

Indiabulls Infrastructure and Power Limited

Annual Report 2014



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Corporate Information

BOARD OF DIRECTORS

Mr. Rajiv Rattan
Mr. Saurabh Kumar Mittal
Mr. Ram Kumar Sheokand
Mr. Rajender Singh Malhan
Mr. Joginder Singh Kataria

COMPANY SECRETARY

Mr. R.K Agarwal

STATUTORY AUDITORS

Sharma Goel & Co. LLP
Chartered Accountants,
Y -59, Hauz Khas,
New Delhi – 110 016

REGISTRAR AND TRANSFER AGENT

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

REGISTERED OFFICE

M – 62 & 63, First Floor,
Connaught Place,
New Delhi – 110 001
Website: www.indiabullspower.com/ibipl

CORPORATE OFFICE

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

BANKERS

HDFC Bank Limited
Axis Bank
Yes Bank
Bank of India
State Bank of India

Management Discussion and Analysis

ECONOMIC OVERVIEW

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.

The recovery in global activity remains on track, despite some moderation owing to temporary factors. While 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.

Domestically, real GDP growth continued to be modest in Q4 of 2013-14, with some strengthening of activity in services. Industrial activity continues to be a drag on the economy, with retrenchment in both consumption and investment, demand reflected in the contraction of output of consumer durables as well as capital goods. The outlook for the 2014 south-west monsoon appears uncertain. Sluggishness in industrial activity, exports and several categories of services underlines the need to revitalise productivity and competitiveness.

Growth concerns remain significant with GDP growth staying sub-5 per cent for many successive quarters and index of industrial production (IIP) growth stagnating for two successive years.



Mr. Rajiv Rattan
Chairman

INDUSTRY OVERVIEW

Energy is needed for economic growth, for improving the quality of life and for increasing opportunities for development and is the prime need of every economic sector viz. agriculture, industry, transport, commercial, and domestic etc. The broad vision behind India's integrated energy policy is to reliably meet the demand for energy services of all sectors including the lifeline energy needs of vulnerable households in all parts of the country with safe, clean and convenient energy at the least-cost.

Power generation companies are always in demand in India due to power deficit. The Indian power sector has made significant progress over the years. The installed capacity of the industry grew manifold from pre-independence era to present date. The sector has also undergone substantial structural changes. Regulatory policies such as Electricity Act 2003, Tariff policy etc have played a predominant role in changing the landscape of the Indian power sector. Though the sector has come a long way from its humble beginnings, it is still lagging on several fronts, such as power shortages, T&D losses, fuel shortages among others and has a long way to go.

These reforms had provided necessary impetus to increase private sector participation in power generation which resulted in increased growth of power advisory services, such as regulatory and policy advisory, bid advisory, project management consultancy, performance improvement and transaction advisory services. Because of the complexities in the power sector, companies require customized solution to tackle the strategic and market challenges and thus are seeking advisory services from consulting organizations having deep understanding and knowledge of power sector. Consulting firms help clients to understand the current market conditions, identify the issues, develop and implement appropriate strategies. They provide advisory services in energy covering coal, oil, gas and power to government as well as private sector clients. Consulting firms add value through indepth knowledge of the energy markets.

BUSINESS REVIEW

Consultancy services are a growing business in India and it includes Generation, Transmission, Distribution, Renewable, Energy Efficiency, smart Grid etc.

The advisory portfolio of major power consultancy firms includes

- Identifying Opportunities for setting up of Thermal/Wind/Solar/Biomass based power projects.
- Mergers and Acquisitions
- Fuel arrangements and procurement
- Decentralized Distributed Generation for power
- Consultancy Services for Sale, Purchase & Transaction management
- Regulatory & Policy Advisory
- IT implementation
- Energy efficiency advisory

During the year under review, the Company has earned non-operational income of Rs. 300.39 lacs and the profit after tax was Rs. 38.46 lacs. Your Company is looking for consultancy options in generation, transmission and distribution of power. We understand the dynamics of these areas and our goal is to maintain effective relationships with stakeholders by using the extensive knowledge to benefit our clients.

The Company's major investment is in Indiabulls Power Limited. (IPL). Brief review of the Projects of IPL is as under:

IPL 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 Thermal Power Projects are being constructed in two phases each of 1350 MW.

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

The Project is in full swing with 2 Units (Unit1&2) having successfully commissioned and supplying Power to MSEDCL. These Units have already supplied 1057.76 Million Units (MU) to MSEDCL 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 completed; 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 completed for hauling coal directly to the Plant through Railway rakes.

There has been a marginal increase in estimated cost of Project from Rs. 6,888 Cr to Rs.7,749.48 Cr mainly due to increase in cost of Railway Siding including land cost, higher cost of inputs, fuel costs 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 Rs.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 (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 BTG from Bharat Heavy Electrical Limited (BHEL) and Balance of Plant from other reputed vendors. The civil foundations & structural works of BTG / BoP area and Boiler erection works have been taken up.

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 is ready for commissioning in 3rd quarter of FY 2014-15. The company has signed FSA for this Project with MCL & 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 Rs. 6789 Cr to Rs. 7849 Cr due to increase in cost of Railway Siding including land, higher cost of inputs, IDC etc and it has been approved by the Lenders.

The Boiler & Turbine-Generator (BTG) for Unit 2 are ready for commissioning. Milestone activities of Boiler Light-Up and Steam Blowing have been completed, 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 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 Rs 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, PFC and PTC India Financial Services Ltd (PFS).

M/s Tata Consulting Engineers (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 MoE&F; 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.

COMPETITIVE STRENGTHS

Your company understands the market dynamics and therefore cater to clients with its extensive knowledge in areas of Generation, Transmission and distribution. Our advisory services are redefining power sector in India. Your company's vast pool of technically qualified and managerial manpower is well supported by excellent infrastructure and knowledge management facilities to deliver the client qualitative and cost effective solution in a time bound manner, meeting the global standards. Your Company's major competitive strengths are strong and experienced technical team with vast experience of developing Mega Thermal Power Plants and bidding for long term power purchase agreements through tariff based competitive bidding process. Our technical team has profound understanding of the regulatory framework of Indian Power sector. Your company has a strong regulatory perspective and is well versed with risks and commercial arrangements associated with development, construction and commissioning of various generation, transmission and distribution schemes.

Your Company has following competitive strengths which will enable it to take advantage of growth opportunities in Indian power sector.

Experienced senior management team.

Your Company's senior executives have extensive experience in the power industry and your Company is confident that the senior management's expertise will play a key role in the growth of your Company's business. In addition, the skills and diversity of senior management team give us flexibility to respond to changes in the business environment.

Highly experienced team.

Your Company has recruited experts from various areas such as operations, project management, engineering and technology and has indepth knowledge of their areas. This is a valuable resource to its clients and distinguishes your Company from its competitors. In addition, your Company's affiliates are engaged in the power business and employ more than 500 highly-skilled professional having more than 10 years of experience in the power sector.

Strategy

Your Company firmly believes that the most important aspect of competitive advantage is presence of experienced management team, strong systems and process, dedicated, committed & motivated staff managing its business activities.

The key components of your Company's strategy include:

Grow the client base.

Your Company has strategy in place to increase the client base in the rapidly expanding power market in India. The company will expand its geographic presence and the range of services. Your Company will enhance its brand recognition through marketing initiatives in order to strengthen its position among potential clients.

Leverage the management team's experience.

Your Company's management team is highly skilled and has vast experience in power sector which will enable us to achieve our growth objectives. The management team is well connected to executive level management at utilities, regulators, vendors, technology leaders and investment professionals which would help us to grow our client base

Strong end-to-end service offerings.

Your Company will offer end to end and customized service which would enable us to increase revenue from research, advisory and consulting services.

Leverage advisory work into implementation and full life-cycle solutions.

Your Company will leverage its advisory services and client relationships to increase its future revenues from implementation of support services. Such services may include: information services and technology solutions, project and program management, business process solutions, strategic communications, and technical assistance and training.

Recruit more highly skilled and experienced staff.

Your Company will recruit more highly skilled and experience staff to expand its operations and strengthen its competitiveness. Your company has in place a work policy and culture which not only satisfies the intellectual facet of the employees but also compensates them monetarily

INTERNAL CONTROL SYSTEMS

The Company has a proper and adequate system of internal control commensurate with the size of the Company and the nature of its business to ensure that all its assets are safeguarded and protected and that all the transactions are authorised, recorded and reported correctly and adequately.

