans Taken/ Given and Inter Corporate Deposits Received/Placed	Outstanding advances Balances of Loans Given/ (Taken) Inter Corporate Deposits Placed/ (Received)	Loan Given/ Inter Corporate Deposits Placed written off	Disposals of Fixed Assets (Excluding taxes)	Amount in ₹ (Unless otherwise Stated)	
								Reimbursement received of Personnel Costs/ employee benefit liability	Reimbursement received of BG Financing charges including General expenses ⁽ⁱ⁾
Poena Power Development Limited	31-Mar-14	-	3,857,676,806	-	3,048,086,699	-	-	-	-
	31-Mar-13	-	6,105,496,607	-	3,854,011,607	-	-	-	8,074
Poena Power Limited	31-Mar-14	-	595,000	(55,989)	595,000	-	-	-	-
	31-Mar-13	-	550,000	(49,621)	550,000	-	-	-	-
Sinnar Power Transmission Company Limited	31-Mar-14	-	-	-	-	-	-	-	145,728
	31-Mar-13	-	-	-	-	-	-	-	92,948
Selene Power Company Limited	31-Mar-14	-	835,000	-	835,000	-	-	-	-
	31-Mar-13	-	835,000	-	835,000	-	-	-	-
Sentia Thermal Power And Infrastructure Limited	31-Mar-14	-	139,000	-	139,000	-	-	-	-
	31-Mar-13	-	69,000	-	69,000	-	-	-	-
Sepla Hydropower Projects Limited	31-Mar-14	-	10,835,923	-	10,835,923	-	-	-	2,033,866
	31-Mar-13	-	7,600,923	-	7,600,923	-	-	-	-
Tharang Warang Hydropower Projects Limited	31-Mar-14	-	11,248,139	-	11,248,139	-	-	-	1,542,882
	31-Mar-13	-	8,193,139	-	8,193,139	-	-	-	-
Triton Energy Limited	31-Mar-14	-	66,000	-	66,000	-	-	-	-
	31-Mar-13	-	66,000	-	66,000	-	-	-	-
Varali Power Limited	31-Mar-14	-	1,265,500	-	1,265,500	-	-	-	-
	31-Mar-13	-	1,215,500	-	1,215,500	-	-	-	-
Zeus Energy Limited	31-Mar-14	-	634,000	-	634,000	-	-	-	-
	31-Mar-13	-	564,000	-	564,000	-	-	-	-
Enterprises over which Key Management Personnel have significant influence									
IIC Limited (Formerly known as Indiabulls Infrastructure Company Limited)	31-Mar-14	-	-	-	-	-	-	-	185,225
	31-Mar-13	-	-	-	-	-	-	-	255,444
Total	31-Mar-14	3,751,522,000	7,588,083,038	19,829,918	4,574,100,641	212,679,190	972,414	1,032,299	9,252,293
	31-Mar-13	3,606,000,000	9,021,877,331	12,583,344	6,165,159,989	271,244,950	-	-	5,170,678

(i) Apart from the above transactions, the Company has also paid ROC fees on behalf of its subsidiaries and received reimbursement towards the same amount being in the range of ₹ 500 to ₹ 3,000 for the year ended March 31, 2014 and March 31 2013.

Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)

Notes forming part of the financial statements for the year ended March 31, 2014
b) In respect of Capital Work-in-Progress, Capital Advances, Vendor Advance Transferred, Capital Advances received back, Sale of Investment in Equity Shares of Subsidiary Company, Short term advances, Interest Income on advances given, Construction & Project Related Income, Consultancy Income and Remuneration.

