

Indiabulls Power Limited.

— Annual Report 2010-11 —



Power hai toh zindagi hai.

Indiabulls

Indiabulls Power Limited.



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Corporate Information

BOARD OF DIRECTORS

1. Mr. Sameer Gehlaut
2. Mr. Rajiv Rattan
3. Mr. Saurabh K. Mittal
4. Mr. Shamsheer Singh Ahlawat
5. Mr. Prem Prakash Mirdha
6. Brig. Labh Singh Sitara

BANKING AND FINANCING RELATIONSHIPS

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

REGISTERED OFFICE

1A, Hamilton House,
1st Floor, Connaught Place,
New Delhi- 110 001

WEBSITE

www.indiabulls.com/power/

COMPANY SECRETARY

Mr. Gaurav Toshkhani

REGISTRAR AND TRANSFER AGENT

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

CORPORATE OFFICES

"Indiabulls House"
448-451, Udyog Vihar, Phase V,
Gurgaon – 122 016, Haryana

Indiabulls House, Indiabulls Finance Centre,
Senapati Bapat Marg, Elphinstone Road,
Mumbai- 400013.

STATUTORY AUDITORS

Deloitte Haskins & Sells
Chartered Accountants
Opp. Shiv Sagar Estate
12, Dr. Annie Besant Road
Worli Mumbai - 400 018.

Chairman's message

Dear Shareholders,

Decades of economic planning in India following independence placed significant emphasis on the development of the power sector. However, per capita electricity consumption remains much lower than the world average and even lower than some of the developing Asian economies. Given the fact that India has the second fastest growing economy in the world, the Eleventh Plan (2007-12) called for the addition of 78,000 MW of power from all sources, although as things stand today, we are far from realizing this target. The Twelfth Five-Year Plan (2012-17) is even more ambitious, calling for the addition of over 100,000 MW of power.

The widening demand-supply gap coupled with the energy requirement of a burgeoning economy presented us an opportunity to fill this vital structural gap in our nation's quest for energy security. Indiabulls was quick to realize the business potential in the power sector back in 2007, and had steadily gone ahead with the necessary land acquisition, securing fuel and water linkages and obtaining the requisite environmental clearances well ahead of the scheduled start of work on our projects. Your company realized very early the key drivers which have helped accelerate execution of our power projects, load centre locations, fuel security and a diversified assets portfolio. Not only does it give us the much needed head start, but makes us well positioned to concentrate on the project execution rather than grapple with the above contentious issues.

Today, Indiabulls Power Ltd (IPL) is exceedingly well placed to leverage the huge power opportunity with 5400 MW of thermal power projects currently under execution. Uninterrupted and secure availability of low-cost fuel is critical for smooth functioning of thermal power plants. Your company has been granted coal linkages by the Ministry of Coal for our Amravati Phase I and II Power Projects & Nashik Phase I & II Power Projects. Notwithstanding some recent concerns about the actual availability of promised coal, we are making arrangements to tide over any shortfall, and plant commissioning at both these projects will be within the scheduled timeframe. Early achievement of financial closure last year for both Amravati and Nashik projects enabled us to go full steam ahead with construction work at both sites with contracts awarded for all major equipment and services to the best contractors in India.



Project update

During the year 2010-11, IPL executed a long term power purchase agreement (PPA) with Maharashtra State Electricity Distribution Company Ltd (MSEDCL) for sale of 1200 MW of power through Case-I competitive bidding route. Phase-1 1350 MW project at Amravati is making rapid strides with 3 out of its 5 Boiler Drums already lifted at site, and Turbine Condenser erection is in progress. The Project has been awarded Mega Power status with attendant fiscal benefits in terms of tax & duty exemptions. Amravati Project is progressing satisfactorily with Nashik following close on heels. IPL has also launched 2nd phase of 1350 MW at both the Project sites (Amravati and Nashik) in October, 2010 replicating unit configuration of 5x270 MW by sourcing similar main plant BTG equipment from BHEL.

I want to assure you that at this juncture, we are in the best competitive position among the new entrants in the power sector, and are on course to build our leadership position in the energy sector in the country and help achieve India's vision to make power affordable to all sections of society. Going ahead we are confident that our asset mix will help us realize superior returns to our shareholders. Lastly I take this opportunity to warmly thank all our shareholders, customers, employees, bankers and financial institutions for reposing their faith in us and motivating us to excel in all facets of our business.

Thank you!

Sameer Gehlaut
Founder & Chairman

Indiabulls Power Updates

All four projects aggregating **5400 MW** have achieved financial closure

Total capacity under execution for Indiabulls Power Limited. currently = 5400 MW

Amravati
Phase I
1350 MW

Amravati
Phase II
1350 MW

Nashik
Phase I
1350 MW

Nashik
Phase II
1350 MW

Construction is in full swing at
Nashik and Amravati.

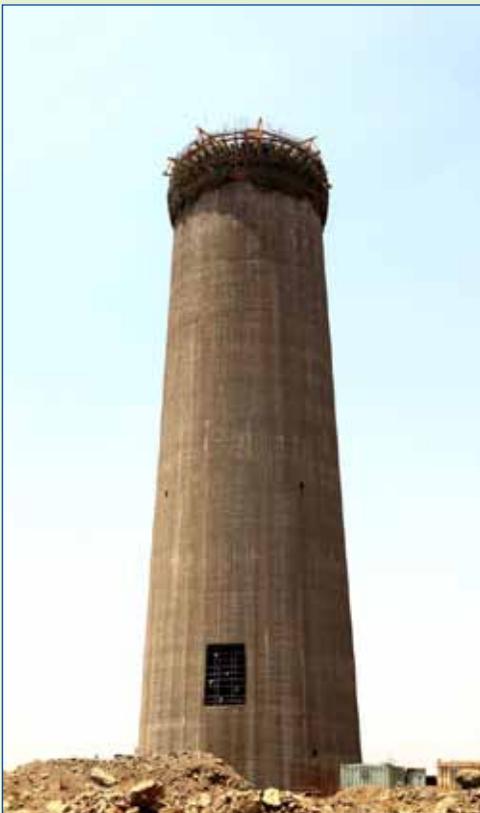
Project Update - Amravati (Phase-1)

Construction work in full swing...



Project Update - Nashik (Phase-1)

Construction work in full swing...





Mr. Rajiv Rattan, Vice Chairman

ECONOMIC SCENARIO

India is the world's largest democracy and the second fastest growing economy. The past decade has seen fundamental and positive changes in the Indian economy, government policies, and outlook of business and industries. The Indian economy has witnessed phenomenal growth during the last decade. Even in the recent worldwide slowdown the Indian Economy posted decent growth and was among one of the few countries to lead the world economy on recovery path with GDP growth rate of 8.6% for 2010-11. The key drivers of India's growth include a booming domestic market, fueled by increasing consumption and a surge in investment, which is supported by inherent fundamental strengths such as favorable demographics.

However, burgeoning inflationary pressures are an area of concern for the government. Rising inflation has led to stringent controls in the domestic financial environment. The Reserve Bank of India (RBI), India's central bank, has given high precedence to price stability, to containing inflation expectations and sustain the growth momentum. Year 2010 has seen developed economies experience a gradual resurgence. But it has also been a witness to considerable volatility on account of diverse developments, prominent amongst them being the sovereign debt crisis in the euro zone, concerns about the fiscal trajectory in the US, the sharp increase in commodity prices – food and energy – and the rising tide of inflation in emerging countries. Volatility was experienced most in financial markets, but also in a less tangible fashion in other areas.

Management Discussion and Analysis

Going into 2011, expectation is that the economic recovery experienced in the US and EU during the second half of calendar 2010 will be reinforced. However, it is not clear whether liberal monetary policies would persist as economic conditions improve. The sovereign debt problem in the euro zone has also not been convincingly resolved. Both, India and China, as also many other emerging countries, are facing strong inflationary pressure. Food prices across the world have crossed the 2008 peak levels. Petroleum prices are at historically high levels (barring the few exceptional months of the summer of 2008) and political crisis eclipse the Middle East. In these circumstances, it can only be expected that the strong volatility of 2010 will continue into 2011 and make for some unexpected developments. This once again underscores the importance of pursuing domestic policies that factor in some adverse developments in the international sphere. On the domestic front, the principal challenge in short to medium term is inflation management. Both monetary and fiscal policies are integral to this. It is imperative that supply challenges from food, energy, and other raw materials to intermediates be aggressively tackled, in order to permit the economy to grow at a pace consistent with strong underlying domestic demand, without putting excessive pressure on prices.

The economy has substantially withstood the shock of the collapse in world growth due to global financial crisis of 2007-09, the ripple effects of which continued through 2009-10 and indeed persisted well into 2010-11.

India is an emerging economy which has witnessed unprecedented levels of economic expansion, alongside China, Russia, Mexico and Brazil. India is a cost effective and labour intensive economy, and has benefited immensely from outsourcing work from developed countries, and has a strong manufacturing and export oriented industrial framework.

Robust growth and steady fiscal consolidation have been the hallmarks of the Indian economy in the year 2010-11.

INDUSTRY OVERVIEW

Indian Power Industry is one of the largest and most important industries in India as it fulfils the energy

Management Discussion and Analysis (Contd.)

requirements of all other industries. It is one of the most critical components of infrastructure that affects economic growth and well-being of our nation.

Numerous economists, visionaries, and industry experts believe that the Indian power sector needs to grow upwards of 13% to sustain a 9% GDP growth rate. This would mean a capacity addition of 18,000 - 20,000 MW per annum to achieve this ambitious plan of moving India to a Developed Economy status. The Mission, 'POWER for all by 2012', would mean achieving the target of 1000 kWhr per capita consumption of electricity by this period. In India, power is generated by units in the State sector, Central sector and Private sector.

As per the latest Report of CEA (Central Electricity Authority), India has installed capacity of 1,76,990.40 MW as on June 30, 2011, over 75% of which is controlled by public sector (state and central).

Working of Power Industry

Thermal Power: - 65% of India's power generation capacity is from thermal sources, of which 84% use coal as a raw material, 15% gas, and 1% use Oil.

Hydro Power: - Hydroelectric power or hydroelectricity is electrical power which is generated through the energy of falling water. 22% of the power generation capacity of India is currently from this source.

Nuclear Power: - A Nuclear Power Plant is a thermal power station in which the heat source is one or more nuclear reactors. A nuclear reactor is a device to initiate and control

a sustained nuclear chain reaction. In the process, heat is generated which is then used to generate electricity. Only 3% of the installed capacity of India is from this source.

Renewable Energy Sources: - The energy obtained from renewable sources like sun, wind, biomass can be converted into power. Renewable energy sources have great potential to contribute to improving energy security of India and reducing green-house gas emissions. India is among the five largest wind power generators in the world. Government aims to achieve 72400 MW of power from renewable sources.

Large numbers of power projects (in XI and XII five year plans) are under construction to overcome the power shortages and meet the growing energy requirements of the country. However, the sector has been encountering problems on account of inadequate / depleting conventional fuel resources, slippages in capacity addition, transmission / open access constraints and high Aggregate Technical & Commercial (AT & C) losses in the country. Since the formulation of Electricity Act 2003, Government of India (GoI) has launched several initiatives and announced various regulations to strengthen the sector. Significant GoI / regulatory initiatives in recent times have been; Mega / Ultra Mega Power Generation projects, revised tariff regulations for existing central government projects, competitive bidding for all future power purchase by utilities, tariff norms for renewable energy / introduction of Renewable Energy Certificates (REC), new transmission pricing grid code, power market regulations, restructured Accelerated Power Development Reform Programme (APDRP2), National Electricity Fund, etc.

BUSINESS REVIEW

Electricity has become the lifeline of modern India, without which the country will come to a virtual standstill. Any sluggishness in growth of the Power sector in India can throw it far behind other countries in industrial, economic and social growth. Thus, power has been widely recognized as one of the key factors of infrastructure, for a sustained growth of our country. With the share of private sector in power sector growing, your company is poised to be one of leading private sector player in the power industry.

PROJECTS UNDER CONSTRUCTION

Your Company is currently executing four coal based thermal power projects with aggregate capacity of 5400 MW, all in the State of Maharashtra. This includes 2700

MW projects under construction in Nandgaonpet, Amravati and another 2700 MW under construction in Sinnar, Nashik. Both Amravati and Nashik Thermal Power Projects are being constructed in two phases each of 1350 MW each.

During the current financial year, significant progress has been made in the development and execution of the Amravati and Nashik Thermal Power projects. These projects have already tied up for land, water, fuel (coal linkages), finances and necessary statutory clearances.

Amravati Thermal Power Project (10X270 MW in two phases of 1350 MW each)

Your Company is developing 2700 MW Coal based Thermal Power Project in two phases at Nandgaonpeth

Management Discussion and Analysis (Contd.)



Mr. Ranjit Gupta, CEO

in Amravati district of Maharashtra. 1350 acres land has been acquired from Maharashtra Industrial Development Corporation (MIDC). Environmental Clearance from Ministry of Environment & Forests (MoEF) and Coal linkage from Ministry of Coal (MoC) have already been obtained. Your Company has signed long term Power Purchase Agreements for 1200 MW with Maharashtra State Electricity Distribution Company Limited (MSEDCL) at a levelised tariff of Rs. 3.26 per unit from Amravati Phase I Project (1350 MW). First phase of the Project has already been granted Mega Power Project status by the Government of India. Financial closure has already been achieved for the entire 2700 MW capacity at Amravati.