The Company's internal controls are supplemented by internal audits, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets. All financial and audit control systems are also reviewed by the Audit Committee of the Board of Directors of the Company.

CAUTIONARY STATEMENT

Statements in this Report on Management's Discussion and Analysis describing the Company's objectives, projections, estimates and expectations, may be forward looking statements within the meaning of applicable laws and Regulations. The actual results might differ substantially or materially from those expressed or implied.

The Company cannot guarantee that the assumptions and expectations are accurate or will be realised and hence the actual results, performance or achievements could thus differ materially from those expressed in the statements. The Company assumes no responsibility nor is under any obligation to publicly amend, modify or revise any forward looking statement on the basis of any subsequent developments, information or events.

Directors' Report

Dear Shareholders,

Your Directors present to you the Fourth Annual Report together with the audited statement of accounts of the Company for the financial year ended March 31, 2014.

FINANCIAL RESULTS

The summary of the financial results of the Company for the financial year ended March 31, 2014, is as under-

Particulars	(Amount in ₹)	
	Year ended March 31, 2014	Year ended March 31, 2013
Profit/(Loss) before Tax and Depreciation	8,236,756	(21,683,305)
Less: Depreciation	78,914	78,914
Profit/(Loss) before Tax	8,157,842	(21,762,219)
Less: Tax Expense	4,311,478	(185,162)
Profit/(Loss) after Tax	3,846,364	(21,577,057)
Add: Balance Bought Forward	(54,983,682)	(33,406,625)
Amount transferred to Reserves and Surplus	(51,137,318)	(54,983,682)

BUSINESS REVIEW

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DIVIDEND

In view of insufficient non-operational profits during the period under review, no dividend could be recommended for the period ended March 31, 2014.

PUBLIC DEPOSITS

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

DIRECTORS

Mr. Sameer Gehlaut (DIN: 00060783) has resigned from the Chairmanship and Directorship of the Company with effect from 9th July 2014. Mr. Rajiv Rattan an existing director assumed the Chairmanship of the Company and its Board with effect from the said date.

The Board thanked Mr. Gehlaut for the contributions made by him during his tenure as member of the Board of the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Saurabh Kumar Mittal (DIN: 01175382) retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for reappointment. The Board of Directors recommends his re-appointment.

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

The Board of Directors of the Company (the Board) has proposed the appointment of Mr. Yashish Dahiya (DIN:00706336), Mr. Debashis Gupta (DIN: 02774388), Mr. Sanjiv Chhikara (DIN: 06966429) and Mr. Narayanasany Jeevagan (DIN: 02393291), as Independent Directors of the Company, for a period of 5 (five) years, effective from the date of their appointment. Keeping in view their vast experience & knowledge, the Board is of the view that it will be in the interest of the Company that they are appointed as Independent Directors on its Board. Upon the approval of the shareholders to their appointment, as Independent Directors, the appointment of Mr. Yashish Dahiya, Mr. Debashis Gupta, Mr. Sanjiv Chhikara and Mr. Narayanasany Jeevagan as such, shall be formalized by the Board by issuing letters of appointment to them.

Brief resume of the Directors proposed to be appointed / reappointed, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.

SUBSIDIARIES

There is no subsidiary of the Company.

CORPORATE SOCIAL RESPONSIBILITY

During the year, your directors have constituted the Corporate Social Responsibility Committee comprising Mr. Joginder Singh Kataria as the Chairman and Mr. Ram Kumar Sheokand and Mr. Rajender Singh Malhan as other members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

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.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (to the extent applicable) 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 profits 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.

AUDITORS & AUDITORS' REPORT

M/s Sharma Goel & Co. LLP, Chartered Accountants (Regn. No. 000643N), 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(3)(g) of the Companies Act, 2013. The Board recommends their re-appointment.

The Notes to the Accounts referred to in the Auditors' Report are self – explanatory and therefore do not call for any further explanation.

GREEN INITIATIVES

Electronic copies of the Annual Report 2014 and Notice of the 4th AGM are sent to all the members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2014 and Notice of the 4th AGM are sent in the permitted mode. Members requiring physical copies can send a request to the Company Secretary.

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for e-voting are provided in the Notice.

LISTING WITH STOCK EXCHANGES

The equity 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 the said Stock Exchanges. The Global Depository Receipts of the Company continue to be listed on the Luxembourg Stock Exchange.

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 (to the extent applicable) and the provisions of Companies Act, 2013 (to the extent applicable), 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, during the year under review, the Company did not employ any person falling within the preview of section 217(2A) of the Companies Act, 1956.

ACKNOWLEDGEMENT

Your Directors wish to express their gratitude for the continuous assistance and support received from the investors, bankers, financial institutions and government authorities during the year. Your Directors also wish to place on record their deep sense of appreciation for the efforts put in by the employees to place the Company on a path of growth and progress.

For and on behalf of the Board of Directors

Date : September 5, 2014
Place : New Delhi

Sd/-
Rajiv Rattan
Chairman

ANNEXURE FORMING PART OF THE DIRECTORS' REPORT

Pursuant to 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 in respect of conservation of energy, technology absorption and foreign exchange earnings & outgo.

A. Energy Conservation

The Company operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy. As an ongoing process, the following measures are undertaken:

- a) Implementation of viable energy saving proposals.
- b) Installation of automatic power controllers to save maximum demand charges and energy.
- c) Installation of TFT monitors that saves power.
- d) Shutting of all the lights when not in use.
- e) Training front end operational personnel on opportunities of energy conservation.
- f) Awareness and training sessions for maintenance personnel conducted by experts.

B. Technology Absorption

The nature of business being carried out by the Company entails an extensive use of effective information technology so as to ensure that its services reach the end users i.e. its clients without any loss of time. The management keeps itself abreast of technological advancement in the industry and ensures continues and sustained efforts towards absorption of technology, adaptation as well as development of the same to meet the business needs and objectives.

What has enabled the Company to stay ahead of its competitors is the fact that it continuously encourages the introduction and use of latest available innovations in the field of information technology so that its clients can have the latest information instantly available to them at the mere push of a button, enabling them to stay updated and well informed at all points of time.

C. Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and Outgo during the year under review and the previous financial year.

Report on Corporate Governance

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to good Corporate Governance and its philosophy of Corporate Governance aims at establishing and practicing a system of good Corporate Governance which will assist the management in managing the Company's business in an efficient and transparent manner towards fulfilling the corporate objectives and meet the obligations and serve the interest of the stakeholders. The Company's endeavor has always been to maximize the long term value to the shareholders of the Company.

2. BOARD OF DIRECTORS (BOARD)

(A) Composition and size of the Board

The Board of Directors in the Company has been constituted in a manner which ensures appropriate mix of executive/non-executive and independent directors to ensure proper governance and management. The Board members have collective experience in diverse fields.

Currently the Board of Directors (Board) consists of five directors, one director as an Executive Director with the remaining four being Non-Executive Directors. The Independent Directors constitute more than fifty percent of the total Board composition with three out of five directors on the Board of the Company being independent.

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 31.03.2014, are depicted in the table given below:

S. No.	Name of the Director	Category of Directorship	No. of Directorships in other Companies*	No. of Memberships/Chairmanship 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) #	Vice Chairman & Executive Director	6	2	Nil
3.	Mr. Saurabh Kumar Mittal (DIN: 01175382)	Vice Chairman & Non-Executive Director	3	3	Nil
4.	Mr. Ram Kumar Sheokand (DIN: 00183200)	Non-Executive Independent Director	2	2***	1
5.	Mr. Rajender Singh Malhan (DIN: 05208128)	Non-Executive Independent Director	Nil	2	Nil
6.	Mr. Joginder Singh Kataria (DIN: 05202673)	Non-Executive Independent Director	1	3***	1

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 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 terms of Clause 49 of the Listing Agreement, only memberships/chairmanships of the Audit Committees and Shareholders' Grievance Committees in various public limited companies, have been considered.

***Figure 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 8 (Eight) times. The dates of the Board meetings were April 26, 2013, July 14, 2013, July 24, 2013, September 3, 2013, October 24, 2013, December 2, 2013, January 25, 2014 and March 11, 2014.