Name of Related Party	Year ended	Capital Work-in-Progress (Excluding Taxes)	Capital Advances	Vendor Advance Transferred	Capital Advances received back	Sale of Investment in Equity Shares of Subsidiary Company	Short term advances Given/ (Received back)	Interest Income on advances given	Amount in ₹ (Unless otherwise Stated)		
									Construction & Project Related Income (Excluding Taxes)	Consultancy Income (Excluding Taxes)	Remuneration
Subsidiaries											
Indiabulls Reatech Limited	31-Mar-14	-	-	15,826,374	-	-	-	-	-	-	-
	31-Mar-13	-	-	-	-	-	-	-	-	-	-
Elena Power And Infrastructure Limited	31-Mar-14	4,478,031,311	736,573,868	-	-	-	-	-	-	420,000,000	-
	31-Mar-13	14,010,470,673	158,638,295	-	237,352,500	-	-	-	-	-	-
Amravati Power Transmission Company Limited	31-Mar-14	-	-	-	-	-	(1,690,299,402)	339,964,712	-	-	-
	31-Mar-13	-	-	-	-	-	750,459,044	-	-	-	-
Enterprises over which Key Management Personnel have significant influence											
IIC Limited (Formerly known as Indiabulls Infrastructure Company Limited)	31-Mar-14	1,000,203,368	505,289,429	-	-	-	-	-	-	-	-
	31-Mar-13	967,742,316	1,101,734,918	-	-	500,000	-	-	2,230,053	-	-
Key Management Personnel											
Ranjit Gupta	31-Mar-14	-	-	-	-	-	-	-	-	-	-
	31-Mar-13	-	-	-	-	-	-	-	-	-	11,021,508
Ajit Kumar Panda	31-Mar-14	-	-	-	-	-	-	-	-	-	2,179,842
	31-Mar-13	-	-	-	-	-	-	-	-	-	-
Vishna Chandra Vishwakarma	31-Mar-14	-	-	-	-	-	-	-	-	-	3,554,171
	31-Mar-13	-	-	-	-	-	-	-	-	-	-
Rajendra Kumar Sugandhi	31-Mar-14	-	-	-	-	-	-	-	-	-	6,138,512
	31-Mar-13	-	-	-	-	-	-	-	-	-	4,914,039
Total	31-Mar-14	5,478,234,679	1,241,863,297	15,826,374	-	-	(1,690,299,402)	339,964,712	-	420,000,000	11,872,525
	31-Mar-13	14,978,212,989	1,260,373,213	-	237,352,500	500,000	750,459,044	-	2,230,053	-	15,935,547

Besides the above transactions, the Company also provides certain common facilities to its subsidiary companies, free of cost, such as office premises, computers and software platform and other administrative facilities.

Note: Related Party relationships as given above, is as identified by the Management of the Company.

**Notes forming part of the Financial Statements of
Indiabulls Power Limited. for the year ended March 31, 2014 (contd.)**

37 Details of consumption of imported and indigenous items:

Particulars	For the year ended March 31, 2014		For the year ended March 31, 2013	
	Amount (₹)	%	Amount (₹)	%
(i) Indigenous*	2,298,617,232	100%	119,051,584	100%
(ii) Imported	Nil	Nil	Nil	Nil
TOTAL	2,298,617,232	100%	119,051,584	100%

*Out of the above consumption amounting to ₹ 465,201,643 (Previous Year ₹ 119,051,584) is Included under Expenditure during construction pending capitalisation- Pre-operative expenses (Refer Note 13).

- 38** The Company has taken various premises on operating leases/ leave and license and lease payments recognized in the Statement of Profit and Loss/ Expenditure during construction pending capitalisation for the year ended March 31, 2014 is ₹ 95,816,050 (Previous Year: ₹ 194,771,630) in respect of the same have been incurred during the year ended March 31, 2014. The underlying agreements are executed for a period generally ranging from one year to three years, renewable at the option of the Company and are cancellable, by giving a notice generally of 30 to 90 days. There are no restrictions imposed by such leases and there are no subleases. The minimum lease rentals outstanding as at March 31, 2014, are as under:

Minimum lease rentals payables	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
Within one year	8,071,896	43,088,809
One to Five years	6,579,802	3,580,274
Above Five Years	Nil	Nil