BTG contracts for both phases of Amravati Thermal Power Projects have been entered into with BHEL. Civil & Structural works of BTG, Chimney Construction, Coal Handling plant, Water Treatment plant, Electrical Balance of Plant, Cooling Towers, Power Transformers, General Civil Works for Balance of Plant have already been awarded to leading contractors / suppliers like Shapoorji Pallonji, L&T, Gammon, Gannon Dunkerly, Areva, Paharpur etc. M/s Tata Consulting Engineers have been retained as Owner's Consultants for Design and Engineering for both phases of the Amravati Project.

Nashik Thermal Power Project (10 X 270 MW in two phases of 1350 MW each)

2700 MW coal based thermal power project is being implemented by Indiabulls Realtch Limited (100% subsidiary of the Company) as Co-Developer of the Special Economic Zone at Sinnar, Nashik in two phases of 1350 MW each. Adequate land is under possession for the power project. Environmental Clearance from MoEF for Phase 1 and Coal linkage from the Ministry of Coal (MoC) for both the phases have already been obtained. MOEF clearance

for Phase II has already been recommended by the Expert Advisory Committee of the MOEF. Financial closure has already been achieved for the entire 2700 MW capacity at Nashik.

M/s Tata Consulting Engineers have been appointed as Owner's Consultants for Design and Engineering for both phases of the Nashik Project. The Main Plant equipment i.e. BTG is being sourced from M/s BHEL for both the phases and the Balance of Plant Packages are being executed by reputed contractors namely Shapoorji Pallonji, Gammon, Gannon Dunkerly, L&T, Doshion, Siemens and Areva.

PROJECTS UNDER DEVELOPMENT

Bhaiyathan Thermal Power Project

Bhaiyathan Project in the State of Chhattisgarh is planned to have two super-critical units of 660 MW each, with a combined capacity of 1,320 MW. Development work on the Bhaiyathan Project is currently progressing at a slow pace due to certain pending statutory clearances relating to the captive coal blocks allocated for the Project.

Mansa Thermal Power Project

During the year, your company signed a Memorandum of Understanding with Punjab State Power Corporation Limited for development of a 1320 MW (2 x 660 MW) Thermal Power Project based on super critical technology at village Govindpura, Tehsil Budhlada, in district Mansa of Punjab. Water allocation for this project has already been done and the Government of Punjab is currently in the process of acquiring land for the project.

COMPETITIVE STRENGTHS

The Company believes that it is well positioned to benefit from the growth opportunities in the Indian power sector due to the following competitive strengths:

Strong Portfolio of Power Generation Projects

The coal-fired thermal power projects under construction by the Company in Maharashtra will have a combined installed capacity of 5400 MW. The Company plans to sell its power to state-owned and private distribution companies and industrial consumers. The Company intends to maintain an appropriate mix of off-take arrangements, including long-term PPAs to provide a level of committed revenues and short-term PPAs to optimize the revenues.

Financial Closure

Your Company has achieved financial closure for both phases of Amravati and Nashik power projects aggregating 5400 MW. The speedy and efficient execution of our projects

Management Discussion and Analysis (Contd.)

remains a key priority. We have made exceptional progress in this regard, particularly with respect to financing.

Fuel Access Security

One of the key factors in the power generation is the seamless availability of high quality and cost efficient fuel through the lifetime of a power plant. The Company has been granted coal linkages by the Ministry of Coal for Phase I and Phase II of Amravati and Nashik Power Project and the necessary Letter of Assurances have already been issued. The Ministry of Coal, Government of India has allocated captive coal blocks located in Gidhmuri and Paturia villages in the Korba district in the state of Chhattisgarh for the Bhaiyathan Project, subject to certain terms and conditions.

Association with the Indiabulls Group

One of the Company's key strengths is the affiliation and its relationship with the Indiabulls Group and the strong brand equity generated from the "Indiabulls" brand name. The Indiabulls Group has business interests in real estate and financial services sectors. The Company believes that access to project execution and operating skills of the Indiabulls Group is a competitive strength of the Company.

Strategic partnership with key shareholders

The Company has brought in strategic foreign investors such as FIM Limited and LNM India Internet Ventures Limited. The Company believes that teaming with these investors has allowed the Company to obtain financial closure of its projects at an early stage of development.

Experienced management team with a track record of project execution.

The Company has been able to attract competitive managerial and technical talent. The Company's management team consists of personnel who have an established track record, knowledge, and relevant experience in Indian power sector. For example, the key managerial personnel of the Company have between 14 to 25 years of experience in the energy sector and have been employed with companies including Power Grid Corporation of India Limited, NTPC Limited, and Bharat Heavy Electricals Limited prior to joining the Company. The Company is managed by experienced and highly qualified professionals. The team members have prior exposure in implementing and operating large power projects, and the Company believes this is one of its key competitive strengths.

STRATEGY

The key elements of the Company's strategy include:

Capitalizing on the growth of the Indian power generation sector

The power sector in India has historically been characterized by power shortages that have consistently increased over time. According to the CEA, the average power deficit and peak power deficit during 2011-12 (up to June 2011) was 5.3% and 8.7% respectively (Source: http://www.cea.nic.in/reports/monthly/executive_rep/jun11/1-2.pdf). With the GDP growth rate of around 9%, the capacity addition required is in excess of 20% to bridge the gap. The Company as such will continue to look at further opportunities to set up power projects in various locations across India to capitalize on the adverse demand-supply scenario.

Realization of the opportunities presented by power sector reforms and benefits extended by the Government of India

In 1991, the Indian power sector began a process of deregulation that is continuing today. The Electricity Act of 2003 and subsequent reforms have generated significant opportunities in the power sector. These changes include the following:

- Liberalization and de-licensing in the power generation sector, and doing away with the requirement of techno-economic clearances for thermal power projects, which expedites the thermal power project development process;
- Power trading recognized as a distinct activity;
- Distribution licensees can now procure power by developing power projects through a process of international competitive bidding; projects are no longer awarded on a cost-plus basis. The Company believes that competitive bidding presents attractive opportunities for efficient generation of power;
- Power generation companies can now sell power to any distribution licensees, or where allowed by the state regulatory commissions, directly to consumers. The market has evolved for merchant sales, which allows for the supply of peak power at premium rates;
- Power generation companies have open access to transmission lines, which facilitates the direct sale of power to distribution and trading licensees;
- Improved payment security mechanisms, which the Company believes will improve sector stability and enhance its ability to obtain financing for its projects;
- No distinction between foreign and domestic investor under electricity laws; and

Management Discussion and Analysis (Contd.)

- 100% FDI allowed in the power sector.

The Company's projects are positioned and structured to take advantage of these benefits and also applicable benefits under the SEZ and Mega Power Project policy of the Government of India. Future power sector reforms may present additional opportunities for the Company and it intends to capitalize upon these opportunities as they arise.

Leveraging of project execution skills

The demand for power in India to support its growing economy has in recent years exceeded supply. Per capita consumption of power in India, despite significant increases in recent years, continues to lag behind other developed and emerging economies by a colossal margin. India has large thermal coal resources and the coal industry is in the process of government deregulation that is expected to increase the availability of coal for power generation among other users. The Company believes these factors make the commercial power generation business an attractive growth opportunity in India and that by leveraging its project execution skills the Company can compete successfully in this business.

Focus on a structured approach to expand and diversify portfolio of power generation assets.

The Company intends to pursue a structured approach to achieve growth by capitalizing on its strengths and synergies. As part of this approach, the Company believes the following are key factors in determining the expansion of its generation assets:

Location: either near a fuel source or near a load center, to be able to supply power competitively;

Power deficits and network constraints: take advantage and profit from regional demand and supply patterns, capacity shortages, transmission constraints throughout India.

Fuel sourcing: opportunistically source fuel for the Company's generating assets from various locations; and

Diversity: diversify the Company's generating asset and fuel mix portfolios.

Ensuring fuel security

The Company's strategy has been to establish dedicated fuel lines prior to setting up a power project. Establishment of a dedicated, cost-efficient and established fuel supply line for a power project will be fundamental to the success of the Company's power business. The Company seeks to ensure that it has adequate supplies of cost-efficient fuel through captive fuel sources or coal linkages to meet fuel requirements for its power projects. The Company will

continue to explore other options and sources for procuring and strengthening its fuel supplies.

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

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

The Company believes that state-run utility companies will require substantial amount of power in order to meet their power demand and to cope adequately with power shortages in their respective states. The Company intends to utilize its marketing and trading capacities to secure off-take arrangements with state-run utility companies and industrial consumers as well as carry out merchant sales of power at market rates. The Company intends to maintain an appropriate mix of off-take arrangements. Merchant sales would be done on a "term-ahead" basis through bilateral contracts as well as on power exchanges such as the Indian Energy Exchange and Power Exchange India Limited. Term-ahead contracts permitted on the power exchanges currently include region-wise intra day contracts, daily contracts, weekly contracts and regional day-ahead contingency contracts. In addition to trading power generated by the Company on a term-ahead basis on power exchanges, the Company also intends to enter into bilateral contracts on a term-ahead basis with industrial consumers with open access and distribution companies. The Company believes that secure off-take arrangements will provide a level of committed revenues whilst short-term arrangements will enable the Company to realize higher tariff rates from time to time. The Company entered into a long-term power off-take agreement with MSEDCL and CSEB in relation to the Amravati Phase I Power Project and the Bhaiyathan Power Project respectively.

RISKS AND CONCERNS

1. Competition

Due to the gap between demand supply in the Indian power sector there has generally been a stable market for power generation companies in India. However situation is bound to get tougher in the times to come. This would primarily be for the reason that with the Electricity Act, 2003 having removed licensing requirements for thermal generators, provided for open access to transmission and distribution networks and removed restrictions on the right to build captive generation plants, the opportunities for the private sector involvement in power generation would increase manifold and so would the competition, meaning thereby that every

Management Discussion and Analysis (Contd.)

power utility seeking to enter the power market shall have many competitors to contend with and that too in an environment which offers equal opportunities to all the players in what would be a thoroughly leveled playing field. Competition is also bound to be stiff from the state run utilities which are established names in the industry.

2. Economic Developments

Your Company's performance and growth is essentially dependent on the economic environment prevailing in the country.

Any adverse developments on the economic front such as tightening of fiscal controls by the RBI, rise in interest rates, adverse conditions affecting agriculture, rise in commodity prices etc. would necessarily impact the power industry and your company can not remain unaffected by such developments.

HUMAN RESOURCES

Your Company looks upon its employees as one of the essentially important elements in its growth and development, who through their efforts place the Company on path of progress and profitability.

It has been the policy of the Company to attach paramount importance to the selection, induction and training of employees and adopting suitable measures for the retention of the employees so as to ensure that the Company gets to have an employee force best in the industry, in terms of skills, knowledge and experience.

The emphasis therefore has been on the implementation of scientific methods for selection of employees, honing their skills, enhancing their knowledge levels and providing them with the right degree of initiative coupled with appropriate opportunities at every functional level, the basic objective being to unlock people's potential and develop their functional, operational, and behavioral competencies so as to build a team of dedicated employees who work with

passion, zeal, and a sense of ownership.

To keep the employees motivated the Company has a system of adequately rewarding performance. Further, your company has employee stock option schemes that aim at sharing the fruits of Company's growth and progress with its employees. This not only rewards and nurtures talent, but also helps retain the best manpower in the industry.

INTERNAL CONTROL SYSTEMS

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

The system involves a close monitoring of compliance with the established policies, norms and practices as also the applicable statutes and rules and regulations with appropriate and immediate corrective actions being taken in the event of any deviations getting reported.

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

CAUTIONARY STATEMENT

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

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

Directors' Report

Your Directors have pleasure in presenting to you their fourth Annual Report and the Audited accounts of the Company for year ended March 31, 2011.

FINANCIAL RESULTS

(Amount in Rs.)

	For the year ended March 31, 2011	For the year ended March 31, 2010
Profit before Tax and Depreciation	117,872,807	435,327,100
Less : Depreciation	8,593,697	3,451,435
Profit before Tax	109,279,110	431,875,665
Less:		
Provision for Tax	9,600,000	57,100,000
Prior period tax adjustments	-	(1,331,634)
Deferred Tax Expense/ (Credit) - (Net)	2,330,356	(1,135,531)
Wealth Tax	706,447	-
Profit after tax	96,642,307	377,242,830
Add: balance brought forward	1,582,374,584	1,205,131,754
Balance carried to Balance Sheet	1,679,016,891	1,582,374,584

BUSINESS REVIEW

Electricity has become the lifeline of modern India, without which the country will come to a virtual standstill. Any sluggishness in growth of the Power sector in India can throw it far behind other countries in industrial, economic and social growth. Thus, power has been widely recognized as one of the key factors of infrastructure, for a sustained growth of our country. With the share of private sector in power sector growing, your company is poised to be one of leading private sector player in the power industry.

PROJECTS UNDER CONSTRUCTION

Your Company is currently executing four coal based thermal power projects with aggregate capacity of 5400 MW, all in the State of Maharashtra. This includes 2700

MW projects under construction in Nandgaonpet, Amravati and another 2700 MW under construction in Sinnar, Nashik. Both Amravati and Nashik Thermal Power Projects are being constructed in two phases each of 1350 MW each.

During the current financial year, significant progress has been made in the development and execution of the Amravati and Nashik Thermal Power projects. These projects have already tied up for land, water, fuel (coal linkages), finances and necessary statutory clearances.