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 Annual General Meeting held during the financial year 2013-2014 is given below:

Sr. No.	Name of the Director	Meetings held during the tenure	No. of Board meetings attended	Attendance at the last AGM
1.	Mr. Sameer Gehlaut #	8	2	No
2.	Mr. Rajiv Rattan	8	8	Yes
3.	Mr. Saurabh Kumar Mittal	8	5	Yes
4.	Mr. Ram Kumar Sheokand	8	8	Yes
5.	Mr. Rajender Singh Malhan	8	8	No
6.	Mr. Joginder Singh Kataria	8	8	Yes

Resigned from the Directorship of the Company on July 9, 2014.

(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/ibipl. All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Chairman & Whole-time Director to this effect is enclosed at the end of this Report.

The code of conduct seeks to ensure that the Directors and the Senior Management Personnel observe a total commitment to their duties and responsibilities while ensuring a complete adherence with the applicable statutes on one hand and values and ethics on the other.

3. COMMITTEES OF THE BOARD

The Board constituted various committees including Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility (CSR) Committee which 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**Composition**

The Audit Committee comprises of four members namely, Mr. Joginder Singh Kataria as the Chairman and member, Mr. Rajender Singh Malhan, Mr. Ram Kumar Sheokand and Mr. Saurabh Kumar Mittal as the other three members. All the members are Non-Executive Directors and three out of the four members namely Mr. Joginder Singh Kataria, Mr. Rajender Singh Malhan and Mr. Ram Kumar Sheokand are independent Directors. The Secretary of the Company also acts as Secretary of the Audit Committee.

Terms of reference

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

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

- to recommend the appointment of the internal and statutory auditors and fixing their remuneration;
- to hold discussion with the Statutory and Internal Auditors.
- Review and monitoring of the auditor's independence and performance, and effectiveness of audit process;
- 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 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 FY 2013-14, the Audit Committee met four times. The dates of the meetings being April 26, 2013, July 24, 2013, October 24, 2013 and January 25, 2014.

The attendance record of the committee members to the meetings so held is depicted in the table given below:

Sr. No.	Name of the Member	Meetings held during the tenure	No. of Board meetings attended
1.	Mr. Saurabh Kumar Mittal	4	0
2.	Mr. Ram Kumar Sheokand	4	4
3.	Mr. Rajender Singh Malhan	4	4
4.	Mr. Joginder Singh Kataria	4	4

The Finance Head and Auditors attended the meeting by Invitation.

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

Composition

The Nomination & Remuneration Committee comprises of three Non-Executive Independent Directors as its members namely Mr. Rajender Singh Malhan as the Chairman and member, Mr. Joginder Singh Kataria and Mr. Ram Kumar Sheokand as the other two members.

Terms of reference

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

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

No meeting was held during the FY 2013-14.

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*

Mr. Rajiv Rattan, Executive Director does not draw any remuneration from the Company.

(ii) Remuneration of Non Executive Directors

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

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

The Stakeholders Relationship Committee of the Board comprises of three Non-Executive Independent Directors as its members namely, Mr. Ram Kumar Sheokand as the Chairman and member, Mr. Rajender Singh Malhan and Mr. Joginder Singh Kataria as the other two members.

Terms of reference

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

The Committee oversees all matters encompassing the shareholders / investors related issues.

Meetings and Attendance during the year

During the FY 2013-14, the Stakeholders Relationship Committee met Five times. The dates of the meetings being April 24, 2013, September 16, 2013, October 14, 2013, December 23, 2013 and February 3, 2014.

The attendance record of the committee members to the meetings so held is depicted in the table given below:

Sr. No.	Name of the Member	Meetings held during the tenure	No. of Board meetings attended
1.	Mr. Ram Kumar Sheokand	5	5
2.	Mr. Rajender Singh Malhan	5	5
3.	Mr. Joginder Singh Kataria	5	5

Name and designation of compliance officer

Mr. R.K. Agarwal, 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, 8 complaints were received out of which 3 complaints were pertaining to Non receipt of dividend & rest was pertaining to Non receipt of Annual Reports. All the said complaints were redressed to the satisfaction of the complainants.

(D) Corporate Social Responsibility (CSR) Committee**Composition**

A Corporate Social Responsibility Committee of the Board of Directors (Board) of the Company was constituted with Mr. Joginder Singh Kataria as its Chairman and Mr. Ram Kumar Sheokand and Mr. Rajender Singh Malhan as members (**CSR Committee**). CSR Committee is primarily responsible for formulating and monitoring the implementation of the framework of corporate social responsibility policy and matters related to its overall governance.

Terms of reference

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

- To recommend to the Board, the CSR activity to be undertaken by the Company;
- To approve the expenditure to be incurred on the CSR activity;
- To oversee and review the effective implementation of the CSR activity;
- To ensure compliance of all related applicable regulatory requirements.

Meetings and Attendance during the year

Since the Committee was constituted on March 11, 2014, no meeting was held during the financial year 2013-14.

4. GENERAL BODY MEETINGS

A. Location and time of the last three Annual General Meetings (AGMs)

The location and time of the last three Annual General Meetings are as follows:

Annual General Meeting (AGM)	Year	Location	Date	Time
1 st AGM	2010-11	1A, Hamilton House, 1 st Floor, Connaught Place, New Delhi – 110 001	September 29, 2011	2:50 P.M.
2 nd AGM	2011-12	Centaur Hotel, IGI Airport, Delhi-Gurgaon Road, New Delhi – 110 037	September 27, 2012	10:45 A.M.
3 rd AGM	2012-13	Centaur Hotel, IGI Airport, Delhi-Gurgaon Road, New Delhi – 110 037	September 30, 2013	11:15 A.M.

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

- In the First AGM of the Company for the FY 2010-11 held on September 29, 2011, no special resolution was passed.
- In the Second AGM of the Company for the FY 2011-12 held on September 27, 2012, no special resolution was passed.
- In the Third AGM of the Company for the FY 2012-13 held on September 30, 2013, no special resolution was passed.

C. Special Resolutions passed during the FY 2013-14 through postal ballot

During the FY 2013-14, no resolution was passed by the Company through postal ballot.

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 to 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

There has been no instance of any non-compliance by the Company on any matter related to capital markets and hence, of any penalties or strictures being imposed on the Company 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 a vital component of the whistle blower mechanism and instances of financial misconduct, if any, are 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. 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 leading newspaper like Business Standard, Financial Express and Jansatta.
- (ii) **News, Release, etc:** The Company has its own website www.indiabullspower.com/ibipl and all vital information relating to the Company and its performance including financial results, press releases pertaining to important developments, performance updates and corporate presentations etc. are regularly posted on the website.
- (iii) **Management's Discussion and Analysis Report:** The same has been included in a separate section, which forms a part of the Annual Report.
- (iv) **Investors' Relation:** The Company's website contains a separate dedicated section 'Investors Relations' and 'News & Media' where general information to the shareholders of the Company 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 L40101DL2010PLC210263.

(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

(i) Mr. Saurabh Kumar Mittal, Non-Executive Director

Mr. Saurabh Kumar Mittal, aged 40, graduated with a degree in Electric Engineering from the Indian Institute of Technology, Delhi and also hold masters in business administration from Harvard Business School, where he was elected Baker Scholar. Previously, Mr. Mittal has worked at Citigroup Asset Management and Farallon Capital Management, securities broking and real estate/infrastructure development businesses.

Mr. Saurabh K Mittal is also on the Board of Indiabulls Power Limited., Ceres Trading Services 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, Hespera Realty Private Limited, Lucerne Trading Services Private Limited, Hespera Land Development Private Limited, Hespera Realcon Private Limited, Ceres Energy Private Limited, Alona Builders And Developers Private Limited, Cleta Infrastructure Private Limited, Cleta Buildcon Private Limited, Reyna Infracon Private Limited, Alpheus Real Estate Private Limited, Divine Buildmart Private Limited, Saritor Properties Private Limited, SM Realty Private Limited, Hespera Constructions Private Limited.

Membership/Chairmanship of Mr. Saurabh Kumar Mittal in committees of various companies is as under:

Mr. Saurabh Kumar Mittal is a member of Audit Committee of the Company. He is also a member of the Audit Committee of Indiabulls Power Limited.

(ii) 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 also 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. Anjali Nashier is the wife of Mr. Rajiv Rattan the Chairman and Whole-time director of the Company. However she does not hold any shares in the company.

(iii) Mr. Yashish Dahiya, Independent Director

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 also 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.