39 Statement of acquisition and sale of long term investments during the year ended March 31, 2014:

Investment in	Year ended	Investments made during the year		Investments sold during the year	
		No. of shares	Amount (₹)	No. of shares	Amount (₹)
Indiabulls Realtech Limited	31-Mar-14	3,061,147	3,061,147,000	-	-
	31-Mar-13	3,606,000	3,606,000,000	-	-
Corus Power Limited	31-Mar-14	-	-	-	-
	31-Mar-13	-	-	50,000	500,000
Papu Hydropower Projects Limited	31-Mar-14	-	-	-	-
	31-Mar-13	-	-	50,000	117,000,000
Pachi Hydropower Projects Limited	31-Mar-14	-	-	-	-
	31-Mar-13	-	-	50,000	71,270,000
Amravati Power Transmission Company Limited	31-Mar-14	690,375	690,375,000	-	-
	31-Mar-13	-	-	-	-
Total	31-Mar-14	3,751,522	3,751,522,000	-	-
	31-Mar-13	3,606,000	3,606,000,000	150,000	188,770,000

- 40** The disclosure as per Clause 32 of the Listing Agreements with Stock Exchanges related to Loans and advances in the nature of loans given to subsidiaries, associates and others and investments in shares of the Company by such parties is covered in the related party disclosures. (Refer Note 36)
- 41** Expenditure during construction pending capitalisation includes expenditure (net of income) incurred during the year aggregating to ₹ 6,727,122,261 (Previous Year: ₹ 6,164,629,382), relating to the setting up of the Amravati Project.

42 Employee Benefits expense - transfers/ apportionments:

The Company has taken over employee benefit liability aggregating to ₹ 1,032,299 (Previous Year: ₹ NIL) from Indiabulls Infrastructure and Power Limited, a company having substantial interest in the Company, pursuant to services of certain employees transferred to the Company.

43 The Company is engaged in power generation and the setting up of power projects for generating, transmitting and supplying all forms of electrical energy and to undertake allied/ Incidental activities. Considering the nature of the Company's business and operations, the company has one reportable business segment i.e. "Power generation and allied activities" and operates in one geographical segment, i.e. "within India". Hence, no separate information for segment wise disclosure is given in accordance with the requirements of Accounting Standard 17 – 'Segment Reporting', as notified under the Companies (Accounting Standards) Rules, 2006, as amended.

44 The Company considers its investment in subsidiaries as strategic and long term in nature and accordingly, in the view of the Management, any decline in value of such long-term investments in subsidiaries is considered as temporary in nature and hence no provision for diminution in value is considered necessary.

45 As per the best estimate of the Management, no provision is required to be made as per Accounting Standard (AS) 29 on Provisions, Contingent Liabilities and Contingent Assets as notified under the Companies (Accounting Standards) Rules, 2006, as amended in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

46 In respect of amounts as mentioned under Section 205C of the Companies Act, 1956, there were no dues required to be credited to the Investor Education and Protection Fund as at March 31, 2014 and March 31, 2013.

47 In the opinion of the Board of Directors, all current and non-current assets, long term and short term loans and advances appearing in the Balance Sheet as at March 31, 2014 and March 31, 2013 have a value on realisation in the ordinary course of the Company's business at least equal to the amount at which they are stated in the Balance Sheet.

48 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006:

- a) An amount of ₹ Nil (Previous Year: ₹ Nil) and ₹ Nil (Previous Year: ₹ 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 and that given in Note 9 - 'Trade Payables' regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

49 The Company has not entered into any derivative instruments during the year. The Company has not incurred any expenditure in foreign currency during the year or previous year. Foreign currency exposure not hedged as at March 31, 2014 pertaining to Inter-Corporate Deposits (ICD) given to wholly owned foreign subsidiary company of ₹ 931,546,900 (US Dollars 15.50 million) (Previous Year: ₹ 843,034,150 (US Dollars 15.50 million)). Interest receivable on the above ICD not hedged as at March 31, 2014 ₹ 89,153,813 (US Dollars 1,483,429) (Previous Year: ₹ 72,978,583 (US Dollars 1,341,782)).