Amravati Thermal Power Project (10X270 MW in two phases of 1350 MW each)

Your Company is developing 2700 MW Coal based Thermal Power Project in two phases at Nandgaonpeth in Amravati district of Maharashtra. 1350 acres land has

Directors' Report (Contd.)

been acquired from Maharashtra Industrial Development Corporation (MIDC). Environmental Clearance from Ministry of Environment & Forests (MoEF) and Coal linkage from Ministry of Coal (MoC) have already been obtained. Your Company has signed long term Power Purchase Agreements for 1200 MW with Maharashtra State Electricity Distribution Company Limited (MSEDCL) at a levelised tariff of Rs. 3.26 per unit from Amravati Phase I Project (1350 MW). First phase of the Project has already been granted Mega Power Project status by the Government of India. Financial closure has already been achieved for the entire 2700 MW capacity at Amravati.

BTG contracts for both phases of Amravati Thermal Power Projects have been entered into with BHEL. Civil & Structural works of BTG, Chimney Construction, Coal Handling plant, Water Treatment plant, Electrical Balance of Plant, Cooling Towers, Power Transformers, General Civil Works for Balance of Plant have already been awarded to leading contractors / suppliers like Shapoorji Pallonji, L&T, Gammon, Gannon Dunkerly, Areva, Paharpur etc. M/s Tata Consulting Engineers have been retained as Owner's Consultants for Design and Engineering for both phases of the Amravati Project.

Nashik Thermal Power Project (10 X 270 MW in two phases of 1350 MW each)

2700 MW coal based thermal power project is being implemented by Indiabulls Realtech Limited (100% subsidiary of the Company) as Co-Developer of the Special Economic Zone at Sinnar, Nashik in two phases of 1350 MW each. Adequate land is under possession for the power project. Environmental Clearance from MoEF for Phase 1 and Coal linkage from the Ministry of Coal (MoC) for both the phases have already been obtained. MOEF clearance for Phase II has already been recommended by the Expert Advisory Committee of the MOEF. Financial closure has already been achieved for the entire 2700 MW capacity at Nashik.

M/s Tata Consulting Engineers have been appointed as Owner's Consultants for Design and Engineering for both phases of the Nashik Project. The Main Plant equipment i.e. BTG is being sourced from M/s BHEL for both the phases and the Balance of Plant Packages are being executed by reputed contractors namely Shapoorji Pallonji, Gammon, Gannon Dunkerly, L&T, Doshion, Siemens and Areva.

PROJECTS UNDER DEVELOPMENT

Bhaiyathan Thermal Power Project

Bhaiyathan Project in the State of Chhattisgarh is planned to have two super-critical units of 660 MW each, with a combined capacity of 1,320 MW. Development work on the Bhaiyathan Project is currently progressing at a slow pace due to certain pending statutory clearances relating to the captive coal blocks allocated for the Project.

Mansa Thermal Power Project

During the year, your company signed a Memorandum of Understanding with Punjab State Power Corporation Limited for development of a 1320 MW (2 x 660 MW) Thermal Power Project based on super critical technology at village Govindpura, Tehsil Budhlada, in district Mansa of Punjab. Water allocation for this project has already been done and the Government of Punjab is currently in the process of acquiring land for the project.

IMPORTANT DEVELOPMENTS

Schemes of Arrangement

1. The proposal to demerge power and infrastructure business undertaking of Indiabulls Real Estate Limited, into a separate holding company, Indiabulls Infrastructure and Power Ltd ("IIPL") having earlier been approved by the Board of Directors and also the shareholders and creditors of the Company, is now pending approval from the Hon'ble High Court of Delhi.
2. The Board of Directors of the Company has also approved a scheme of arrangement for amalgamation of Indiabulls Infrastructure Development Limited ("IIDL"), a subsidiary of Indiabulls Real Estate Limited ("IBREL"), with the Company (the "Scheme"). The Scheme is subject to the approvals of both NSE and BSE, the shareholders and creditors of the Company and subsequently the final approval of the Hon'ble High Court of Delhi. Post amalgamation of IIDL with the Company, the network of the Company would stand enhanced by approx. Rs. 10,450 million, which is presently the network of IIDL. This would be a major step in fulfilling equity requirement for execution of phase II of the Company's power project at Nashik & phase II of its power project at Amravati, aggregating to a combined capacity of 2700MW i.e. 1350MW capacity at each of these locations.

Directors' Report (Contd.)

UTILISATION OF PROCEEDS OF THE INITIAL PUBLIC OFFERING (IPO)

A detail of the utilization of the proceeds raised from the IPO, till March 31, 2011, is depicted in the table given below:

Rs. in millions

Particulars			
Amount received from IPO		16,238	
Utilisation of funds upto March 31, 2011	Planned as per prospectus	Utilized till 31.03.2011	Unutilized Balance
Funding to part finance the construction and development of the Amravati Power Project - Phase I	7,750	5,488	2,262
Funding equity contribution in the Company's wholly owned subsidiary, Indiabulls Realtech Limited, to part finance the construction and development of the Nashik Power Project - Phase I*	6,600	6,600	-
General Corporate purposes	1,478	1,448	30
Share Issue Expenses	410	364	46
Total	16,238	13,900	2,338
Unutilized Amount			2,338
Temporary deployment of unutilized amount is as follows:			
Investments in Units of Mutual Funds		2,308	
Security Deposit with Bombay Stock Exchange Limited		30**	

*includes share application money pending allotment of Rs.2,859,364,000 (Previous year Rs. 4,349,364,000)

**The security deposit has been refunded to the Company in the current financial year.

DIRECTORS

In accordance with the provisions of Sections 255 and 256 of the Companies Act, 1956 read with the Articles of Association of the Company, Mr. Prem Prakash Mirdha (DIN- 01352748) retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for re-appointment.

Brief resume of Mr. Prem Prakash Mirdha, nature of his expertise in specific functional areas and information as to the other companies in which he holds directorships or on the board committees of which he is a member, has been provided in the Report on Corporate Governance, which forms a part of the Annual Report.

DIVIDEND

Your Company is in a phase of development where it is financially prudent to build up a healthy reserve base so as to serve as a source for meeting the financial requirements of the Company for the effectuation of its plans in the years to come.

It is in keeping with this financial policy that your directors have decided to plough back the profits of the Company into its business rather than declaring dividend for the financial year 2010-2011. It is felt that a sound financial base in the Company would in the long run lead to improved share valuations, culminating into maximization of returns for the shareholders.

Directors' Report (Contd.)

FIXED DEPOSITS

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

EMPLOYEE STOCK OPTIONS

The Company looks upon its employees as a vitally important resource for effective implementation and execution of its plans so as to lead the Company on a path of overall growth and development and therefore believes in effectively reciprocating their contributions. One of the ways devised by the Company to this effect is the grant of stock options to the employees in pursuance of the two stock option schemes in force in the Company namely, SPCL-IPSL Employee Stock Option Plan-2008 and Indiabulls Power Limited Employees Stock Option Scheme-2009, together covering 40 million stock options convertible into an equivalent number of equity shares of face value Rs. 10 each in the Company.

The disclosures as required in terms of Clause 12.1 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Stock Purchase Scheme) Guidelines, 1999 to be made in the Directors' Report, in respect of the stock option schemes in force in the Company, are set out in an Annexure to this report.

SUBSIDIARIES

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

In terms of circular No.: 2/2011, No.: 51/12/2007-CL-III dated February 8, 2011 issued by the Ministry of Corporate Affairs for granting general permission for not attaching certain prescribed documents including annual accounts of the subsidiaries, to the Balance Sheet of the Holding Company, as required to be attached in terms of Section 212 of the Companies Act, 1956 and accordingly as approved by the Board of Directors of the Company at its meeting held on April 25, 2011, copies of the Balance Sheet, Profit and Loss Account, Reports of the Board of Directors and Auditors of the subsidiaries of the Company as on March 31, 2011, have not been attached with the Balance Sheet of the Company. These documents will be made available upon request by any member of the Company interested in obtaining the same. The annual accounts of the Company and its subsidiaries have also been kept for inspection by any shareholder, at the registered office of the Company

and that of the subsidiaries concerned. However in terms of the said circular, information desired to be disclosed in respect of each of the subsidiaries, has been disclosed, in the notes to accounts to the Consolidated Balance Sheet forming part of the Annual Report. Further pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include financial information of its subsidiaries.

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 Practising Company Secretary's Certificate certifying the Company's compliance with the requirements of Corporate Governance stipulated under clause 49 of the Listing Agreement is attached with the Corporate Governance Report.

AUDITORS & AUDITORS' REPORT

M/s Deloitte Haskins & Sells, Chartered Accountants, (Registration No.117365W), Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The Company has received a certificate from the Auditors to the effect that their reappointment, if made would be in accordance with Section 224(1B) of the Companies Act, 1956. The Board recommends their re-appointment.

There are no reservations, qualifications or adverse remarks in the Auditors' Report.

LISTING WITH STOCK EXCHANGES

The Equity shares of the Company continue to be listed with BSE and NSE and the listing fee payable to the said exchanges for the year 2011-2012, has been paid.

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

The information required to be disclosed under Section

Directors' Report (Contd.)

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures from the same;
2. the Directors have selected such accounting policies and applied them consistently and made judgments

and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and the profit 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.

ACKNOWLEDGEMENT

Your Directors wish to express their gratitude for the continued 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 deepest 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

Sd/-

Sameer Gehlaut
Chairman

Place: New Delhi
Date : September 3, 2011

Directors' Report (Contd.)

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

A. Energy Conservation and Technology Absorption

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy and technology absorption has not been given as the activity of power generation has not yet commenced.

Once the plants being set up by the Company become operational, the information under these heads shall be disclosed in the Annual Report for the relevant financial year.

B. Foreign Exchange Earnings and Outgo

During the year under review the Company incurred a foreign currency expenditure equivalent to Rs. 3,55,658/- which represents the amount spent on the foreign travel and stay of the Company executives, in connection with its business.

ANNEXURE TO THE DIRECTORS' REPORT IN RESPECT OF THE EMPLOYEE STOCK OPTIONS ISSUED UNDER 'SPCL-IPSL EMPLOYEE STOCK OPTION PLAN 2008' – AS ON MARCH 31, 2011

Particulars	
a. Options Granted	20,000,000
b. Exercise price	11,522,000 at Rs. 10 per share 1,015,000 at Rs. 27.80 per share
c. Options vested	5,029,200
d. Options exercised	2,888,400
e. The total number of Shares arising as a result of exercise of options	2,888,400
f. Options lapsed	7,463,000
g. Variation in terms of options	None
h. Money realized by exercise of options	Rs. 28,884,000/-
i. Total number of options in force	9,648,600
j. Employee wise details of options granted to;	
i. Senior Management personnel	Mr. Ranjit Gupta-6,000,000
ii. any other employee who received a grant in any one year of options amounting to 5% or more of options granted during that year	NIL
iii. identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital of the Company.	NIL
k. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with [Accounting Standard (AS) 20 'Earnings Per Share']	Rs. 0.047

Directors' Report (Contd.)

Particulars	
l. Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	Please refer to Note II (V) of Schedule S-Notes to Accounts forming part of the Financial statements
m. Weighted – average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Average Exercise Price is Rs. 10 per share Average Fair Value is Rs. 8.81 per share
n. A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted – average information:	Please refer to Note II (V) of Schedule S-Notes to Accounts forming part of the Financial Statements
i. risk free interest rate	
ii. expected life	
iii. expected volatility	
iv. expected dividends, and	
v. the price of the underlying share in market at the time of option grant	

ANNEXURE TO THE DIRECTORS' REPORT REGARDING THE EMPLOYEE STOCK OPTIONS ISSUED UNDER 'INDIABULLS POWER LIMITED. EMPLOYEES STOCK OPTION SCHEME 2009'- AS ON MARCH 31, 2011

Particulars	
a. Options Granted	20,000,000
b. Exercise price	Rs. 14/- per share
c. Options vested	2,000,000
d. Options exercised	192,000
e. The total number of Shares arising as a result of exercise of options	192,000
f. Options lapsed	16,563,000
g. Variation in terms of options	None
h. Money realized by exercise of options	Rs.2,688,000/-
i. Total number of options in force	3,245,000
j. Employee wise details of options granted to;	
i. Senior Management personnel	NIL
ii. any other employee who received a grant in any one year of options amounting to 5% or more of options granted during that year	NIL

Directors' Report (Contd.)

Particulars	
iii. identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital of the Company.	NIL
k. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with [Accounting Standard (AS) 20 'Earnings Per Share']	Rs.0.047
l. Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	Please refer to Note II (V) Schedule S-Notes to Accounts forming part of the financial statements
m. Weighted – average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Average Exercise Price is Rs.14 per share Average Fair Value is Rs.8.81 per share
n. A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted – average information:	Please refer to Note II (V) Schedule S-Notes to Accounts forming part of the financial statements
i. risk free interest rate	
ii. expected life	
iii. expected volatility	
iv. expected dividends, and	
v. the price of the underlying share in market at the time of option grant	

Report on Corporate Governance

1. The Company's philosophy on Corporate Governance

Corporate Governance is about maintaining an appropriate balance of accountability between the organisation's owners, the directors whom the owners elect and the people selected to manage its functions.

Accountability requires good governance on one hand and an effective and operational mechanism triggering appropriate remedial measures and actions for bad decisions, on the other.