(iv) Mr. Debashis Gupta, Independent Director

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. Gupta is also on the Board of Mahalaxmi Designs Private Limited.

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

(v) Mr. Narayanasany Jeevagan, Independent Director

Mr. Narayanasany Jeevagan, 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.

During his 40 years of service in the Bank, he held various positions, including as in-charge of 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 is not a Director on the Board of any company.

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

(vi) Mr. Sanjiv Chhikara, Independent Director

Mr. Sanjiv Chhikara, 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) Date of Book Closure

Book Closure dates have been provided in the Notice convening the AGM forming part of this Annual Report.

(F) Dividend Payment date

No dividend has been recommended by the Board for the FY 2013-14.

(G) (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	Upto 1	- 5000	88674	92.39	63284760.00	2.49
2	5001	- 10000	3435	3.58	24139278.00	0.95
3	10001	- 20000	1904	1.98	28168122.00	1.10
4	20001	- 30000	546	0.57	13649532.00	0.54
5	30001	- 40000	287	0.30	10303904.00	0.40
6	40001	- 50000	189	0.20	8655434.00	0.34
7	50001	- 100000	392	0.41	28770086.00	1.13
8	100001	and above	549	0.57	2368942244.00	93.05
	TOTAL		95976	100.00	2545913360.00	100.00

(ii) Shareholding pattern as on 31st March 2014

Sr. no.	Category	No. of Shares	% holding
1	Promoters	475561556	37.36
2	Financial Institutions/Banks/ Mutual Funds	7080	0.00
3	FII's	399100397	31.35
4	Private Bodies Corporate	83885599	6.59
5	Indian Public	274111450	21.54
6	NRIs/OCBs	8058371	0.63
7	GDR(Shares underlying)	5393138	0.42
8	Other foreign entities(Foreign Venture Capital)	24193870	1.90
9	Others(Trusts + Clearing Members)	2645219	0.21
	Total:	1272956680	100.00

(H) Dematerialization of shares and liquidity

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

As on March 31, 2014, 99.98 % Equity shares of the Company representing 127,27,64,465 out of a total of 127,29,56,680 Equity shares, were held in dematerialized form with NSDL & CDSL with a miniscule balance of 1,92,215 Equity shares, constituting about 0.02% of the total outstanding Equity shares, being held in physical form.

(I) Outstanding GDRs/Convertible Instruments

As on 31st March, 2014 an aggregate of 23,53,93,000 warrants are in force. As and when these warrants are converted into equity, the paid-up share capital of the Company shall accordingly stand increased.

The number of outstanding GDRs as on March 31, 2014 was 53,93,138. Each GDR represents one equity share of Rs.2/- each in the Company.

(J) 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

The Global Depository Receipts (GDRs) of the Company are listed on:

Luxembourg Stock Exchange,
Societe de la Bourse, de Luxembourg,
11 av de la Porte – Neuve,
L – 2227, Luxembourg

(K) Stock Code

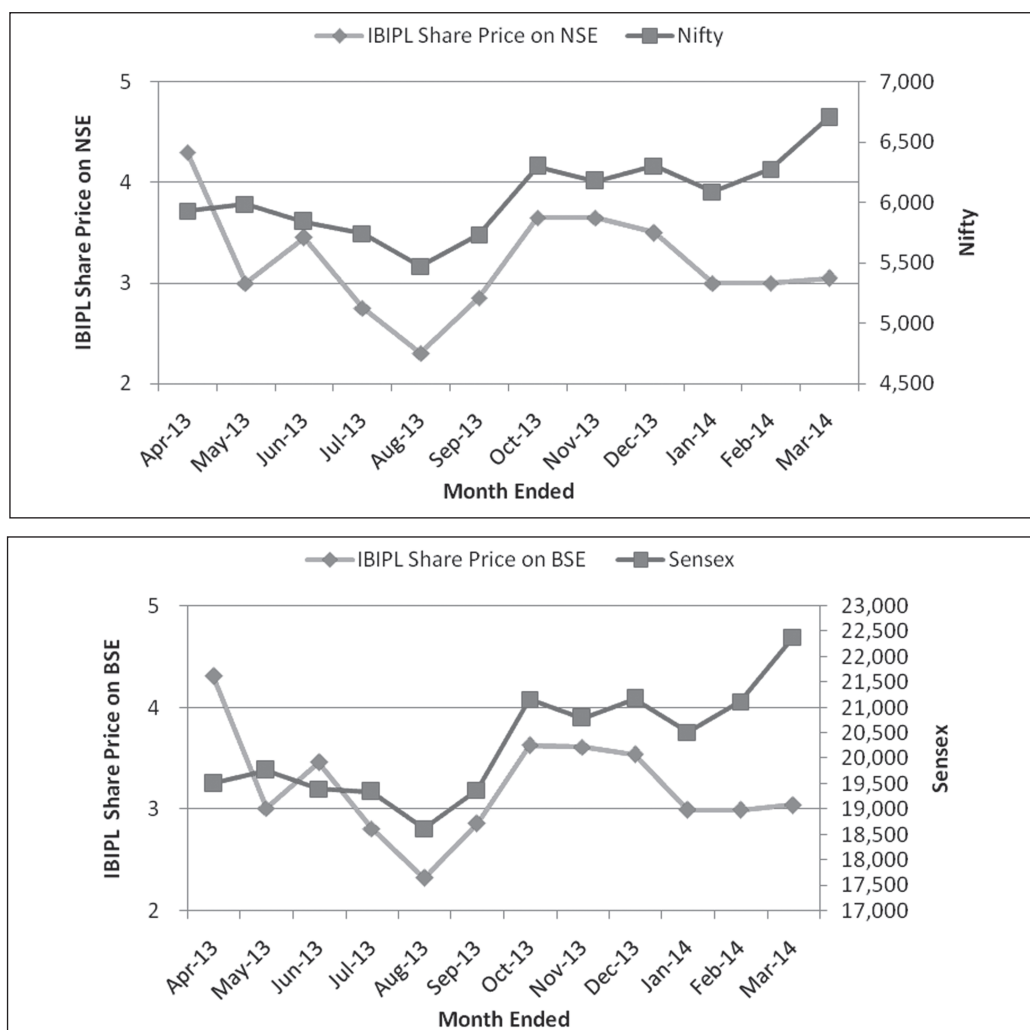
BSE Limited	- 534597
National Stock Exchange of India Limited	- IBPL
ISIN for Dematerialization	- INE834M01019

(L) Stock Market Price at National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE)

The monthly high and low market prices of 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		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2013	5.05	4.05	5.04	4.05
May 2013	4.70	3.00	4.70	2.94
June 2013	3.60	2.55	3.69	2.53
July 2013	3.55	2.70	3.87	2.64
August 2013	2.75	2.10	2.80	2.11
September 2013	3.15	2.15	3.15	2.12
October 2013	3.75	2.80	3.70	2.80
November 2013	4.40	3.30	4.42	3.31
December 2013	3.95	3.40	4.00	3.36
January 2014	4.00	2.75	4.10	2.76
February 2014	3.45	2.65	3.49	2.53
March 2014	3.15	2.65	3.19	2.65

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



(N) Registrar and Transfer Agents

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 Pvt. Ltd

Unit : Indiabulls Infrastructure and 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

(O) Share Transfer System

The Share transfer system in the Company comprises of two components viz the Shareholders'/Investors' Grievance Committee (the 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 being 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 approves the same and communicates its approval to the RTA. The Committee 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.

(P) Address for Correspondence

(i) Registered Office:

M-62 & 63, First Floor,
Connaught Place,
New Delhi- 110 001
Email: investors.power@indiabulls.com,
Tel: 0124-3835901, Fax: 0124-3835903,
Website: www.indiabullspower.com/ibipl

(ii) Corporate Office:

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

9. WHOLE-TIME DIRECTOR (WTD) AND FINANCE HEAD CERTIFICATION

The certificate required under Clause 49(V) of the listing agreement duly signed by the WTD and Finance Head has been given 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 and hence the requirements recommended as to a non-executive Chairman under Clause 49, are not required to be adopted by the Company

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

The Company has a duly constituted Nomination & Remuneration Committee. For details as to the constitution of the remuneration committee and the functional responsibility vested in it, please refer to point no. 3(B) 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 and other important information on its public domain website. In view of the same, individual communication of quarterly/ half yearly and annual financial results to the shareholders is not being made at present.