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

For and on behalf of the Board of Directors

Rajiv Rattan
Vice Chairman

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

Place: Gurgaon

Date : May 12, 2014

Statement Pursuant to Section 212 (1)(e) of the Companies Act, 1956 , relating to Company's interest in Subsidiary Companies for the financial Year 2013-14

(Amount in ₹)

Sr. No	Name of the subsidiary company	Financial year/ period ending of the subsidiary companies	Date from which they became subsidiary companies	Holding company's interest number of shares held (Equity Shares of ₹ 10 each stated otherwise)	Extent of Holding	The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company			
						a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts	
						i) For the Financial Year ended 31st March 2014	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	i) For the Financial year ended 31st March 2014	ii) For the previous financial years of the subsidiary companies since they become Holding Company's subsidiaries
1	Airmid Power Limited	31-Mar-14	25-Feb-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(56,780)	(3,302,837)	NIL	NIL
2	Albina Power Limited	31-Mar-14	26-Feb-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	14,323	(102,299)	NIL	NIL
3	Amravati Power Transmission Company Limited (formerly Poena Power Transmission Limited)	31-Mar-14	8-Jul-08	740,375 Equity shares of Rs. 10 each fully paid up	100%	2,538,420	1,138,195	NIL	NIL
4	Angina Power Limited	31-Mar-14	24-Apr-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(57,080)	(156,943)	NIL	NIL
5	Apesh Power Limited	31-Mar-14	25-Apr-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	21,759	26,035	NIL	NIL
6	Aravali Properties Limited	31-Mar-14	21-Jul-06	50,000 Equity shares of Rs. 10 each fully paid up	100%	(57,459)	(4,006,575)	NIL	NIL
7	Ashkit Power Limited	31-Mar-14	24-Apr-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(10,900)	(494,991)	NIL	NIL
8	Bracond Limited	31-Mar-14	12-Aug-08	100,000,000 Equity shares of USD 1 each fully paid up	100%	17,836,276	45,570,442	NIL	NIL
9	Chloris Power Limited	31-Mar-14	24-Apr-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(32,604)	(120,431)	NIL	NIL
10	Citra Thermal Power And Infrastructure Limited	31-Mar-14	28-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(12,500)	(2,027,592)	NIL	NIL
11	Devona Thermal Power and Infrastructure Limited	31-Mar-14	25-Sep-07	37,000 Equity shares of Rs. 10 each fully paid up	74%	(761,456)	(7,996,543)	NIL	NIL
12	Diana Energy Limited	31-Mar-14	25-Sep-07	370,000 Equity shares of Rs. 10 each fully paid up	74%	37,105	(2,448,176)	NIL	NIL
13	Diana Power Limited	31-Mar-14	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	6,215	(228,418)	NIL	NIL
14	Elena Power And Infrastructure Limited	31-Mar-14	24-Apr-08	5,000,000 Equity shares of Rs. 10 each fully paid up	100%	(8,373,788)	474,007,363	NIL	NIL
15	Fama Power Company Limited	31-Mar-14	8-Oct-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(11,200)	(983,640)	NIL	NIL

Statement Pursuant to Section 212 (1)(e) of the Companies Act, 1956, relating to Company's interest in Subsidiary Companies for the financial Year 2013-14

(Amount in ₹)