Corporate governance demands a commitment to values and ethical business conduct. It is about how an organization is managed and encompasses within its fold the corporate structure, its culture, policies and the manner in which it deals with the stakeholders. Accordingly it seeks to ensure timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the organization, the basic idea being to keep the stakeholders well informed about the organization and its state of affairs.

In line with the nature and size of operation of the Company, the corporate governance framework in the Company is based on the following main principles:

- Constitution of a Board of Directors of appropriate composition, size, varied experience and commitment to discharge its responsibilities and duties.
- Transparency and independence in the functions of the Board.
- Ensuring timely flow of information to the Board and its Committees to enable them discharge their functions effectively.
- Independent verification and assured integrity of financial reporting.
- Timely and balanced disclosure of all material information related to the Company to all stakeholders and protection of their rights and interests.
- A sound system of risk management and internal control.
- Compliance with applicable laws, rules and regulations in letter and spirit.

2. Board of Directors

(A) Composition and size of the Board

The Board of Directors of the Company has been constituted in a manner which not only ensures absolute compliance with the applicable statutes but also seeks to capture the essence of various statutory requirements by offering an appropriate mix of executive/non executive and independent directors with people from fields as diverse as finance, banking, administration, technology and engineering, donning the responsibility of the directorial positions in the Company.

Of the six directors constituting the Board of Directors of the Company one director is an executive director with the remaining five being non executive directors. The independent directors constitute fifty percent of the total board composition with three out of six directors on the board of the Company being independent.

Report on Corporate Governance (Contd.)

The details of Directors, number of directorships held by them in other companies as also the number of their memberships and chairmanships on various board committees, as at 31.03.2011, 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. Rajiv Rattan (DIN: 00010849)	Executive and Promoter Director	5	2	Nil
2.	Mr. Sameer Gehlaut (DIN: 00060783)	Non-Executive Promoter Director	3	3***	1
3.	Mr. Saurabh K Mittal (DIN: 01175382)	Non-Executive Promoter Director	2	3	Nil
4.	Mr. Shamsher Singh Ahlawat (DIN: 00017480)	Non-Executive Independent Director	4	5***	5
5.	Brig. Labh Singh Sitara (DIN: 01724648)	Non-Executive Independent Director	2	2	Nil
6.	Mr. Prem Prakash Mirdha (DIN: 01352748)	Non-Executive Independent Director	4	4	Nil

*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 domestic 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 2010-2011 the Board met 18 (Eighteen) times. The dates of the Board meetings were April 17, 2010, April 22, 2010, June 1, 2010, June 17, 2010, June 25, 2010, July 14, 2010, July 21, 2010, August 20, 2010, August 31, 2010, September 14, 2010, September 22, 2010, October 20, 2010, November 22, 2010, November 30, 2010, January 1, 2011, January 17, 2011, January 18, 2011 and February 1, 2011.

The last Annual General Meeting of the Company was held on September 30, 2010.

A table depicting the attendance of Directors at various board meetings and annual general meeting held during the financial year 2010-2011 is given below:

Sr. no.	Name of the Director	No. of Board meetings attended	Attendance at the last AGM
1.	Mr. Sameer Gehlaut	15	No
2.	Mr. Rajiv Rattan	15	Yes
3.	Mr. Saurabh K Mittal	17	No
4.	Mr. Shamsher Singh Ahlawat	18	Yes
5.	Brig. Labh Singh Sitara	18	No
6.	Mr. Prem Prakash Mirdha	18	No

Report on Corporate Governance (Contd.)

(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.indiabulls.com/power. All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Chief Executive Officer to this effect appears at the end of this Report.

The code of conduct while seeking to ensure the absolute commitment of the directorial and senior management personnel to the effective and statutorily compliant discharge of their functions, responsibilities, also works towards seeking to achieve total adherence to the values and ethics.

3. Committees of the Board

The Board constituted committees namely, Audit Committee, Remuneration Committee and Shareholders'/Investors' Grievance Committee act in accordance with the terms of reference determined by the Board. Meetings of each of these Committees are convened by the respective Chairmen. 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 three members namely Mr. Shamsheer Singh Ahlawat as the Chairman and member and Mr. Prem Prakash Mirdha and Mr. Saurabh K Mittal as the other two members. Two out of the three members namely Mr. Shamsheer Singh Ahlawat and Mr. Prem Prakash Mirdha, are independent Directors. Mr. Gaurav Toshkhani, 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 on and review of periodic audit reports including findings of internal investigations;
- to recommend the appointment of the internal and statutory auditors and as to fixing of their remuneration;
- to hold discussion with the Statutory and Internal Auditors.

Meetings and Attendance during the year

During the financial year ended March 31, 2011 the Committee met four times. The dates of the meetings are April 22, 2010, July 21, 2010, October 20, 2010 and January 18, 2011.

The attendance of the members of the Committee at the meetings held during the FY 2011 is depicted in the table given below:

Name of the Member	No. of meetings held during the tenure	No. of meetings attended
Mr. Shamsheer Singh Ahlawat	4	4
Mr. Prem Prakash Mirdha	4	4
Mr. Saurabh K Mittal	4	2

The Chief Financial Officer and Statutory Auditors attended the meeting(s) by invitation.

Report on Corporate Governance (Contd.)

(B) Remuneration Committee

Composition

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

Terms of reference

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

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

Meetings and Attendance during the year

During the year no meeting of the Committee was held.

Remuneration Policy

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

Remuneration of Directors

(i) Remuneration of Executive Directors

At present the Company has only one executive director on its Board of Directors, who 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 2010-2011.

Further, no Non-Executive Director holds any share in the Company.

(C) Shareholder/ Investors' Grievance Committee

Composition

The Shareholders'/Investors' Grievance Committee of the Board comprises of three Independent Directors as its members namely Mr. Shamsher Singh Ahlawat as the Chairman and member, Mr. Prem Prakash Mirdha

and Brig. Labh Singh Sitara as the other two members.

Terms of reference

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

Towards this end its works in close coordination with the Registrar and Transfer Agent of the Company through an operating mechanism and system which seeks to promptly and effectively attend to and redress the investor grievances.

Additionally the committee carries out the function of approving the requests for share transfers and transmissions, requests pertaining to remat of shares/ subdivision /consolidation of shares/issue of renewed and duplicate certificates etc, for which purpose the authority has been delegated to Mr. Shamsher Singh Ahlawat the chairman of the committee.

Meetings and Attendance during the year

During the financial year ended March 31, 2011 the Committee met four times, the dates of the meetings being April 22, 2010, July 21, 2010, October 20, 2010 and January 18, 2011.

The attendance of the members of the Committee at the meetings held during the FY 2011 is depicted in the table given below:

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

Name and designation of compliance officer

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

Details of queries / complaints received and resolved during the FY 2011

During the financial year 2010-2011 a total of 192 complaints were received from the investors/

Report on Corporate Governance (Contd.)

shareholders, with some of the complaints pertaining to the Initial public offering of the Company such as complaints as to non receipt of credit for the allotted shares, non receipt of refund of the application cum bid money etc and others pertaining to diverse matters such as non receipt of annual reports, queries seeking reason for non declaration of dividends etc.. All the Complaints have been redressed and queries addressed to the satisfaction of the complainants.

4. General Body Meetings

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

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

Annual General Meeting (AGM)	Year	Location	Date	Time
1st AGM	2007-2008	E-29, First Floor, Connaught Place, New Delhi – 110 001	July 31, 2008	9:00 A.M.
2nd AGM	2008-2009	E-29, First Floor, Connaught Place, New Delhi – 110 001	September 29, 2009	5:00 P.M.
3rd AGM	2009-10	Centaur Hotel, IGI Airport, Delhi – Gurgaon Road, New Delhi - 110037	September 30, 2010	10.30 A.M.

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

- (I) In the AGM of the Company for the FY 2008 held on July 31, 2008, no special resolutions were passed.
- (II) In the AGM of the Company for the FY 2009 held on September 29, 2009, no special resolutions were passed.
- (III) In the AGM of the Company for the FY 2010 held on September 30, 2010, three special resolutions were passed :
- (i) Special resolution in terms of Section 81(1A) of the Companies Act, 1956 and Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 for the purpose of (a) ratification of the existing employee stock option schemes of the Company which were in existence prior to its initial public offering of the equity shares and (b) variation in the terms of the Stock Option Schemes so as to provide that the exercise price under the schemes shall be the market price as on the date of grant and to make a corresponding amendment in the definition of the term exercise price as originally laid down in such stock option schemes.
 - (ii) Special resolution in terms of Section 81(1A) of the Companies Act, 1956 and Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 for the purpose of (a) ratification of the existing employee stock option schemes of the Company which were in existence prior to its initial public offering of the equity shares and (b) variation in the terms of the Stock Option Schemes so as to provide that the exercise price under the schemes shall be the market price as on the date of grant of stock options and to make a corresponding amendment in the definition of the term exercise price as laid down under such schemes, in so far as they relate to the employees of the subsidiaries of the Company or that of its holding company.
 - (iii) Special resolution in terms of Section 81(1A) of the Companies Act, 1956 and Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 to empower the Board of Directors of the Company (which expression shall also include a Committee thereof) to entrust the holding of Securities for the benefit of the Eligible Employees and to manage the implementation of the Stock Option Schemes, by the Employees Welfare Trust, in accordance with the terms of the respective Stock Option Schemes.

C. Special Resolutions passed during the FY2011 through postal ballot

During the FY2011, Special Resolution contained in Postal Ballot Notice dated 20th October 2010 was passed by

Report on Corporate Governance (Contd.)

the members of the Company through Postal Ballot under Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, the result of which was declared on 19th November 2010. By virtue of the said resolution the shareholders accorded their consent to the allotment of warrants on a preferential basis to certain promoter group entities.

The Board had appointed Mr. Sanjay Khandelwal, Practicing Company Secretary as Scrutinizer for conducting the said Postal Ballot.

Details of voting pattern of Postal Ballot:

Date of declaration of Postal Ballot results	Description of Special Resolution	No. of valid Postal Ballot Forms received	Voting Pattern	
			For	Against
19.11.2010	Preferential issue of upto 420,000,000 warrants convertible into an equivalent number of equity shares of the Company, to certain promoter group entities, as set out in the notice.	64	1,449,412,334 (96.73%)	49,059,216 (3.27%)

D. Procedure for Postal Ballot

For conducting a postal ballot, notice specifying the resolutions proposed to be passed through postal ballot as also the relevant explanatory statement and the postal ballot forms, were dispatched to all the shareholders along with self addressed postage pre paid envelope. The shareholders were requested to send back the postal ballot forms duly filled up and signed, in the postage pre paid envelopes provided to them by the Company, so as to reach the Scrutinizer (in whose name the envelopes were marked) on or before the 30th day from the date of issue of notice by the Company.

The Scrutinizer compiled the postal ballot result out of the postal ballot forms found valid and handed over the results to the Chairman. The Chairman thereupon declared the result of the postal ballot and the same was also displayed on a notice board at the Registered Office of the Company.

5. Disclosures

(i) Details on materially significant related party transactions

Details of materially significant related party transactions made during the FY 2011, 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

Since the listing of the Company shares on October 30, 2009, there has been no instance of any non compliance by the Company on any matter related to the capital markets, so as cause penalties being imposed on it or strictures being passed against it, by SEBI or any other statutory authority.

Prior to its listing the Company was a closely held company with no involvement in the capital market whatsoever.

(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.

Report on Corporate Governance (Contd.)

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 as laid down under Clause 49 of the Listing Agreement in letter as well as spirit. The details of these compliances are set out in the relevant sections of this Report. The status on compliance with the Non mandatory requirements is given at the end of the Report.

(v) Group coming within the definition of group as defined in the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969).

Persons constituting "group" as defined under the Monopolies and Restrictive Trade Practices Act, 1969 for the purpose of Regulation 3(1)(e) (i) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, as amended from time to time, include the following:

Mr. Sameer Gehlaut
Mr. Rajiv Rattan
Mr. Saurabh K Mittal
Indiabulls Real Estate Limited
Valerian Real Estate Private Limited
Azalea Infrastructure Private Limited
Mugwort Real Estate Private Limited
Gloxinia Infrastructure Private Limited
Heliotrope Real Estate Private Limited
Jarul Infrastructure Private Limited
Alona Builders and Developers Private Limited
Alona Infrastructure Private Limited

6. Means of Communication

- (i) Publication of Results:** The quarterly / annual results of the Company are published in the leading newspapers viz The Financial Express/ Business Standard (English) and Jansatta/ Business Standard (Hindi).
- (ii) News, Release, etc:** The Company has its own website www.indiabulls.com/power where all vital information pertaining to the Company and its performance, financial or otherwise, its financial results, important developments in the Company, as also the communications sent to the stock exchanges from time to time, are regularly posted. Also posted from time to time are the performance updates, important press releases and corporate presentations.
- (iii) Management's Discussion and Analysis Report** has been included in the Annual Report, which forms a part of the Annual Report.
- (iv) Investor Relations:** The Company's web site contains a separate dedicated section "Investor Relation" where information pertinent to the shareholders of the Company and to the investing public in general, is available.

7. General Shareholders' Information

(A) 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

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

Mr. Prem Prakash Mirdha

Mr. Prem Prakash Mirdha, aged about 55 years, had a long stint of 11 years with the Merchant Navy, whereafter he has set up his own cement plants and is successfully running the same. He is on the Board of the Company since June 10, 2009 as a non-executive independent director. His association as Board Member of the Company has been beneficial for the Company in recent years, meriting his re-appointment as director, on the Board of the Company.