(D) Unqualified Financial Statements

The Auditors' Report on the audited annual accounts of the Company does not contain any qualification and it shall be the 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, procedures and practices to have unqualified financial statements.

(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 defined 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.

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

As Chairman and Whole-time Director of Indiabulls Infrastructure and 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 FY 2013-14.

Date: August 14, 2014
Place: New Delhi

Sd/-
Rajiv Rattan
Chairman & Whole-time Director

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Indiabulls Infrastructure and Power Limited

We have examined the compliance of conditions of Corporate Governance by Indiabulls Infrastructure and 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 were no outstanding 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. Khandelwal & Co.**
Company Secretaries

Sd/-
Sanjay Khandelwal
Proprietor
Membership No: FCS 5945
CP No. 6128

Date: August 14, 2014
Place: New Delhi

Independent Auditor's Report

To the Members of Indiabulls Infrastructure and Power Limited

1. Report on the Financial Statements

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

2. Management's Responsibility for the Financial Statement

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the general circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. 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.

3. Auditor's 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 disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

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

5. Report on Other legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- As required by section 227(3) of the Act, we report that:
 - we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956("the Act") read with the general circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - on the basis of written representations received from the directors as on March 31, 2014, and 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 clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

Amar Mittal
Partner

Membership No.017755

Place : New Delhi
Date : April 23, 2014

Annexure to the Auditors' Report of even date to the members of Indiabulls Infrastructure and Power limited, on the financial statements for the year ended March 31, 2014 (Referred to in our report of even date)

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

- i) In respect of Fixed Assets of the Company and in our opinion
 - a. The Company has maintained proper records, showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a programme of physical verification of its fixed assets by which they are verified annually. In accordance with this programme, fixed assets were verified during the year and no discrepancies were noticed on such verification. In our opinion, the frequency of the physical verification is reasonable having regards to the size of the company and nature of fixed assets.
 - c. The Company has not disposed off any fixed assets during the year.
- ii) The company does not have any Inventory. Accordingly, the provisions of paragraph 4 clause (ii) of the Order are not applicable to the company.
- iii) The company has not taken loan from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. In respect of loans, secured or unsecured, granted to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, in our opinion:
 - a. The Company has granted unsecured loans to one party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding at any time during the year aggregated to ₹ 437,200,000/- and the balance outstanding at year end is ₹ 434,050,000/-
 - b. In our opinion rate of interest, where ever stipulated and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interest of the Company.
 - c. The payments of principal amount and interest where ever stipulated in respect of such loans have been regular.
 - d. There is no overdue amount with regard to principal amount and interest where ever stipulated.
- iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of fixed assets. The activities of the company do not involve in purchase of inventory and sale of goods & rendering of services. We have not observed any major weakness in the internal control system during the course of the audit.
- v) In our opinion, the Company has not entered into any contracts or arrangements referred to in Section 301 of the Companies Act, 1956, the particulars of which are required to be entered in the register, maintained under section 301 of the act.
- vi) In our opinion, the Company has not accepted any deposits from the public within the meaning of section 58A and section 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii) The maintenance of cost records as prescribed under section 209(1) (d) of the Companies Act, 1956, is not applicable to the company.
- ix) In respect of disputed and undisputed Statutory Dues of the Company and according to information and explanations given to us and on the basis of our examination of the records of the Company
 - a. Amounts deducted / accrued in the books of accounts in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty,

Excise Duty and any other material Statutory Dues have generally been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable. There were no dues on account of Cess under Section 441A of the Companies Act, 1956 since the aforesaid section has not yet been made effective by the Central Government. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2014 for a period of more than six months from the date they became payable, wherever applicable.

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

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

Amar Mittal
Partner
Membership.No.017755

Place: New Delhi
Date: April 23, 2014

Balance Sheet of Indiabulls Infrastructure and Power Limited as at March 31, 2014

(Amount in ₹)

Particulars	Note No	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES			
1) Shareholders' Funds			
(a) Share capital	3	2,545,913,360	2,545,913,360
(b) Reserves and surplus	4	3,655,303,415	3,651,457,051
(c) Money received against share warrants	5	188,314,400	–
2) Non Current Liabilities			
(a) Deferred tax liability (net)	6	33,013	–
(b) Long-term provisions	7	–	2,810,322
3) Current Liabilities			
(a) Other current liabilities	8	638,589	3,193,212
(b) Short-term provisions	9	–	82,153
TOTAL		6,390,202,777	6,203,456,098
II. ASSETS			
1) Non-Current Assets			
(a) Fixed assets	10		
- Tangible assets		378,459	457,373
(b) Non-current investments	11	5,925,000,000	5,925,000,000
(c) Deferred tax assets (net)	6	–	1,616,159
2) Current Assets			
(a) Cash and bank balances	12	919,845	584,173
(b) Short-term loans and advances	13	437,367,313	253,581,025
(c) Other current assets	14	26,537,160	22,217,368
TOTAL		6,390,202,777	6,203,456,098
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

In terms of our report attached

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

For and on behalf of the Board of Directors

Amar Mittal
Partner
Membership No. 017755

Rajiv Rattan
Whole Time Director

Joginder Singh Kataria
Director

Gaurav Srivastava
Company Secretary

Place: New Delhi
Date : April 23, 2014

Place: New Delhi
Date : April 23, 2014

Statement of Profit and Loss of Indiabulls Infrastructure and Power Limited

for the year ended March 31, 2014

(Amount in ₹)

Particulars	Note No	For the year ended March 31, 2014	For the year ended March 31, 2013
1 Revenue:			
Other Income	15	30,038,731	24,685,964
Total Revenue		30,038,731	24,685,964
2 Expenses:			
Employee benefits expense	16	15,478,710	41,358,949
Finance costs	17	573	9,166
Depreciation and amortisation expense	10	78,914	78,914
Other expenses	18	6,322,692	5,001,154
Total Expenses		21,880,889	46,448,183
3 Profit/ (Loss) before tax (1-2)		8,157,842	(21,762,219)
4 Tax Expense			
(a) Current Tax		2,662,306	—
(b) Deferred Tax		1,649,172	(185,162)
Total Tax Expense (a+b)		4,311,478	(185,162)
5 Profit/ (Loss) for the year (3-4)		3,846,364	(21,577,057)
Earnings Per Equity Share: (Face value Rs. 2) (Refer Note 21)			
- Basic		0.003	(0.017)
- Diluted		0.003	(0.017)

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For **Sharma Goel & Co. LLP**

Chartered Accountants

FRN : 000643N

For and on behalf of the Board of Directors

Amar Mittal

Partner

Membership No. 017755

Rajiv Rattan

Whole Time Director

Joginder Singh Kataria

Director

Gaurav Srivastava

Company Secretary

Place: New Delhi

Date : April 23, 2014

Place: New Delhi

Date : April 23, 2014

Cash Flow Statement of Indiabulls Infrastructure and Power Limited for the year ended March 31, 2014

	(Amount in ₹)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
A Cash flow from operating activities :		
Net Profit/ (Loss) before Tax	8,157,842	(21,762,219)
Adjustment for:		
Provision for Compensated Absences	157,568	132,715
Provision for Gratuity	354,908	426,956
Provision for Bonus	—	2,621,196
Interest Income on Intercompany Deposit	(29,485,733)	(24,685,964)
Miscellaneous Income	(340,765)	—
Depreciation/ Amortisation	78,914	78,914
Operating Loss before working capital changes	(21,077,266)	(43,188,402)
Adjustments for:		
(Increase)/ Decrease in Loans and Advances	(21)	1,551,606
Decrease in Employee Benefit Liabilities	(3,064,186)	—
Decrease in Other Current Liabilities	(2,554,623)	(3,466,220)
Cash used in operations	(26,696,096)	(45,103,016)
Income Taxes Paid	(2,948,573)	(2,468,596)
Net cash used in operating activities	(29,644,669)	(47,571,612)
B Cash flow from investing activities		
Intercompany Deposit (Given)/ Received back, net	(183,500,000)	42,850,000
Interest Received on Intercompany Deposit Given	25,165,941	5,208,778
Net cash (used in)/ generated from investing activities	(158,334,059)	48,058,778
C Cash flow from financing activities		
Proceeds from issue of Share Warrant	188,314,400	—
Net cash generated from financing activities	188,314,400	—
D Net increase in cash and cash equivalents (A+B+C)	335,672	487,166
E Cash and cash equivalents at the beginning of the year	584,173	97,007
F Cash and cash equivalents at the end of the year (D+E)	919,845	584,173