Sr. No	Name of the subsidiary company	Financial year/ period ending of the subsidiary companies	Date from which they became subsidiary companies	Holding company's interest number of shares held (Equity Shares of ₹ 10 each stated otherwise)	Extent of Holding	The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company			
						a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts	
						i) For the Financial Year ended 31st March 2014	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	i) For the Financial year ended 31st March 2014	ii) For the previous financial years of the subsidiary companies since they become Holding Company's subsidiaries
16	Fornax Power Limited	31-Mar-14	24-Apr-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	21,353	17,842	NIL	NIL
17	Genoformus Limited	31-Mar-14	26-Aug-08			(14,008,928)	(107,160,675)	NIL	NIL
18	Hecate Electric Limited	31-Mar-14	4-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	14,537	(84,404)	NIL	NIL
19	Hecate Energy Private Limited	31-Mar-14	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	22,383	26,891	NIL	NIL
20	Hecate Energy Trading Limited	31-Mar-14	13-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	22,037	26,128	NIL	NIL
21	Hecate Hydro Electric Power Limited	31-Mar-14	11-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	7,707	(198,783)	NIL	NIL
22	Hecate Power and Energy Resources Limited	31-Mar-14	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	22,036	26,142	NIL	NIL
23	Hecate Power Company Limited	31-Mar-14	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	14,383	(92,795)	NIL	NIL
24	Hecate Power Development Limited	31-Mar-14	4-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	21,632	25,111	NIL	NIL
25	Hecate Power Distributors Limited	31-Mar-14	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	22,037	26,128	NIL	NIL
26	Hecate Power Generation Limited	31-Mar-14	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	22,037	25,817	NIL	NIL
27	Hecate Power Limited	31-Mar-14	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	22,462	26,129	NIL	NIL
28	Hecate Power Management Limited	31-Mar-14	4-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	21,216	23,789	NIL	NIL
29	Hecate Power Projects Limited	31-Mar-14	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(11,836)	(567,362)	NIL	NIL
30	Hecate Power Services Limited	31-Mar-14	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	21,816	13,957	NIL	NIL
31	Hecate Power Solutions Limited	31-Mar-14	10-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(12,136)	(565,661)	NIL	NIL
32	Hecate Power Supply Limited	31-Mar-14	7-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	21,932	25,885	NIL	NIL

(Amount in ₹)

Sr. No	Name of the subsidiary company	Financial year/ period ending of the subsidiary companies	Date from which they became subsidiary companies	Holding company's interest number of shares held (Equity Shares of ₹ 10 each stated otherwise)	Extent of Holding	The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company			
						a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts	
						i) For the Financial Year ended 31st March 2014	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	i) For the Financial year ended 31st March 2014	ii) For the previous financial years of the subsidiary companies since they become Holding Company's subsidiaries
33	Hecate Power Systems Limited	31-Mar-14	7-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(12,436)	(42,777)	NIL	NIL
34	Hecate Power Transmission Limited	31-Mar-14	4-Jul-08	25,500 Equity shares of Rs. 10 each fully paid up	51%	(36,003)	(568,985)	NIL	NIL
35	Hecate Power Utility Limited	31-Mar-14	8-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(680)	(560)	NIL	NIL
36	Hecate Powergen Limited	31-Mar-14	8-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	21,512	25,354	NIL	NIL
37	Hecate Thermal Power and Infrastructure Limited	31-Mar-14	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	18,638	40,753	NIL	NIL
38	Indiabulls CSEB Bhaiyathan Power Limited	31-Mar-14	19-May-08	74,000 Equity shares of Rs. 10 each fully paid up	100%	(1,879,355)	(16,929,246)	NIL	NIL
39	Indiabulls Electric Company Limited	31-Mar-14	5-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(47,309)	(323,270)	NIL	NIL
40	Indiabulls Electric Energy Limited	31-Mar-14	5-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	7,498	(178,449)	NIL	NIL
41	Indiabulls Electric Limited	31-Mar-14	4-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	7,939	(176,085)	NIL	NIL
42	Indiabulls Electric Power Limited	31-Mar-14	5-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,439	(177,568)	NIL	NIL
43	Indiabulls Electricity Company Limited	31-Mar-14	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(11,000)	(329,295)	NIL	NIL
44	Indiabulls Electricity Generation Limited	31-Mar-14	5-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,058	(175,152)	NIL	NIL
45	Indiabulls Hydro Electric Power Limited	31-Mar-14	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(12,000)	(1,228,890)	NIL	NIL
46	Indiabulls Hydro Energy Limited	31-Mar-14	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(12,000)	(2,228,891)	NIL	NIL
47	Indiabulls Hydro Power Limited	31-Mar-14	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	11,112	(146,564)	NIL	NIL
48	Indiabulls Hydro Power Projects Limited	31-Mar-14	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	11,615	(142,808)	NIL	NIL

Statement Pursuant to Section 212 (1)(e) of the Companies Act, 1956, relating to Company's interest in Subsidiary Companies for the financial Year 2013-14 (contd.)