Mr. Prem Prakash Mirdha is also on the Board of several other Indiabulls group companies namely Indiabulls Financial Services Limited, Indiabulls Real Estate Limited, Indiabulls Securities Limited and Store One Retail India Limited and is a member of

Report on Corporate Governance (Contd.)

the Audit committee and Shareholders'/Investors' Grievance Committee of Indiabulls Securities Limited and is also a member of the Remuneration Committees of Indiabulls Financial Services Limited, Indiabulls Real Estate Limited, Indiabulls Securities Limited and Store One Retail India Limited.

Mr. Mirdha does not hold any shares in the Company.

(C) Financial Calendar 2011-2012 (tentative)*

Tentative Schedule*

Financial reporting for the quarter ended 30th June 2011	Meeting held on July 21, 2011
Financial reporting for the quarter ending 30th September 2011	Upto November 14, 2011
Financial reporting for the quarter ending 31st December 2011	Upto February 14, 2012
Financial reporting for the quarter and year ending 31st March 2012	Upto May 15, 2012**
Annual General Meeting for the year ending 31st March 2012	Upto September 30, 2012

* Except for the meetings already held

** Pursuant to Clause 41 of the Listing Agreement, Board may also consider publication of Audited results for the FY2012 by May 30, 2012, instead of publishing unaudited results for the fourth quarter.

(D) Date of Book Closure

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

(E) **Dividend Payment date :** The Board of Directors of the Company has not recommended any dividend for the FY 2011.

(F) (i) Distribution of shareholding as on 31st March 2011

Sl. No.	Shareholding of nominal value (in Rs.)		No. of holders	% to total holders	Value in Rs.	% to nominal value
	From	To				
1	Upto -	5,000	90187	68.63	196,155,840	0.97
2	5,001 -	10,000	17720	13.48	139,380,000	0.69
3	10,001 -	20,000	10066	7.66	139,521,370	0.69
4	20,001 -	30,000	10098	7.68	221,259,080	1.09
5	30,001 -	40,000	794	0.61	28,194,260	0.14
6	40,001 -	50,000	951	0.72	44,361,310	0.22
7	50,001 -	1,00,000	903	0.69	68,604,270	0.34
8	1,00,001 and above		693	0.53	19,391,851,330	95.86
	TOTAL		131412	100.00	20,229,327,460	100.00

(ii) Shareholding pattern as on 31st March 2011

Sr. no.	Category	No. of Shares	% holding
1.	Promoters	1,185,000,000	58.58
2.	Financial Institutions/Banks	16,449,403	0.81
3.	FII's	221,859,403	10.97
4.	Foreign Venture Capital Investor	262,731,807	12.99
5.	Private Bodies Corporate	26,770,463	1.32
6.	Indian Public	130,480,611	6.45
7.	NRI's/OCBs	179,276,400	8.86
8.	Clearing members	364,659	0.02
	Total	2,022,932,746	100.00

Report on Corporate Governance (Contd.)

(G) Dematerialization of shares and liquidity

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

As on March 31, 2011, nearly 100.00 % of the Equity share capital comprising of 202,29,12,604 Equity shares out of an aggregate of 2,022,932,746 shares was held by the shareholders in the dematerialized form. A negligible quantity comprising of 20,142 equity shares constituting less than 1% of the total capital, in percentage terms, was held by the holders thereof in the Physical form.

In the financial year 2011-2012 the Company has issued an aggregate of 1,09,000 Equity shares of face value Rs. 10 each against the stock options exercised by the employees under the stock option schemes currently in force in the Company, i.e. SPCL-IPSL Employee Stock Option Plan-2008 and Indiabulls Power Limited. Employees Stock Option Scheme-2009. Consequent to the issue of shares as aforesaid, the number of outstanding equity shares in the Company stands increased to 2,023,041,746 with 2,023,021,604 being held by the holders thereof, in the dematerialized form and the remaining 20,142 Equity shares being held by the holders thereof in physical form.

(H) Convertible Instruments

As on date an aggregate of 12,054,600 stock options and 420,000,000 convertible warrants (convertible latest by May 29, 2012), are outstanding. As and when any stock options are exercised and further, upon conversion of warrants, the equity share capital of the Company shall accordingly stand increased.

(I) Listing on Stock Exchanges

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

National Stock Exchange of India Limited (NSE)
"Exchange Plaza", Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051

Bombay Stock Exchange Limited (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

(J) Stock Code

Bombay Stock Exchange Ltd.	533122
National Stock Exchange of India Ltd	IBPOW/EQ
ISIN for Dematerialization	INE399K01017

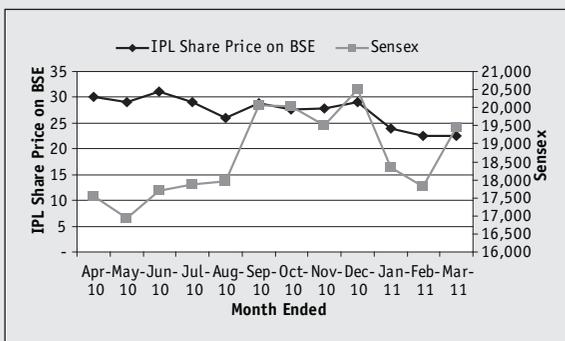
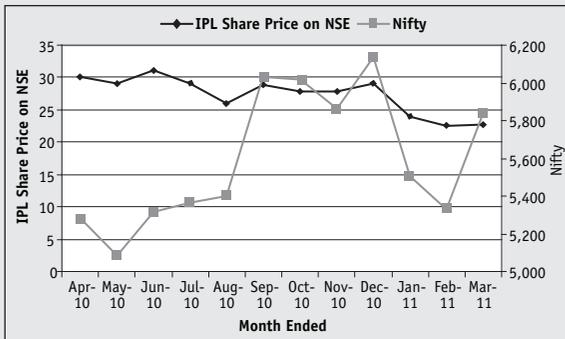
(K) Market Price data

The monthly high and low market prices of equity shares at the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE) for the year ended March 31, 2011 are as under:

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2010	34.15	28.85	32.3	26
May 2010	32.55	28.05	32.45	28
June 2010	31.8	28.4	31.7	28.35
July 2010	32.3	29	32.3	29
August 2010	29.4	25.9	29.45	26
September 2010	30.5	26.1	30.45	26.05
October 2010	32	27.5	32.25	27.55
November 2010	29.6	24.1	29.6	24.25
December 2010	29.6	26.5	29.55	26.5
January 2011	29.8	23.75	29.4	23.8
February 2011	24.9	21.4	24.9	21.45
March 2011	24.6	21.35	24.65	21.4

Report on Corporate Governance (Contd.)

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



(M) Registrar and Transfer Agents

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

The contact details are as under:

Karvy Computershare Pvt. Ltd

Unit: Indiabulls Power Limited.
 Plot No.17-24 Vittal Rao Nagar
 Madhapur Hyderabad – 5000081
 Tel : 040-44655000/23420815-23420825
 Fax : 040-23420814
 E-mail : einward.ris@karvy.com
 Contact Person: Mr. K Sreedhara Murthy,
 Asst.Gen.Manager
 E-mail : sreedharamurthy@karvy.com

(N) Share Transfer System

The Share transfer system in the Company comprises of two components viz the Share transfer cum Shareholders/Investors grievance and the Registrar and Transfer Agent of the Company (RTA) which work in close coordination, to process and approve the requests received for transfer or transmission of the shares in the physical segment.

Share transfer/transmission requests are processed on the first, third and fifth Monday (if any) of every month with the RTA sending the requests which have already been scrutinized by it and found to be in order, to the Committee for its approval and the Committee approving the same and communicating the approval to the RTA. The Committee also receives from the RTA, the details and documents pertaining to the requests which have not been found to be in order, for its information and examination.

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

(O) Address for Correspondence

(i) Registered Office:

Indiabulls Power Limited.

1A, Hamilton House, 1st Floor, Connaught Place,
 New Delhi- 110 001

(ii) Corporate Office:

“Indiabulls House”

448-451, Udyog Vihar, Phase V,
 Gurgaon – 122 016, Haryana

Indiabulls House, Indiabulls Finance Centre,

Senapati Bapat Marg, Elphinstone Road,
 Mumbai- 400013

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

Report on Corporate Governance (Contd.)

under Clause 49 of the Listing Agreement is annexed to and forms a part of this Report.

The certificate is also being forwarded to the Stock Exchanges in India where the Securities of the Company are listed.

9. CEO & CFO Certification

The certificate required under Clause 49(V) of the listing agreement duly signed by the CEO and CFO 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 a Non-executive Chairman who does not maintain any office at the company's expense, nor is he being reimbursed the expenses if any incurred by him in the performance of his duties.

(B) Remuneration Committee

The Company has a duly constituted 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 in the earlier part of this report.

(C) Shareholders Rights

Apart from maintaining a website where all important information pertaining to the Company including the information as to the financials of the Company and the important developments taking place in the Company, is regularly updated, for being accessed to by the shareholders, the Company gets its quarterly and annual financial results published in leading newspapers. Further, information as to important developments in the Company, is also shared with the shareholders in the form of press releases in leading daily news papers.

In view of the same individual communication of quarterly / annual financial results to the shareholders is not being made at present.

(D) Unqualified financial statements

In continuation of its unblemished record of maintaining its accounts and accounting and statutory records in a manner which mitigates the possibility of the accounts being qualified by the Auditors, the Auditors report on the audited annual accounts of the Company for the financial year ended 31.03.2011 does not contain any qualification and it shall be the endeavor of the Company to continue the trend by further strengthening the existing accounting systems and controls as well as ensuring complete adherence to the applicable accounting standards, procedures and practices so as to have qualification free accounts and 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 CHIEF EXECUTIVE OFFICER (CEO) PURSUANT TO CLAUSE 49 (I)(D)(ii) OF THE LISTING AGREEMENT

As the Chief Executive Officer of Indiabulls Power Limited. and as required by Clause 49 (I)(D)(ii) of the Listing Agreement, I hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Business Conduct and Ethics, for the FY2011.

Place: New Delhi
Date: September 3, 2011

Sd/-
Ranjit Gupta
Chief Executive Officer

Report on Corporate Governance (Contd.)

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Indiabulls Power Limited.

We have examined the compliance of conditions of Corporate Governance by Indiabulls Power Limited. ("the Company"), for the year ended March 31, 2011, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

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

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

We state that there are no investor grievances as on March 31, 2011 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

Place: New Delhi
Date: September 3, 2011

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

Auditors' Report

to the Board of Directors of Indiabulls Power Limited.

1. We have audited the attached Consolidated Balance Sheet of Indiabulls Power Limited. ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group") as at March 31, 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared on the basis of the separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of one hundred subsidiaries, whose financial statements reflect the Group's share of total assets of Rs. 6,475,508,467 as at March 31, 2011, total revenue of Rs. 77,976,748 and net cash outflows amounting to Rs. 1,372,113,256 for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts included in respect of these subsidiaries is based solely on the reports of the other auditors.
4. We report that the Consolidated Financial Statements have been prepared by the Indiabulls Power Limited's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements as notified under the Companies (Accounting Standards) Rules, 2006.
5. Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company, and its aforesaid subsidiaries and to the best of our information and according to the explanations given to us, in our opinion the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2011.
 - b. in the case of the Consolidated Profit and Loss account, of the profit of the Group for the year ended on that date; and
 - c. in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For Deloitte Haskins & Sells

Chartered Accountants
(Registration No.117365W)

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

Mumbai, April 25, 2011

Consolidated Balance Sheet of Indiabulls Power Limited. as at March 31, 2011

	Schedule	(Amount in Rupees)	
		As at March 31, 2011	As at March 31, 2010
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	20,229,327,460	20,212,965,460
Reserves and Surplus	B	18,949,008,927	18,680,381,703
Share Warrants (Refer Note II(1) of Schedule R)		3,045,000,000	-
Minority Interest (Refer Note II (5) of Schedule R)		7,504,319	7,428,602
Loan Funds			
Secured Loans	C	10,342,495,393	4,372,475
Unsecured Loans	D	-	2,002,071,233
		10,342,495,393	2,006,443,708
TOTAL		52,573,336,099	40,907,219,473
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	E	1,701,604,599	1,065,123,165
Less: Accumulated Depreciation / Amortisation		36,197,106	9,104,197
Net Block		1,665,407,493	1,056,018,968
Capital Work-in-Progress (including Capital Advances)		28,970,062,180	5,193,298,890
		30,635,469,673	6,249,317,858
Expenditure During Construction Pending Capitalisation	F	4,127,159,046	1,138,347,477
Investments	G	13,260,755,716	11,960,355,730
Goodwill on Consolidation		3,123,238	2,293,358
Deferred Tax Assets (Refer Note II (14) of Schedule R)		21,406,590	12,602,595
Current Assets, Loans and Advances			
Cash and Bank Balances	H	3,480,967,716	7,515,130,775
Other Current Assets	I	78,446,398	58,679,738
Loans and Advances	J	14,121,074,460	14,262,958,471
		17,680,488,574	21,836,768,984
Less: Current Liabilities and Provisions			
Current Liabilities	K	12,996,145,114	184,013,218
Provisions	L	158,921,624	108,453,311
		13,155,066,738	292,466,529
Net Current Assets		4,525,421,836	21,544,302,455
TOTAL		52,573,336,099	40,907,219,473
Significant Accounting Policies and Notes to Accounts	R		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