Note :

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

Cash on Hand	7,673	7,367
Balances with Banks		
- In Current Accounts	912,172	576,806
Total of Cash and cash equivalents	919,845	584,173
- Previous Year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

In terms of our report attached

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

For and on behalf of the Board of Directors

Amar Mittal
Partner
Membership No. 017755

Rajiv Rattan
Whole Time Director

Joginder Singh Kataria
Director

Gaurav Srivastava
Company Secretary

Place: New Delhi
Date : April 23, 2014

Place: New Delhi
Date : April 23, 2014

Notes forming part of the financial statements

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

1. Overview

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

Pursuant to and in terms of the Court approved Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956, by and among Indiabulls Real Estate Limited, Indiabulls Infrastructure and Power Limited, Indiabulls Builders Limited, Indiabulls Power Limited, Poena Power Supply Limited and their respective shareholders and creditors (Scheme 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 the April 1, 2011 i.e. the Appointed Date, - (a) The Power business undertaking of Indiabulls Real Estate Limited (IBREL) which included the IBREL investment in the Company, stood demerged from IBREL and transferred to and vested in favour of Indiabulls Infrastructure and Power Limited (IIPPL) which had the effect of making IIPPL the Promoter Group / holding company of the Indiabulls Power Limited. :-

- a) Certain Assets comprising of Fixed Assets and Loans and Advances in the IBREL aggregating to Rs. 1,840,201 have been transferred to the Company, at their book values;
- b) The Equity Share Capital of the Company amounting to Rs. 500,000 was cancelled;
- c) The Investment in IPL amounting to Rs. 5,925,000,000 had been transferred from IBREL to the Company;
- d) The net adjustment for such transfer of assets, liabilities and cancellation and issue of Equity Share Capital amounting to Rs. 3,507,981,841 has been shown in the Capital Reserve Account;
- e) Pursuant to the Scheme on November 25, 2011, the Company has issued and allotted 1,188,586,680 Fully Paid up Equity Shares and 84,370,000 Partly Paid up Equity Shares to the shareholders of Indiabulls Real Estate Limited, who were holding the shares, as on the Record Date i.e. 8th December, 2011, in the ratio of 2.95 : 1.

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

In terms of the Court approved Scheme of Arrangement which came into effect on June 2, 2012 (Effective Date), Indiabulls Infrastructure Development Limited (IIDL scheme 2012) was merged with Indiabulls Power Limited. (the Holding Company) as a going concern with effect from April 1, 2012, the Appointed Date under the Scheme, upon which the entire undertaking and the entire assets and liabilities of IIDL stand transferred to and vested in Indiabulls Power Limited. at their book values. Pursuant to the Scheme as aforesaid, an aggregate of 415,407,007 Equity shares of face value Rs. 10 each in IPL were issued and allotted in favour of the IIDL shareholders as on the Effective Date, thereby increasing the paid up capital of IPL to Rs. 26,427,299,530 divided into 2,642,729,953 Equity shares of face value Rs. 10 each. Consequent to issuance and allotment of equity shares to IIDL, Indiabulls Infrastructure and Power Limited (IIPPL) ceased to be the holding company of Indiabulls Power Limited. w.e.f June 20, 2012.

2. Significant Accounting Policies

2.1 Basis of Accounting and preparation of financial statements

The financial statements are prepared under the historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India and in compliance with the applicable accounting standards as notified under the Companies (Accounting Standards) Rules, 2006, as amended and as per Revised Schedule VI to 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 commencement notification of Companies Act, 2013, dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act and 2013 Act, to the extent applicable.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates

Notes forming part of the financial statements Indiabulls Infrastructure and Power Limited for the year ended March 31, 2014 (contd.)

used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

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

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

2.4 Cash flow statement

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

2.5 Revenue Recognition

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

2.6 Fixed Assets

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

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

2.7 Depreciation/Amortisation

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

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

2.8 Impairment of Assets

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

2.9 Borrowing Costs

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

2.10 Investments

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

Notes forming part of the financial statements Indiabulls Infrastructure and Power Limited for the year ended March 31, 2014 (contd.)

2.11 Employee Benefits

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

2.12 Taxes on Income

Current tax is 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 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.

2.13 Provisions, Contingent Liabilities and Contingent Assets

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

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

2.14 Earnings Per Equity Share

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

2.15 Preliminary Expenses

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

Notes forming part of the financial statements Indiabulls Infrastructure and 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		
1,525,000,000 (Previous Year 1,500,000,000) Equity Shares of Rs.2 each	3,050,000,000	3,000,000,000
	3,050,000,000	3,000,000,000
Issued, Subscribed and Paid up		
Equity Share Capital		
1,272,956,680 (Previous Year 1,272,956,680) Equity Shares of Rs.2 each fully paid up	2,545,913,360	2,545,913,360
Total - Share capital	2,545,913,360	2,545,913,360

a) Reconciliation of the number of shares outstanding

	March 31, 2014		March 31, 2013	
Equity Shares	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
As at the beginning of the year	1,272,956,680	2,545,913,360	1,272,956,680	2,545,913,360
Add: Issued during the year				
- For payment received in cash	—	—	—	—
As at the end of the reporting year	1,272,956,680	2,545,913,360	1,272,956,680	2,545,913,360

b) Terms/Rights attached to Equity Shares

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

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

	March 31, 2014		March 31, 2013	
	No. of Shares	% holding	No. of Shares	% holding
Equity Shares fully paid				
Five (Previous Year Five) shareholders each holding more than 5% or more of the Share Capital (Face Value Rs. 2)	433,342,971	34.04%	433,342,971	34.04%

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

84,370,000 Shares out of the issued, subscribed and partly paid up share capital were allotted in the last five years pursuant to the scheme of demerger without payment being received in cash.

Notes forming part of the financial statements Indiabulls Infrastructure and Power Limited for the year ended March 31, 2014 (contd.)

Note 4	As at	As at
Reserves and surplus	March 31, 2014	March 31, 2015
	(₹)	(₹)
Capital Reserve		
Opening Balance	3,507,981,841	3,507,981,841
Add : Additions during the year	—	—
Closing Balance	3,507,981,841	3,507,981,841
Securities Premium Account		
Opening Balance	198,458,892	198,458,892
Add : Additions during the year	—	—
Closing Balance	198,458,892	198,458,892
(Deficit)/Surplus in Statement of Profit and Loss		
Opening Balance	(54,983,682)	(33,406,625)
Add: Profit/(Loss) for the year	3,846,364	(21,577,057)
Closing Balance	(51,137,318)	(54,983,682)
Total - Reserves and surplus	3,655,303,415	3,651,457,051

Note 5	As at	As at
Money Received against Share Warrants	March 31, 2014	March 31, 2013
	(₹)	(₹)
Money Received against Share Warrants	188,314,400	—
Total - Money received against share warrants	188,314,400	—

Company during the year, upon receipt of shareholders approval has on December 2, 2013, issued and allotted an aggregate of 23,53,93,000 (Twenty Three Crores Fifty Three Lacs Ninety Three Thousand) warrants of the Company to certain promoter entities, 25% of which amounting to Rs. 188,314,400 has been received upfront by the Company from respective allottees and the same has been utilised in accordance with the objects of the issue. These warrants are convertible into an equivalent number of Equity shares of face value Rs. 2/- each at a conversion price of Rs. 3.20/- per Equity share, upon receipt of balance conversion price, within a period of eighteen months from the date of allotment of warrants.

Note 6	As at	As at
Deferred tax liability/assets (net)	March 31, 2014	March 31, 2013
	(₹)	(₹)
Deferred tax liability		
Arising on account of timing differences due to:		
- Difference between book and tax depreciation	34,558	45,914
Deferred tax liability (A)	34,558	45,914
Deferred tax assets		
Arising on account of timing differences due to:		
- Preliminary Expenses	1,545	3,009
- Provision for Gratuity	—	551,170
- Provision for Compensated Absences	—	319,176
- Provision for Bonus	—	788,718
Deferred tax assets (B)	1,545	1,662,073
Total - Deferred tax liability (net) (A-B)	33,013	—
Total - Deferred tax assets (net) (B-A)	—	1,616,159

Notes forming part of the financial statements Indiabulls Infrastructure and Power Limited for the year ended March 31, 2014 (contd.)