(Amount in ₹)

Sr. No	Name of the subsidiary company	Financial year/ period ending of the subsidiary companies	Date from which they became subsidiary companies	Holding company's interest number of shares held (Equity Shares of ₹ 10 each stated otherwise)	Extent of Holding	The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company			
						a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts	
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49	Indiabulls Power Development Limited	31-Mar-14	2-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,075	(164,885)	NIL	NIL
50	Indiabulls Power Distribution Limited	31-Mar-14	5-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(3,904)	(379,208)	NIL	NIL
51	Indiabulls Power Generation Company Limited	31-Mar-14	27-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(41,220)	(247,527)	NIL	NIL
52	Indiabulls Power Generation Limited	31-Mar-14	5-Sep-07	370,000 Equity shares of Rs. 10 each fully paid up	74%	6,375,233	39,834,287	NIL	NIL
53	Indiabulls Power Infrastructure Limited	31-Mar-14	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(13,636)	(4,580,851)	NIL	NIL
54	Indiabulls Power Management Limited	31-Mar-14	2-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	7,928	(176,095)	NIL	NIL
55	Indiabulls Power Projects Development Limited	31-Mar-14	2-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,439	(176,290)	NIL	NIL
56	Indiabulls Power Projects Limited	31-Mar-14	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,405	(183,718)	NIL	NIL
57	Indiabulls Power Solutions Limited	31-Mar-14	27-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	12,612	(101,789)	NIL	NIL
58	Indiabulls Power Supply Limited	31-Mar-14	27-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	10,337	(101,289)	NIL	NIL
59	Indiabulls Power Systems Limited	31-Mar-14	2-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	12,630	(101,789)	NIL	NIL
60	Indiabulls Power Trading Limited	31-Mar-14	5-Sep-07	1,750,000 Equity shares of Rs. 10 each fully paid up	100%	1,031,836	3,753,595	NIL	NIL
61	Indiabulls Power Transmission Limited	31-Mar-14	27-Jun-08	51,000 Equity shares of Rs. 10 each fully paid up	51%	25,961	(12,828)	NIL	NIL
62	Indiabulls Power Utility Limited	31-Mar-14	27-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	12,612	(101,729)	NIL	NIL
63	Indiabulls Powergen Limited	31-Mar-14	27-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,438	(178,290)	NIL	NIL
64	Indiabulls Realtech Limited	31-Mar-14	3-Jan-07	18,771,511 Equity shares of Rs. 10 each fully paid up	100%	(44,844,458)	395,081,478	NIL	NIL

(Amount in ₹)