K.A.Katki
Partner

Rajiv Rattan
Vice Chairman

Saurabh K Mittal
Vice Chairman

Gaurav Toshkhani
Company Secretary

Place : Mumbai
Date: April 25, 2011

Place : New Delhi
Date: April 25, 2011

Consolidated Profit & Loss Account of Indiabulls Power Limited. for the year ended March 31, 2011

(Amount in Rupees)

	Schedule	For the year ended March 31, 2011	For the year ended March 31, 2010
INCOME			
Revenue from Operations	M	4,000,000	-
Other Income	N	441,753,857	840,845,835
TOTAL		445,753,857	840,845,835
EXPENDITURE			
Employees Remuneration and Benefits	O	261,725,544	267,329,320
Administrative and Other Expenses	P	100,822,290	98,717,168
Interest and Finance Charges	Q	12,720,447	32,133,577
Depreciation / Amortisation		9,061,548	3,514,619
TOTAL		384,329,829	401,694,684
Profit Before Tax		61,424,028	439,151,151
Provision for Tax			
- Current Tax		14,991,664	70,393,123
- Tax Adjustment in respect of earlier years		(82,911)	(1,331,634)
- Deferred Tax (Credit) - (Net)		(8,803,995)	(12,566,984)
- Wealth Tax		731,434	-
Net Profit After Tax Before Minority Interest		54,587,836	382,656,646
(Add)/Less: Minority Interest		(54,283)	1,311,378
Net Profit After Tax and Minority Interest		54,642,119	381,345,268
Balance of Profit Brought Forward		1,347,946,352	968,570,827
Adjustment for Minority Interest		-	(1,969,743)
Balance of Profit Carried Forward		1,402,588,471	1,347,946,352
Earnings Per Share (EPS) - Basic & Diluted (Refer Note II (12) of Schedule R)			
Basic EPS (Re.)		0.03	0.21
Diluted EPS (Re.)		0.03	0.20
Face Value per equity share (Rs.)		10.00	10 .00
Significant Accounting Policies and Notes to Accounts	R		

In terms of our report attached

 For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

 K.A.Katki
Partner

 Rajiv Rattan
Vice Chairman

 Saurabh K Mittal
Vice Chairman

 Gaurav Toshkhani
Company Secretary

 Place : Mumbai
Date: April 25, 2011

 Place : New Delhi
Date: April 25, 2011

Consolidated Cash Flow Statement of Indiabulls Power Limited. for the year ended March 31, 2011

	(Amount in Rupees)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
A Cash Flow From Operating Activities :		
Profit Before Tax	61,424,028	439,151,151
Adjustment for :		
Depreciation / Amortisation	9,061,548	3,514,619
Interest Expenses	12,720,447	32,133,577
Provision for Gratuity	1,747,037	7,025,351
Provision for Compensated Absences	3,229,736	4,576,569
Provision for Superannuation Benefits	31,548,295	31,638,975
Sundry Balances Written Off	-	500,000
Profit / (Loss) on Sale of Investments - Trade	-	(10,298)
Balances Written Back	(40,000)	(895,202)
Dividend on Units of Mutual Funds - Non Trade	(85,295,966)	(327,643,426)
Interest Income on Fixed Deposits	(151,698,412)	(402,946,513)
Interest income on Inter Corporate Deposits	(199,688,424)	(108,284,920)
Operating Loss before Working Capital Changes	(316,991,711)	(321,240,117)
Adjustments for:		
(Increase) in Advances recoverable in Cash or in Kind or for Value to be Received / Loan to Employee / Security Deposits / Prepaid Expenses	(2,037,259,531)	(1,796,711,095)
Increase in Sundry Creditors and Other Liabilities	(77,075,561)	79,506,221
Cash Used in Operations	(2,431,326,803)	(2,038,444,991)
Direct Taxes Paid	(87,241,439)	(93,425,033)
Net Cash Generated from / (Used in) Operating Activities	(2,518,568,242)	(2,131,870,024)
B Cash Flow from Investing Activities		
Purchase of Fixed Assets	(636,175,378)	(1,054,464,669)
Capital Work-in-Progress (including Capital Advances) / Expenditure During Construction Pending Capitalisation	(13,844,514,057)	(4,234,008,086)
(Acquisition) / Sale of Investment in Equity Shares of Subsidiary Company	(829,880)	245,000
Share Application Money Pending Allotment	70,000,000	(70,000,000)
Investments in mutual funds - Long term	(374,999,986)	(11,935,755,730)
Loans / Inter Corporate Deposits (given) / received back - Net	2,180,599,999	(2,500,000,000)
Fixed Deposit (placed) / matured with bank - Net	4,214,267,069	(968,519,987)
Interest Received on Fixed Deposits	184,786,583	482,811,517
Interest Received on Loans / Inter Corporate Deposits given	146,833,593	98,625,482
Dividend on Units of Mutual Funds - Non Trade	85,295,966	327,643,426
Net Cash Used in Investing Activities	(7,974,736,091)	(19,853,423,047)

Consolidated Cash Flow Statement of Indiabulls Power Limited. for the year ended March 31, 2011 (Contd.)

(Amount in Rupees)

	For the year ended March 31, 2011	For the year ended March 31, 2010
C Cash Flow from Financing Activities		
Proceeds from issue of Equity Shares (including Securities Premium)	16,362,000	16,252,797,570
Proceeds from Issue of Share Warrants	3,045,000,000	-
Issue of Shares to Minority in Subsidiary Company	130,000	490,000
Share issue expenses	(115,814)	(351,849,125)
Secured Loans taken from Banks and Financial Institutions	10,339,038,058	4,234,965
Repayment of Secured Loan	(915,140)	
Repayment of Unsecured Loan	(2,002,071,233)	(273,965)
Inter Corporate Deposits taken	-	2,000,000,000
Securities Premium	768,000	-
Interest Expenses	(12,720,447)	(31,858,753)
Net Cash Generated From Financing Activities	11,385,475,424	17,873,540,692
D Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)	892,171,091	(4,111,752,379)
E Unrealised Exchange Difference on Translation of balances denominated in Foreign Currency	213,332,919	(1,272,114,442)
F Cash and Cash Equivalents as at the beginning of the year	312,199,788	5,696,066,609
G Cash and Cash Equivalents as at the end of the year (D+E+F+G)	1,417,703,798	312,199,788

Note :

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

2. **Cash and cash equivalents as at the year end includes :**

Cash and Bank balances (Refer Schedule H)	3,480,967,716	7,515,130,775
Add: Current investments in Units of Mutual Funds considered temporary deployment of funds (Refer Schedule G)	950,000,000	24,600,000
	4,430,967,716	7,539,730,775
Less: In fixed deposit accounts having maturity of more than 3 months	3,013,263,918	7,227,530,987
Cash and cash equivalents as restated	1,417,703,798	312,199,788

3 Unclaimed IPO Share Application Money balance of Rs. 141,750 (Previous Year Rs. 295,076) in designated bank accounts are not available for use by the Company.

In terms of our report attached

 For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

 K.A.Katki
Partner

 Rajiv Rattan
Vice Chairman

 Saurabh K Mittal
Vice Chairman

 Gaurav Toshkhani
Company Secretary

 Place : Mumbai
Date: April 25, 2011

 Place : New Delhi
Date: April 25, 2011

Schedules

 forming part of Consolidated Balance Sheet of Indiabulls Power Limited. as at March 31, 2011

(Amount in Rupees)

	As at March 31, 2011	As at March 31, 2010
SCHEDULE A		
Share Capital		
Authorised:		
5,000,000,000 (Previous Year 5,000,000,000) Equity Shares of Rs.10 each	50,000,000,000	50,000,000,000
Issued, Subscribed and Paid up: (Refer Note II (4) of Schedule R)		
Equity Share Capital		
2,022,932,746 Equity Shares (Previous Year 2,021,296,546) of Rs 10 each fully paid up	20,229,327,460	20,212,965,460
- Of the above		
(i) 1,185,000,000 (Previous Year 1,185,000,000) Equity Shares of Rs. 10 each are held by the Holding Company - Indiabulls Real Estate Limited and its nominees		
(ii) 197,500,000 Equity Shares of Rs 10 each fully paid up were allotted to eligible shareholders pursuant to the Scheme of Amalgamation of Indiabulls Power Services Limited with Sophia Power Company Limited w.e.f April 1, 2008 as approved by the Hon'ble High Court of Delhi without payment being received in cash		
(iii) 829,500,000 Equity Shares of Rs. 10 each have been issued during the Financial Year 2009 - 10 as fully paid up bonus shares by capitalisation of the Securities Premium Account		
As Per Balance Sheet	20,229,327,460	20,212,965,460
SCHEDULE B		
Reserves And Surplus		
Securities Premium Account (Refer Note II (4) of Schedule R)		
Balance as per last Balance Sheet	17,376,815,131	13,407,511,250
Add: Additions during year	768,000	12,629,832,110
	17,377,583,131	26,037,343,360
Less: Issue of Bonus Shares	-	(8,295,000,000)
Share Issue Expenses - IPO	(115,814)	(365,528,229)
	17,377,467,317	17,376,815,131
Foreign Currency Translation Reserve		
Balance as per Last Balance Sheet	(44,379,780)	1,227,734,662
Add / (Less): Exchange Rate Fluctuation during the year	213,332,919	(1,272,114,442)
	168,953,139	(44,379,780)
Surplus as per Profit and Loss Account	1,402,588,471	1,347,946,352
As Per Balance Sheet	18,949,008,927	18,680,381,703

Schedules

 forming part of Consolidated Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

(Amount in Rupees)

	As at March 31, 2011	As at March 31, 2010
SCHEDULE C		
Secured Loans (Refer Note II (7) of Schedule R)		
- From Banks	4,768,238,058	-
- From Financial Institution	5,570,800,000	-
Vehicle Loans*		
- From Financial Institution	3,457,335	4,372,475
(Secured against hypothecation of vehicle)		
* Amount Repayable within one year Rs. 1,835,002 (Previous Year Rs. 1,512,352)		
As Per Balance Sheet	10,342,495,393	4,372,475
SCHEDULE D		
Unsecured Loans		
Short Term Loans - Others	-	2,000,000,000
Add :- Interest accrued and Due	-	2,071,233
As Per Balance Sheet	-	2,002,071,233

Schedules

 forming part of Consolidated Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

Particulars	Gross Block At Cost				Accumulated Depreciation / Amortisation				Net Block	
	As at April 1, 2010	Additions during the year	Adjustments/Sales during the year	As at March 31, 2011	As at April 1, 2010	Provided during the year*	Adjustments during the year	As at March 31, 2011	As at March 31, 2011	As at March 31, 2010
A. TANGIBLE ASSETS										
Leasehold Land	987,219,501	-	-	987,219,501	3,273,767	10,390,651	-	13,664,418	973,555,083	983,945,734
Freehold Land	-	1,481,000	-	1,481,000	-	-	-	-	1,481,000	-
Building	1,172,748	-	-	1,172,748	9,217	19,116	-	28,333	1,144,415	1,163,531
Plant & Machinery	3,700,392	11,599,807	-	15,300,199	104,524	647,951	-	752,475	14,547,724	3,595,868
Office Equipment	4,417,573	9,493,378	-	13,910,951	601,699	790,085	-	1,391,784	12,519,167	3,815,874
Computers	5,006,004	12,817,252	-	17,823,256	587,249	1,832,423	-	2,419,672	15,403,584	4,418,755
Furniture and Fixtures	6,305,117	17,298,259	-	23,603,376	1,127,820	1,796,467	-	2,924,287	20,679,089	5,177,297
Vehicles**	51,689,308	72,586,014	-	124,275,322	2,482,441	7,811,302	-	10,293,743	113,981,579	49,206,867
TOTAL (A)	1,059,510,643	125,275,710	-	1,184,786,353	8,186,717	23,287,995	-	31,474,712	1,153,311,641	1,051,323,926
B. INTANGIBLE ASSETS										
Right to Use Land	-	509,567,169	-	509,567,169	-	2,280,255	-	2,280,255	507,286,914	-
Software	5,612,522	1,638,555	-	7,251,077	917,480	1,524,659	-	2,442,139	4,808,938	4,695,042
TOTAL (B)	5,612,522	511,205,724	-	516,818,246	917,480	3,804,914	-	4,722,394	512,095,852	4,695,042
TOTAL (A+B)	1,065,123,165	636,481,434	-	1,701,604,599	9,104,197	27,092,909	-	36,197,106	1,665,407,493	1,056,018,968
C.Capital Work-in-Progress (including Capital Advances)										
TOTAL (C)										
GRAND TOTAL (A+B+C)	1,065,123,165	636,481,434	-	1,701,604,599	9,104,197	27,092,909	-	36,197,106	30,635,469,673	6,249,317,858
Previous Year	8,956,331	1,056,302,798	135,964	1,065,123,165	1,396,541	7,730,094	22,438	9,104,197	6,249,317,858	

* Note: Depreciation aggregating Rs. 18,031,361 (Previous Year Rs. 4,215,475) on assets directly related to the Project has been transferred to Expenditure During Construction Pending Capitalisation and depreciation aggregating to Rs. 9,061,548 (Previous year Rs. 3,514,619) being depreciation on other fixed assets has been debited to the Profit & Loss Account. (Refer Schedule F)

**Vehicle having original cost Rs. 6,096,031 (Previous Year Rs. 5,169,379) is hypothecated to banks against loan taken

Schedules

 forming part of Consolidated Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