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 Rs. 1,649,172 (Previous Year credited Rs. 185,162) as deferred tax charge to the Statement of Profit and Loss for the year ended March 31, 2014.

Note 7	As at	As at
Long-term provisions	March 31, 2014	March 31, 2013
	(₹)	(₹)
Provision for employee benefits (Refer Note 20)		
Provision for Gratuity (unfunded)	—	1,792,149
Provision for Compensated Absences (unfunded)	—	1,018,173
Total - Long-term provisions	—	2,810,322

Note 8	As at	As at
Other current liabilities	March 31, 2014	March 31, 2013
	(₹)	(₹)
Duties & Taxes payable		
- TDS Payable	62,071	523,155
- Professional Tax Payable	—	1,200
Expenses Payable		
- Group Companies	—	119,164
- Others	66,060	2,041,784
Other Liabilities		
- Audit Fee Payable	505,620	505,620
- Others	4,838	2,289
Total - Other current liabilities	638,589	3,193,212

Note 9	As at	As at
Short-term provisions	March 31, 2014	March 31, 2013
	(₹)	(₹)
Provision for employee benefits (Refer Note 20)		
Provision for Gratuity (unfunded)	—	39,589
Provision for Compensated Absences (unfunded)	—	42,564
Total - Short-term provisions	—	82,153

Note 10
Fixed Assets **(Amount in ₹)**

	Gross Block At Cost				Accumulated Depreciation / Amortisation				Net Block	
Particulars	As at April 1, 2013	Additions during the Year	Adjustments during the Year	As at March 31, 2014	As at April 1, 2013	Provided during the Year	Adjustments during the Year	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
A. Tangible Assets										
Office Equipment	20,784	—	—	20,784	1,974	988	—	2,962	17,822	18,810
Computers	407,893	—	—	407,893	132,240	66,119	—	198,359	209,534	275,653
Furniture and Fixtures	186,524	—	—	186,524	23,614	11,807	—	35,421	151,103	162,910
TOTAL (A)	615,201	—	—	615,201	157,828	78,914	—	236,742	378,459	457,373
Previous Year	615,201	—	—	615,201	78,914	78,914	—	157,828	457,373	

Notes forming part of the financial statements Indiabulls Infrastructure and Power Limited for the year ended March 31, 2014 (contd.)

Note 11	As at	As at
Non-current investments	March 31, 2014	March 31, 2013
	(₹)	(₹)
Trade		
(a) Long Term Investment in Equity Instruments , Quoted		
- in Associate Companies	-	-
1,185,000,000 (Previous Year 1,185,000,000) Equity Shares of Face Value of Rs.10 each in Indiabulls Power Limited	5,925,000,000	5,925,000,000
Total - Non-current investments	5,925,000,000	5,925,000,000
Aggregate amount of Unquoted Investments	-	-
Aggregate amount of Quoted Investments	5,925,000,000	5,925,000,000
Aggregate provision for diminution in value of investments	-	-
Market value of quoted investments	9,006,000,000	9,776,250,000
Note 12	As at	As at
Cash and bank balances	March 31, 2014	March 31, 2013
	(₹)	(₹)
Cash and Cash Equivalents		
Cash on hand	7,673	7,367
Balances with Banks		
- In Current Accounts	912,172	576,806
Total - Cash and bank balances	919,845	584,173
Note 13	As at	As at
Short-term loans and advances (Unsecured, considered good)	March 31, 2014	March 31, 2013
	(₹)	(₹)
(a) Loans and advances to related party		
Inter Corporate Deposits/Loans given (Refer note 19)	434,050,000	250,550,000
(b) Loans and advances to employees	-	11,900
(c) Balances with Government authorities		
Advance Income Tax/Tax Deducted At Source [Net of provision for tax Rs. 2,662,306 (Previous Year Rs. Nil)]	3,293,164	3,006,897
(d) Other loans and advances		
Advances recoverable in cash or in kind or for value to be received	24,149	12,228
Total - Short-term loans and advances	437,367,313	253,581,025
Note 14	As at	As at
Other current assets	March 31, 2014	March 31, 2013
	(₹)	(₹)
Accrued Interest		
- on Inter Corporate Deposits	26,537,160	22,217,368
Total - Other current assets	26,537,160	22,217,368

Notes forming part of the financial statements Indiabulls Infrastructure and Power Limited for the year ended March 31, 2014 (contd.)

Note 15		For the Year Ended	For the Year Ended
Other Income		March 31, 2014	March 31, 2013
		(₹)	(₹)
Interest Income on Inter Corporate Deposits		29,485,733	24,685,964
Miscellaneous Income		552,998	—
Total - Other income		30,038,731	24,685,964
Note 16		For the Year Ended	For the Year Ended
Employee benefits expense		March 31, 2014	March 31, 2013
		(₹)	(₹)
Salaries and Wages		14,965,534	40,797,358
Contribution to Provident Fund and Other Funds		700	1,920
Provision for Gratuity		354,908	426,956
Provision for Compensated Absences		157,568	132,715
Total - Employee benefits expense		15,478,710	41,358,949
Note 17		For the Year Ended	For the Year Ended
Finance costs		March 31, 2014	March 31, 2013
		(₹)	(₹)
Interest Expenses			
- Interest Expenses on Taxation		573	9,166
Total - Finance costs		573	9,166
Note 18		For the Year Ended	For the Year Ended
Other expenses		March 31, 2014	March 31, 2013
		(₹)	(₹)
Rates and Taxes		2,121,648	801,286
Legal and Professional Charges		522,446	1,112,194
Travelling Expenses		2,214	9,688
Electricity & Water Expenses		—	1,544
Communication Expenses		96,397	215,645
Printing and Stationery		773,176	314,351
Postage & Courier Charges		1,882,327	1,600,066
Auditor's Remuneration			
- as auditors	561,800		561,800
- for other services	—	561,800	56,180
Advertisement Expenses		121,092	309,691
Meeting Expenses		239,863	13,607
Bank Charges		530	110
Miscellaneous Expenses		1,199	4,992
Total - Other expenses		6,322,692	5,001,154

Notes forming part of the financial statements Indiabulls Infrastructure and Power Limited for the year ended March 31, 2014 (contd.)

19. 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. Subsidiary Company

Indiabulls Power Limited.(Upto June 20, 2012)

Associate Company

Indiabulls Power Limited.(w.e.f June 21, 2012)

Other related parties:

II. Step down Subsidiaries* (Upto June 20, 2012)

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

Notes forming part of the financial statements Indiabulls Infrastructure and Power Limited for the year ended March 31, 2014 (contd.)

Name of Subsidiary Companies	Name of Subsidiary Companies
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 (formerly Poena Power Projects 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 subsidiary of the Company.

** Upto May 15, 2012

*** Upto May 21, 2012

III. Key Management Personnel

Name	Designation
Mr. Rajiv Rattan	Whole Time Director of the Company
Mr. Sameer Gehlaut	Director of the Company
Mr. Ram Kumar Sheokand	Director of the Company
Mr. Saurabh Kumar Mittal	Director of the Company
Mr. Joginder Singh Kataria	Director of the Company
Mr. Rajender Singh Malhan	Director of the Company
Mr. Gaurav Srivastava	Company Secretary of the Company

IV. Summary of Significant Transactions with Related Parties:

(Amount in ₹)

Name	Relationship	Year ended	Loan Received/ Inter Corporate Deposit (Given)*	Interest Income on Loan/Inter Corporate Deposits	Reimbursement received of ROC and General expenses
Indiabulls Power Limited.	Subsidiary/ Associate	Mar 31, 2014	(437,200,000)	29,485,733	1,691,746
		Mar 31, 2013	(293,400,000)	24,685,964	120,664

Notes forming part of the financial statements Indiabulls Infrastructure and Power Limited for the year ended March 31, 2014 (contd.)

V. Summary of Outstanding Balances with Related Parties:

(Amount in ₹)

Name	Year ended	Inter Corporate Deposit Given	Interest on Inter Corporate Deposits Given	Reimbursement of general expenses Payable
Subsidiary Company/Associate				
Indiabulls Power Limited.	Mar 31, 2014	434,050,000	26,537,160	—
	Mar 31, 2013	250,550,000	22,217,368	119,164

Note: Related parties relationships as given above are as identified by the Company.