Sr. No	Name of the subsidiary company	Financial year/period ending of the subsidiary companies	Date from which they became subsidiary companies	Holding company's interest number of shares held (Equity Shares of ₹ 10 each stated otherwise)	Extent of Holding	The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company			
						a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts	
						i) For the Financial Year ended 31st March 2014	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	i) For the Financial year ended 31st March 2014	ii) For the previous financial years of the subsidiary companies since they become Holding Company's subsidiaries
65	Indiabulls Thermal Energy Limited	31-Mar-14	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,088	(178,705)	NIL	NIL
66	Indiabulls Thermal Power Limited	31-Mar-14	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,588	(173,820)	NIL	NIL
67	Indiabulls Thermal Power Management Limited	31-Mar-14	5-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,057	(172,171)	NIL	NIL
68	Indiabulls Thermal Power Projects Limited	31-Mar-14	6-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,058	(172,191)	NIL	NIL
69	Indiabulls Thermal Projects Limited	31-Mar-14	7-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	7,583	(176,651)	NIL	NIL
70	Indiabulls Water Supply And Waste Management Services Limited	31-Mar-14	27-May-06			(12,828)	(873,971)	NIL	NIL
71	Kaya Hydropower Projects Limited	31-Mar-14	4-Dec-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(50,945)	(201,264)	NIL	NIL
72	Lenus Power Limited	31-Mar-14	28-Feb-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,486	(175,807)	NIL	NIL
73	Lucina Power And Infrastructure Limited	31-Mar-14	2-Aug-06	50,000 Equity shares of Rs. 10 each fully paid up	100%	(15,585)	(1,079,062)	NIL	NIL
74	Mabon Power Limited	31-Mar-14	25-Feb-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	16,587	(67,347)	NIL	NIL
75	Mariana Power Limited	31-Mar-14	24-Apr-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	21,759	26,023	NIL	NIL
76	Poana Power Systems Limited	31-Mar-14	4-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	21,956	(975,352)	NIL	NIL
77	Poena Hydro Power Projects Limited	31-Mar-14	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	21,081	17,681	NIL	NIL
78	Poena Power Company Limited	31-Mar-14	20-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(1,448)	(324,213)	NIL	NIL
79	Poena Power Development Limited	31-Mar-14	4-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(92,180)	(897,825)	NIL	NIL
80	Poena Power Distributors Limited	31-Mar-14	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	22,037	26,839	NIL	NIL

Statement Pursuant to Section 212 (1)(e) of the Companies Act, 1956, relating to Company's interest in Subsidiary Companies for the financial Year 2013-14 (contd.)

(Amount in ₹)

Sr. No	Name of the subsidiary company	Financial year/ period ending of the subsidiary companies	Date from which they became subsidiary companies	Holding company's interest number of shares held (Equity Shares of ₹ 10 each stated otherwise)	Extent of Holding	The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company			
						a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts	
						i) For the Financial Year ended 31st March 2014	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	i) For the Financial year ended 31st March 2014	ii) For the previous financial years of the subsidiary companies since they become Holding Company's subsidiaries
81	Poena Power Generation Limited	31-Mar-14	24-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	21,812	25,159	NIL	NIL
82	Poena Power Limited	31-Mar-14	10-Jun-08	37,000 Equity shares of Rs. 10 each fully paid up	74%	(27,456)	(453,989)	NIL	NIL
83	Poena Power Management Limited	31-Mar-14	9-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(509,630)	26,016	NIL	NIL
84	Poena Power Services Limited	31-Mar-14	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	20,916	24,213	NIL	NIL
85	Poena Power Solutions Limited	31-Mar-14	8-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	22,232	25,504	NIL	NIL
86	Poena Power Trading Limited	31-Mar-14	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	22,178	25,881	NIL	NIL
87	Poena Power Utility Limited	31-Mar-14	8-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	21,932	25,447	NIL	NIL
88	Poena Thermal Power Limited	31-Mar-14	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	22,232	25,442	NIL	NIL
89	Renemark Limited	31-Mar-14	23-Aug-08			(16,034,449)	(74,832,824)	NIL	NIL
90	Selene Power Company Limited	31-Mar-14	8-Oct-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	89,049	(53,205)	NIL	NIL
91	Sentia Thermal Power and Infrastructure Limited	31-Mar-14	8-Oct-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(57,080)	(621,497)	NIL	NIL
92	Sepla Hydropower Projects Limited	31-Mar-14	4-Dec-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(107,080)	(392,569)	NIL	NIL
93	Sepset Thermal Power and Infrastructure Limited	31-Mar-14	8-Oct-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(55,775)	(488,850)	NIL	NIL
94	Serida Power Limited	31-Mar-14	27-Feb-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(49,128)	(370,500)	NIL	NIL
95	Sinnar Power Transmission Company Limited (formerly Poena Power Projects Limited)	31-Mar-14	27-Jun-08			(231,255)	605,623	NIL	NIL
96	Tharang Warang Hydropower Projects Limited	31-Mar-14	4-Dec-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(1,904,928)	(390,245)	NIL	NIL
97	Triton Energy Limited	31-Mar-14	9-Oct-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(52,753)	(472,989)	NIL	NIL