	(Amount in Rupees)		
	Opening Balance as at April 1, 2010	Additions During the Year	Closing Balance as at March 31, 2011
SCHEDULE F			
Expenditure During Construction Pending Capitalisation (Refer Note II 15 of Schedule R)			
Employee Remuneration and Benefits [Including Provision for Gratuity, Compensated Absences and Superannuation Rs. 14,088,040 (Previous Year Rs.711,845)] (Refer Note II (8) of Schedule R)	174,486,769	326,581,684	501,068,453
Staff Welfare Expenses	3,937,932	5,499,841	9,437,773
Repair and Maintenance Expenses			
- Vehicle	3,495,344	14,177,905	17,673,249
- Others	4,413,535	13,307,031	17,720,566
Lease Rent Expenses	3,351,226	141,949,632	145,300,858
Legal and Professional Charges	138,264,211	179,467,143	317,731,354
Project Insurance	74,747,507	100,383,006	175,130,513
Communication Expenses	2,986,667	4,162,350	7,149,017
Rates and Taxes	8,845,333	50,726,316	59,571,649
Travelling and Conveyance Expenses	68,378,818	85,404,407	153,783,225
Soil Investigation Charges	3,071,390	-	3,071,390
Processing fees	17,517,000	-	17,517,000
Administrative and Office Expenses	3,079,738	148,194,638	151,274,376
Interest and Finance Charges	606,694,437	1,933,061,447	2,539,755,884
Miscellaneous Expenses	20,351,160	8,575,119	28,926,279
Depreciation/Amortisation	5,146,410	18,031,361	23,177,771
	1,138,767,477	3,029,521,880	4,168,289,357
Other Income	(420,000)	(40,710,311)	(41,130,311)
TOTAL	1,138,347,477	2,988,811,569	4,127,159,046

Schedules

 forming part of Consolidated Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE G		
Investments		
i) Long Term (At Cost)		
Non Trade, Unquoted - in Units of Mutual Fund		
- In 320,000,000 (Previous Year 320,000,000) Units of UTI Mutual Fund - Fixed Maturity Plan at NAV of Rs. 10 (Of the above, investment of Rs 1,500,000,000 (Previous Year Rs.Nil) have a lien marked in favour of project lenders)	3,200,000,000	3,200,000,000
- In 473,539,432 (Previous Year 473,539,432) Units of ICICI Prudential - Fixed Maturity Plan at NAV of Rs. 10	4,735,394,320	4,735,394,320
- In 300,036,139 (Previous Year 300,036,141) Units of Birla Sunlife Fixed Term Plan - Fixed Maturity Plan at NAV of Rs. 10	3,000,361,396	3,000,361,410
- In 137,500,000 (Previous Year 100,000,000) Units of Reliance Fixed Horizon Fund - Fixed Maturity Plan at NAV of Rs. 10 (Of the above, investment of Rs 1,000,000,000 (Previous Year Rs.Nil) have a lien marked in favour of project lenders)	1,375,000,000	1,000,000,000
TOTAL (i)	12,310,755,716	11,935,755,730
ii) Current Investments (lower of cost and fair value)		
in Units of Mutual Funds - Non Trade, Un-quoted		
- In Nil Units (Previous Year 1,458,807) of LIC MF Saving Plus Fund - Daily Dividend at NAV of Rs. Nil per Unit (Previous Year Rs. 16.8631 per Unit)	-	24,600,000
- In 43,637,834 Units (Previous Year Nil) Units of SBI Magnum Insta Cash Fund NAV of Rs.21.7701 per Unit	950,000,000	-
TOTAL (ii)	950,000,000	24,600,000
As Per Balance Sheet Total (i + ii)	13,260,755,716	11,960,355,730
Aggregate Market Value of Quoted Investments	-	-
Aggregate Book Value of Quoted Investments	-	-
Aggregate Book Value of Un-Quoted Investments	13,260,755,716	11,960,355,730

Schedules

 forming part of Consolidated Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE H		
Cash and Bank Balances		
Cash On Hand	1,238,614	1,360,082
Balances with Scheduled Banks :		
- In Current Accounts	248,225,915	62,600,326
- In Fixed Deposit Accounts (Refer Note II (3) of Schedule R)	3,013,263,918	2,705,523,513
Balances with Non Scheduled Banks :		
- In Current Accounts		
HSBC Mauritius (Maximum Outstanding Balance at any time during the year Rs. 3,670,553 (Previous Year Rs. 5,054,046,352.))	-	3,670,553
Bank of Pireaus ,Cyprus (Maximum Outstanding Balance at any time during the year Rs. 348,424 (Previous Year Rs. 63,555,944))	331,247	348,424
Societe Generale Cyprus (Maximum Outstanding Balance at any time during the year Rs. 217,833,007 (Previous Year Rs. 217,856,364))	117,920,646	217,833,007
Universal Bank, Cyprus (Maximum Outstanding Balance at any time during the year Rs. 1,492,320 (Previous Year Rs. 1,731,379))	1,446,925	1,492,320
- In Fixed Deposit Accounts		
Bank of Pireaus, Cyprus (Maximum Outstanding Balance at any time during the year Rs. 98,398,701 (Previous Year Rs. Nil.))	98,398,701	-
HSBC Mauritius (Maximum Outstanding Balance at any time during the year Rs. 4,522,007,474 (Previous Year Rs. 4,522,007,474.))	-	4,522,007,474
Unclaimed Share Application Money lying in Escrow Account	141,750	295,076
As Per Balance Sheet	3,480,967,716	7,515,130,775
SCHEDULE I		
Other Current Assets		
(Unsecured, Considered Good, Unless Otherwise Stated)		
Accrued Interest on Fixed Deposit Accounts	15,932,129	49,020,300
Accrued Interest on Inter Corporate Deposits - Fellow Subsidiaries	54,368,873	9,659,438
Accrued Interest on Loan	8,145,396	-
- From Indiabulls Employees Welfare Trust (Refer Note II (16) of Schedule R)		
As Per Balance Sheet	78,446,398	58,679,738

Schedules

 forming part of Consolidated Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE J		
Loans and Advances		
(Unsecured, Considered Good, Unless Otherwise Stated)		
Advances recoverable in cash or in kind or for value to be received	9,385,920,785	7,467,747,392
Inter Corporate Deposits - Fellow Subsidiary Company	4,319,400,001	6,500,000,000
Share Application Money Pending Allotment (Refer Note No II (4) of Schedule R)	-	70,000,000
Loan to Employees	4,350,080	1,749,400
Security Deposits	303,492,429	186,986,631
Advance Income Tax / Tax Deducted At Source (Net of Provision for Tax Rs. 359,640,584 (Previous Year Rs.354,767,620))	106,786,273	35,328,256
Advance Fringe Benefit Tax (Net of Provision for Fringe Benefit Tax Rs. 1,804,852(Previous Year Rs. 68,023))	47,888	49,448
Prepaid Expenses	1,077,004	1,097,344
As Per Balance Sheet	14,121,074,460	14,262,958,471
SCHEDULE K		
Current Liabilities		
Sundry Creditors (Refer Note II (22) of Schedule R)		
(a) Due to Micro and Small Enterprises	-	-
(b) Due to Others	9,508,836,377	69,446,200
Unclaimed IPO Share Application Money lying in Escrow A/c. refundable	141,750	295,076
Other Current Liabilities	3,487,166,987	114,271,942
As Per Balance Sheet	12,996,145,114	184,013,218
SCHEDULE L		
Provisions		
Provision for Income Tax (Net of Advance Tax of Rs. 11,719,799 (Previous Year Rs. 6,589,232))	1,130,090	1,182,861
Provision for Fringe Benefits Tax (Net of Advance Fringe Benefits Tax Rs. Nil (Previous Year Rs. 10,267))	-	92,024
Provision for Gratuity	15,351,760	9,180,550
Provision for Compensated Absences	14,320,976	8,944,650
Provision for Superannuation	128,118,798	89,053,226
As Per Balance Sheet	158,921,624	108,453,311

Schedules

 forming part of Consolidated Profit & Loss Account of Indiabulls Power Limited. for the year ended March 31, 2011

	(Amount in Rupees)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
SCHEDULE M		
Revenue from Operations		
Other Operating Income - Advisory Services	4,000,000	-
[Tax Deducted at Source Rs.441,200 (Previous Year Rs. Nil)]		
As Per Profit and Loss Account	4,000,000	-
SCHEDULE N		
Other Income		
Interest on Inter Corporate Deposits - Gross		
- From Fellow Subsidiaries (Tax Deducted at Source - Rs. 19,094,538 (Previous Year Rs. 21,673,919))	190,618,269	101,446,561
- From Others (Tax Deducted at Source - Rs. Nil (Previous Year Rs. 683,835))	19,715	6,838,359
Interest on Loan to Employee Welfare Trust (Tax Deducted at Source Rs. 905,044 (Previous Year Rs. Nil)) - Gross	9,050,440	-
Dividend on Units of Mutual Funds - Non Trade	85,295,966	327,643,426
Interest on Fixed Deposits - Gross (Tax Deducted at Source - Rs. 18,588,066 (Previous Year Rs. 43,981,549))	151,698,412	402,946,513
Balances Written Back	40,000	895,202
Miscellaneous Income	4,063,651	1,065,476
Profit on Sale of Investments - Trade	967,404	10,298
As Per Profit and Loss Account	441,753,857	840,845,835
SCHEDULE O		
Employees Remuneration and Benefits		
Salaries and Wages	223,057,991	223,342,408
Contribution to Provident Fund and Other funds	332,375	228,597
Provision for Gratuity, Compensated Absences and Superannuation Expenses	36,722,816	43,059,633
Recruitment and Training Expenses	371,090	45,892
Staff Welfare Expenses	1,241,272	652,790
As Per Profit and Loss Account	261,725,544	267,329,320

Schedules

 forming part of Consolidated Profit & Loss Account of Indiabulls Power Limited. for the year ended March 31, 2011 (Contd.)

	(Amount in Rupees)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
SCHEDULE P		
Administrative and Other Expenses		
Rates and Taxes	6,748,457	3,040,197
Legal and Professional Charges	24,789,027	8,840,388
Rent	1,115,496	660,000
Travelling and Conveyance	14,997,952	32,716,739
Printing and Stationery	4,305,769	1,980,606
Repairs and Maintenance		
- Vehicle	2,176,656	2,347,877
- Others	3,169,673	9,756,622
Communication Expenses	3,469,626	2,013,203
Security Expenses	2,817,045	2,166,065
Tender Expenses	2,818,450	6,208,250
Business Promotion	11,828,397	14,692,741
Advertisement Expenses	609,251	451,062
Donations	2,525,000	221,100
Auditors' Remuneration		
- As Auditors	8,559,874	10,205,565
- Certification	800,000	-
- Out of Pocket Expenses	700,000	-
Postage And Courier	4,668,535	800,138
Membership And Subscription	697,649	187,665
Sundry Balances written off	-	500,000
Software Expenses	3,278,402	-
Loss on Sale of Fixed Assets	-	72,018
Miscellaneous Expenses	747,031	1,856,932
As Per Profit and Loss Account	100,822,290	98,717,168
SCHEDULE Q		
Interest and Finance Charges		
Interest to Banks :		
- on refund of IPO share application money	-	24,657,534
- on Vehicle Loans	342,712	16,509
- on Overdraft facility	6,578,897	-
Interest on Inter Corporate Deposits	1,315,774	3,793,972
Bank Guarantee Charges	3,786,759	-
Interest on Income Tax	554,328	1,337,798
Bank Charges	141,977	2,327,764
As Per Profit and Loss Account	12,720,447	32,133,577

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011

SCHEDULE R:
I. Significant Accounting Policies:
i. Basis of Consolidation and Preparation

The consolidated financial statements are prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements" as notified under the Companies (Accounting Standards) Rules, 2006, as amended. Reference in these notes to Company, Holding Company, Companies or Group shall mean to include Indiabulls Power Limited. ("IPL") or any of its subsidiaries, unless otherwise stated.

ii. Principles of Consolidation

The Consolidated Financial Statements comprise of the Financial Statements of Indiabulls Power Limited. ("Parent Company") and its subsidiaries ("Subsidiary Companies"). The Consolidated Financial Statements are prepared according to uniform accounting policies, in accordance with accounting principles generally accepted in India.

The Consolidated Financial Statements are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard 21 (Consolidated Financial Statements as notified under the Companies (Accounting Standards) Rules, 2006, as amended).

iii. Goodwill / Capital Reserve on Consolidation

Goodwill / Capital Reserve represents the difference between the Company's share in the net worth of subsidiaries, and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital Reserve on consolidation is adjusted against Goodwill. The Goodwill on Consolidation recorded in these consolidated financial statements has not been amortised, but instead evaluated for impairment whenever events or changes in circumstances indicate that its carrying amount may be impaired.

iv. Companies included in consolidation:

Sl. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Auditor Firm	Date of Incorporation
1	Airmid Power Limited	March 31, 2011	100%	India	Sharma Goel & Co.	25-Feb-08
2	Albina Power Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	26-Feb-08
3	Amravati Power Transmission Company Limited (formerly Poena Power Transmission Limited)	March 31, 2011	100%	India	Mehrotra Seth & Associates	08-Jul-08
4	Angina Power Limited	March 31, 2011	100%	India	Sharma Goel & Co.	24-Apr-08
5	Apesh Power Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	25-Apr-08
6	Aravali Properties Limited	March 31, 2011	100%	India	Sharma Goel & Co.	21-Jul-06
7	Ashkit Power Limited	March 31, 2011	100%	India	Jain & Vinay Associates	24-Apr-08

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

iv. Companies included in consolidation (Contd.)