20. Employee Benefits

Contributions are made to the Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the eligible employees and the company make pre-determined contributions to the Provident Fund. The contributions are normally based upon a proportion of the employee's salary. The company has recognized in the Statement of Profit and Loss an amount of Rs. 700 (Previous Year: Rs.1,920) 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', commitments are actuarially determined using the 'Projected Unit Credit Method'. Gains/ losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss as applicable and as identified by the Management of the Company.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of Gratuity and Compensated Absences and the amounts recognised in the financial statements for the year ended March 31, 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)	—	1,831,738	—	1,060,737
Fair value of plan assets	N.A.	—	N.A.	—
Net liability in the Balance sheet (as per Actuarial valuation)	—	1,831,738	—	1,060,737
Movement in net liability recognised in the Balance sheet:				
Net liability as at the beginning of the year	1,831,738	1,404,782	1,060,737	928,022
Net amount recognised as expenses/ (reversal) in the Statement of Profit and Loss	193,927	426,956	(22,216)	132,715
Benefits Paid	2,025,665	—	1,038,521	—
Net liability as at the end of the year	—	1,831,738	—	1,060,737
Expenses recognised in the Statement of Profit and Loss				
Current service cost	—	556,308	—	356,758

Notes forming part of the financial statements Indiabulls Infrastructure and 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
Past Service Cost	–	–	–	–
Interest Cost	–	122,902	–	82,053
Expected return on plan asset	–	–	–	–
Benefits Paid	2,025,665	–	1,038,521	–
Actuarial (gains) / losses	(160,981)	(252,254)	(179,784)	(306,096)
Expenses charged / (reversal) to the Statement of Profit and Loss	354,908	426,956	157,568	132,715
Return on Plan assets:				
Expected return on Plan assets	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.
Reconciliation of defined-benefit commitments:				
Commitments as at the beginning of the year	1,831,738	1,404,782	1,060,737	928,022
Current service cost	–	556,308	–	356,758
Past Service Cost	–	–	–	–
Interest cost	–	122,902	–	82,053
Paid benefits	2,025,665	–	1,038,521	–
Actuarial (gains) / losses	193,927	(252,254)	(22,216)	(306,096)
Commitments as at the end of the year	–	1,831,738	–	1,060,737
Reconciliation of Plan assets:				
Plan assets as at the beginning of the year	N.A.	N.A.	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.
Contributions during the year	N.A.	N.A.	N.A.	N.A.
Paid benefits	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.
Plan assets as at the end of the year	N.A.	N.A.	N.A.	N.A.

(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	–	256,204	–	–	–
On plan assets	–	–	–	–	–
Present value of benefit obligation	–	18,31,738	1,404,782	–	–
Fair value of plan assets	–	–	–	–	–
Excess of (obligation over plan assets)	–	(18,31,738)	1,404,782	–	–

Notes forming part of the financial statements Indiabulls Infrastructure and Power Limited for the year ended March 31, 2014 (contd.)

Particulars	(Amount in ₹)				
	Compensated Absences (Unfunded)				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Experience adjustment:					
On plan liabilities	–	308,760	–	–	–
On plan assets	–	–	–	–	–
Present value of benefit obligation	–	10,60,737	928,022	–	–
Fair value of plan assets	–	–	–	–	–
Excess of (obligation over plan assets)	–	(10,60,737)	(928,022)	–	–

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

	March 31, 2014	March 31, 2013
Discount rate	N.A.	8.00%
Expected return on plan assets	N.A.	NA
Expected rate of salary increase	N.A.	5.00%

(b) Demographic Assumptions

	March 31, 2014	March 31, 2013
Retirement Age	N.A.	60 Years
Mortality Table	N.A.	IALM (1994-96)
Ages	N.A.	Withdrawal Rate (%)
- Upto 30 Years	N.A.	3.00
- From 31 to 44 Years	N.A.	2.00
- Above 44 Years	N.A.	1.00

There are no employees with the Company as at March 31, 2014 and accordingly, the liability as at the year-end is Rs. Nil.

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 Rs. Nil (Previous Year: Rs. 784,083) and Rs. Nil (Previous Year: Rs. 336,699) respectively.

Indiabulls Employees' Welfare Trust:

During the financial year 2011-12, Indiabulls Employee Welfare Trust ("IEWT" or "Trust") came to hold shares in the Company, being shares issued and allotted in its favour, in terms of the Court approved Scheme of Arrangement between the Company and Indiabulls Real Estate Limited (IBREL), against the Trust holding in IBREL.

The Company has assured and represented that it shall comply with the requirements of SEBI Circular no. CIR/CFD/DIL/3/2013 dated January 17, 2013 read with Circular no. CIR/CFD/DIL/7/2013 dated May 13, 2013 and the Circular no. CIR/CFD/POLICYCELL/14/2013 dated November 29, 2013.

21. 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

Notes forming part of the financial statements Indiabulls Infrastructure and Power Limited for the year ended March 31, 2014 (contd.)

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
Profit/ (Loss) for the year	3,846,364	(21,577,057)
Weighted average number of Shares used in computing Basic and diluted earnings per equity share (Number of Shares)	1,272,956,680	1,272,956,680
Add: Effect of number of equity shares on account of Share Warrants of the company	4,057,999	–
Weighted average number of Shares used in computing Diluted earnings per equity share (Number of Shares)	1,277,014,679	1,272,956,680
Basic Earnings per equity share	0.003	(0.017)
Diluted Earnings per equity share	0.003	(0.017)
Face Value per equity share	2	2

22. The Company's activities during the year involved setting up of its power project in India for generation of thermal power. Considering the nature of Company's business and operations and based on the information available with the Company, there is/are no reportable segment (business and/or geographical) in accordance with Accounting Standard 17 on 'Segment Reporting' as notified under the Companies (Accounting Standards) Rules, 2006, as amended. Hence no further disclosures are required in respect of reportable segments, under Accounting Standard 17.
23. 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.
24. 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 realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the Balance Sheet. In the opinion of the Board of the Director's, no provision is required to be made against the recoverability of these balances.
25. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006:
 - a) An amount of Rs. Nil (Previous Year: Rs. Nil) and Rs. Nil (Previous Year: Rs. Nil) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
 - 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.

Notes forming part of the financial statements Indiabulls Infrastructure and Power Limited for the year ended March 31, 2014 (contd.)

c) No interest is payable at the end of the year other than interest under Micro, Small and Medium Enterprises Development Act, 2006.

d) No amount of interest was accrued and unpaid at the end of the accounting year.

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

26. The Company has not entered into any derivative instruments during the year. The Company does not have any foreign currency exposures towards receivables, payables or any other derivative instrument that have not been hedged.

27. There is neither any Contingent liability nor any Commitments to be reported as at March 31, 2014 (Previous Year Rs. Nil).

28. 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 19)

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

In terms of our report attached.

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

For and on behalf of the Board of Directors

Amar Mittal
Partner
Membership No. 017755

Rajiv Rattan
Whole Time Director

Joginder Singh Kataria
Director

Gaurav Srivastava
Company Secretary

Place: New Delhi
Date : April 23, 2014

Place: New Delhi
Date : April 23, 2014

[illegible]

Indiabulls

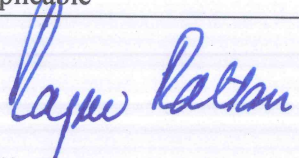
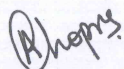
Indiabulls Infrastructure and Power Limited

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.	Name of the Company:	Indiabulls Infrastructure and Power Limited
2.	Annual financial statements for the year ended:	Annual Financial Statements for the year ended 31 st March 2014
3.	Type of Audit observation	UNQUALIFIED
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	WTD & CEO	 Mr. Rajiv Rattan (Chairman & Whole Time Director) Gurgaon, August <u>25</u> , 2014
	CFO	 Mr. Arun Chopra (Assistant Vice President – Accounts & Finance) Gurgaon, August <u>25</u> , 2014
	Audit Committee Chairman	 Mr. Joginder Singh Kataria Gurgaon, August <u>25</u> , 2014
	Auditor of the company	Refer our Audit Report dated April <u>23</u> , 2014 on the financial statements of the “Indiabulls Infrastructure and Power Limited” For SHARMA GOEL & CO. LLP Chartered Accountants (Firm Registration No. 000643N)   Amar Mittal (Partner) (Membership No.017755) New Delhi, <u>August 25</u> , 2014