(Amount in ₹)

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						a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts	
Sr. No	Name of the subsidiary company	Financial year/ period ending of the subsidiary companies	Date from which they became subsidiary companies	Holding company's interest number of shares held (Equity Shares of ₹ 10 each stated otherwise)	Extent of Holding	i) For the Financial Year ended 31st March 2014	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	i) For the Financial year ended 31st March 2014	ii) For the previous financial years of the subsidiary companies since they become Holding Company's subsidiaries
98	Varali Power Limited	31-Mar-14	8-May-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(57,080)	(1,685,263)	NIL	NIL
99	Zeus Energy Limited	31-Mar-14	18-Dec-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(57,080)	(1,114,282)	NIL	NIL

For and on behalf of the Board of Directors

Rajiv Rattan
Vice Chairman

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

Place : Gurgaon
Date : May 12, 2014

Statement Pursuant to Section 212 (1)(e) of the Companies Act, 1956, relating to Company's interest in Subsidiary Companies for the financial Year 2013-14 (contd.)






Indiabulls

Indiabulls Power Ltd.

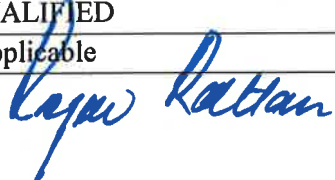
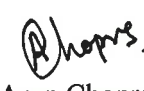


Registered Office
M-62 & 63, 1st Floor,
Connaught Place,
New Delhi – 110001

Corporate Office
12th Floor, Tower A
Building No. 5, DLF Phase 3
DLF Cybercity, Gurgaon - 122002

FORM A
Pursuant to Clause 31(a) of the Equity Listing Agreement

1.	<i>Name of the Company:</i>	Indiabulls Power Limited.
2.	<i>Annual financial statements for the year ended:</i>	Annual Consolidated Financial Statements for the year ended 31 st March 2014
3.	<i>Type of Audit observation</i>	UNQUALIFIED
4.	<i>Frequency of observation</i>	Not Applicable
5.	<i>To be signed by-</i>	
	<i>CEO/ Managing Director</i>	 Mr. Rajiv Rattan (Chairman & Whole-time Director) Gurgaon, August <u>14</u> , 2014
	<i>CFO</i>	 Mr. Arun Chopra (Assistant Vice President – Accounts & Finance) Gurgaon, August <u>14</u> , 2014
	<i>Audit Committee Chairman</i>	 Mr. Shamsheer Singh Ahlawat New Delhi, August <u>14</u> , 2014
	<i>Auditor of the company</i>	Refer our Audit Report dated May 12, 2014 on the consolidated financial statements of the “Indiabulls Power Limited.” For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No. 117365W)  K. A. Katki (Partner) (Membership No. 038568) Mumbai, August <u>16</u> , 2014 

FORM A
Pursuant to Clause 31(a) of the Equity Listing Agreement

1.	<i>Name of the Company:</i>	Indiabulls Power Limited.
2.	<i>Annual financial statements for the year ended:</i>	Annual Standalone Financial Statements for the year ended 31 st March 2014
3.	<i>Type of Audit observation</i>	UNQUALIFIED
4.	<i>Frequency of observation</i>	Not Applicable
5.	<i>To be signed by-</i>	
	<i>CEO/ Managing Director</i>	 Mr. Rajiv Rattan (Chairman & Whole-time Director) Gurgaon, August <u>14</u> , 2014
	<i>CFO</i>	 Mr. Arun Chopra (Assistant Vice President – Accounts & Finance) Gurgaon, August <u>14</u> , 2014
	<i>Audit Committee Chairman</i>	 Mr. Shamsheer Singh Ahlawat New Delhi, August <u>14</u> , 2014
	<i>Auditor of the company</i>	Refer our Audit Report dated May 12, 2014 on the standalone financial statements of the “Indiabulls Power Limited.” For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No. 117365W)  K. A. Katki (Partner) (Membership No. 038568) Mumbai, August <u>16</u> , 2014 