Sl. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Auditor Firm	Date of Incorporation
8	Bracond Limited	March 31, 2011	100%	Cyprus	Sumit Mohit & Company	12-Aug-08
9	Chloris Power Limited	March 31, 2011	100%	India	Sharma Goel & Co.	24-Apr-08
10	Citra Thermal Power and Infrastructure Limited	March 31, 2011	100%	India	Jain & Vinay Associates	28-Sep-07
11	Corus Power Limited	March 31, 2011	100%	India	Sharma Goel & Co.	24-Apr-08
12	Devona Thermal Power and Infrastructure Limited	March 31, 2011	74%	India	Sharma Goel & Co.	25-Sep-07
13	Diana Energy Limited	March 31, 2011	74%	India	Sharma Goel & Co.	25-Sep-07
14	Diana Power Limited	March 31, 2011	100%	India	Jain & Vinay Associates	13-Sep-07
15	Elena Power And Infrastructure Limited	March 31, 2011	100%	India	Deloitte Haskins & Sells	24-Apr-08
16	Fama Power Company Limited	March 31, 2011	100%	India	Jain & Vinay Associates	08-Oct-07
17	Fornax Power Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	24-Apr-08
18	Genoformus Limited (100% Subsidiary of Bracond Limited)*	March 31, 2011	100%	Cyprus	Sumit Mohit & Company	26-Aug-08
19	Hecate Electric Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	04-Jul-08
20	Hecate Energy Private Limited	March 31, 2011	100%	India	D. Verma & Associates	19-Jun-08
21	Hecate Energy Trading Limited	March 31, 2011	100%	India	D. Verma & Associates	13-Jun-08
22	Hecate Hydro Electric Power Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	11-Jun-08
23	Hecate Power and Energy Resources Limited	March 31, 2011	100%	India	D. Verma & Associates	10-Jun-08
24	Hecate Power Company Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	10-Jun-08
25	Hecate Power Development Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	04-Jul-08
26	Hecate Power Distributors Limited	March 31, 2011	100%	India	D. Verma & Associates	10-Jun-08
27	Hecate Power Generation Limited	March 31, 2011	100%	India	D. Verma & Associates	10-Jun-08

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

iv. Companies included in consolidation (Contd.)

Sl. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Auditor Firm	Date of Incorporation
28	Hecate Power Limited	March 31, 2011	100%	India	D. Verma & Associates	10-Jun-08
29	Hecate Power Management Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	04-Jul-08
30	Hecate Power Projects Limited	March 31, 2011	100%	India	A. Chandak & co.	19-Jun-08
31	Hecate Power Services Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	10-Jun-08
32	Hecate Power Solutions Limited	March 31, 2011	100%	India	A. Chandak & co.	10-Jul-08
33	Hecate Power Supply Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	07-Jul-08
34	Hecate Power Systems Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	07-Jul-08
35	Hecate Power Transmission Limited	March 31, 2011	51%	India	Mehrotra Seth & Associates	04-Jul-08
36	Hecate Power Utility Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	08-Jul-08
37	Hecate Powergen Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	08-Jul-08
38	Hecate Thermal Power and Infrastructure Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	10-Jun-08
39	Indiabulls CSEB Bhaiyathan Power Limited	March 31, 2011	100%	India	Deloitte Haskins & Sells	19-May-08
40	Indiabulls Electric Company Limited	March 31, 2011	100%	India	Sharma Goel & Co.	05-Aug-08
41	Indiabulls Electric Energy Limited	March 31, 2011	100%	India	A. Chandak & co.	05-Aug-08
42	Indiabulls Electric Limited	March 31, 2011	100%	India	A. Chandak & co.	04-Jul-08
43	Indiabulls Electric Power Limited	March 31, 2011	100%	India	A. Chandak & co.	05-Aug-08
44	Indiabulls Electricity Company Limited	March 31, 2011	100%	India	Jain & Vinay Associates	13-Sep-07
45	Indiabulls Electricity Generation Limited	March 31, 2011	100%	India	Jain & Vinay Associates	05-Aug-08
46	Indiabulls Hydro Electric Power Limited	March 31, 2011	100%	India	Jain & Vinay Associates	13-Sep-07
47	Indiabulls Hydro Energy Limited	March 31, 2011	100%	India	Jain & Vinay Associates	13-Sep-07
48	Indiabulls Hydro Power Limited	March 31, 2011	100%	India	Jain & Vinay Associates	13-Sep-07

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

iv. Companies included in consolidation (Contd.)

Sl. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Auditor Firm	Date of Incorporation
49	Indiabulls Hydro Power Projects Limited	March 31, 2011	100%	India	Jain & Vinay Associates	13-Sep-07
50	Indiabulls Power Development Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	02-Jul-08
51	Indiabulls Power Distribution Limited	March 31, 2011	100%	India	Jain & Vinay Associates	05-Sep-07
52	Indiabulls Power Generation Company Limited	March 31, 2011	100%	India	Sharma Goel & Co.	27-Jun-08
53	Indiabulls Power Generation Limited	March 31, 2011	74%	India	Sharma Goel & Co.	05-Sep-07
54	Indiabulls Power Infrastructure Limited	March 31, 2011	100%	India	Jain & Vinay Associates	13-Sep-07
55	Indiabulls Power Management Limited	March 31, 2011	100%	India	A. Chandak & co.	02-Jul-08
56	Indiabulls Power Projects Development Limited	March 31, 2011	100%	India	A. Chandak & co.	02-Jul-08
57	Indiabulls Power Projects Limited	March 31, 2011	100%	India	Jain & Vinay Associates	13-Sep-07
58	Indiabulls Power Solutions Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	27-Jun-08
59	Indiabulls Power Supply Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	27-Jun-08
60	Indiabulls Power Systems Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	02-Jul-08
61	Indiabulls Power Trading Limited	March 31, 2011	100%	India	Sharma Goel & Co.	05-Sep-07
62	Indiabulls Power Transmission Limited	March 31, 2011	51%	India	A. Chandak & co.	27-Jun-08
63	Indiabulls Power Utility Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	27-Jun-08
64	Indiabulls Powergen Limited	March 31, 2011	100%	India	A. Chandak & co.	27-Jun-08
65	Indiabulls Realtech Limited	March 31, 2011	100%	India	Deloitte Haskins & Sells	03-Jan-07
66	Indiabulls Thermal Energy Limited	March 31, 2011	100%	India	Jain & Vinay Associates	13-Sep-07
67	Indiabulls Thermal Power Limited	March 31, 2011	100%	India	Jain & Vinay Associates	13-Sep-07
68	Indiabulls Thermal Power Management Limited	March 31, 2011	100%	India	Jain & Vinay Associates	05-Aug-08

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

iv. Companies included in consolidation (Contd.)

Sl. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Auditor Firm	Date of Incorporation
69	Indiabulls Thermal Power Projects Limited	March 31, 2011	100%	India	Jain & Vinay Associates	06-Aug-08
70	Indiabulls Thermal Projects Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	07-Aug-08
71	Indiabulls Water Supply And Waste Management Services Limited (100% Subsidiary of Indiabulls Realtech Limited)*	March 31, 2011	100%	India	D. Verma & Associates	27-May-06
72	Kaya HydroPower Projects Limited	March 31, 2011	100%	India	Jain & Vinay Associates	04-Dec-07
73	Lenus Power Limited	March 31, 2011	100%	India	Jain & Vinay Associates	28-Feb-08
74	Lucina Power and Infrastructure Limited	March 31, 2011	100%	India	Jain & Vinay Associates	02-Aug-06
75	Mabon Power Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	25-Feb-08
76	Mariana Power Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	24-Apr-08
77	Pachi HydroPower Projects Limited	March 31, 2011	100%	India	Sharma Goel & Co.	04-Dec-07
78	Papu Hydropower Projects Limited	March 31, 2011	100%	India	Sharma Goel & Co.	04-Dec-07
79	Poana Power Systems Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	04-Jul-08
80	Poena Hydro Power Projects Limited	March 31, 2011	100%	India	D. Verma & Associates	19-Jun-08
81	Poena Power Company Limited	March 31, 2011	100%	India	A. Chandak & co.	20-Jun-08
82	Poena Power Development Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	04-Jul-08
83	Poena Power Distributors Limited	March 31, 2011	100%	India	D. Verma & Associates	19-Jun-08
84	Poena Power Generation Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	24-Jun-08
85	Poena Power Limited	March 31, 2011	74%	India	Mehrotra Seth & Associates	10-Jun-08
86	Poena Power Management Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	09-Jul-08
87	Poena Power Services Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	19-Jun-08
88	Poena Power Solutions Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	08-Jul-08

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

iv. Companies included in consolidation (Contd.)

Sl. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Auditor Firm	Date of Incorporation
89	Poena Power Supply Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	09-Jul-08
90	Poena Power Trading Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	19-Jun-08
91	Poena Power Utility Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	08-Jul-08
92	Poena Thermal Power Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	19-Jun-08
93	Renemark Limited (100% Subsidiary of Bracond Limited)*	March 31, 2011	100%	Cyprus	Sumit Mohit & Company	23-Aug-08
94	Selene Power Company Limited	March 31, 2011	100%	India	Mehrotra Seth & Associates	08-Oct-07
95	Sentia Thermal Power and Infrastructure Limited	March 31, 2011	100%	India	Sharma Goel & Co.	08-Oct-07
96	Sepla HydroPower Projects Limited	March 31, 2011	100%	India	Sharma Goel & Co.	04-Dec-07
97	Sepset Thermal Power and Infrastructure Limited	March 31, 2011	100%	India	Sharma Goel & Co.	08-Oct-07
98	Serida Power Limited	March 31, 2011	100%	India	Sharma Goel & Co.	27-Feb-08
99	Sinnar Power Transmission Company Limited (formerly Poena Power Projects Limited) (100% Subsidiary of Indiabulls Realtech Limited)*	March 31, 2011	100%	India	D. Verma & Associates	27-Jun-08
100	Tharang Warang Hydropower Projects Limited	March 31, 2011	100%	India	Sharma Goel & Co.	04-Dec-07
101	Triton Energy Limited	March 31, 2011	100%	India	Sharma Goel & Co.	09-Oct-07
102	Varali Power Limited	March 31, 2011	100%	India	Sharma Goel & Co.	08-May-08
103	Zeus Energy Limited	March 31, 2011	100%	India	Sharma Goel & Co.	18-Dec-07

* These companies include step down subsidiary of the Company.

The Consolidated Financial Statements are presented, to the extent possible, in the same format as that adopted by the holding company for its independent financial statements.

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

v. Information relating to Subsidiaries including subsidiaries of subsidiaries (Contd.): (In terms of Government of India, Ministry of Corporate Affairs General Circular No: 2/2011, No: 5/12/2007-CL-III dated 8th February, 2011) (Amount in Rupees)

S. No	Name of the Subsidiary Companies	Year	Share Capital	Share Application Money Pending Allotment	Reserves and Surplus (Net of debit balance of profit & Loss account)	Total Assets (Fixed Assets + Current Assets + Deferred Tax Assets)	Capital Work-in-Progress	Expenditure During Construction Pending Capitalisation	Total Liabilities (Debits + Current Liabilities + Provisions + Deferred tax Liabilities)	Details of Investments (excluding investment in the subsidiary companies)- Treasury Bill	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after taxation	Proposed Dividend (including Corporate Dividend Tax)
19	Hecate Electric Limited	2010-11	500,000	-	(8,199)	502,831	-	-	11,030	-	21,811	9,281	-	9,281	-
		2009-10	500,000	-	(17,480)	493,550	-	-	11,030	-	16,083	2,892	-	2,892	-
20	Hecate Energy Private Limited.	2010-11	500,000	-	(7,152)	503,878	-	-	11,030	-	21,912	8,476	-	8,476	-
		2009-10	500,000	-	(15,628)	495,402	-	-	11,030	-	16,194	3,302	-	3,302	-
21	Hecate Energy Trading Limited	2010-11	500,000	-	(7,315)	503,715	-	-	11,030	-	16,117	9,021	-	9,021	-
		2009-10	500,000	-	(16,336)	494,694	-	-	11,030	-	21,857	3,226	-	3,226	-
22	Hecate Hydro Electric Power Limited	2010-11	500,000	-	(16,649)	494,981	-	-	11,030	-	16,117	581	-	581	-
		2009-10	500,000	-	(17,230)	493,800	-	-	11,030	-	16,117	2,332	-	2,332	-
23	Hecate Power and Energy Resources Limited	2010-11	500,000	-	(7,301)	503,729	-	-	11,030	-	21,866	9,030	-	9,030	-
		2009-10	500,000	-	(16,331)	494,699	-	-	11,030	-	16,122	3,231	-	3,231	-
24	Hecate Power Company Limited	2010-11	500,000	-	(111,654)	399,376	-	-	11,030	-	18,250	(94,644)	-	(94,644)	-
		2009-10	500,000	-	(17,013)	494,017	-	-	11,030	-	16,083	3,191	-	3,191	-
25	Hecate Power Development Limited	2010-11	500,000	-	(8,580)	502,450	-	-	11,030	-	21,811	8,982	-	8,982	-
		2009-10	500,000	-	(17,562)	493,468	-	-	11,030	-	15,546	2,954	-	2,954	-
26	Hecate Power Distributors Limited	2010-11	500,000	-	(7,815)	503,215	-	-	11,030	-	16,117	8,521	-	8,521	-
		2009-10	500,000	-	(16,336)	494,694	-	-	11,030	-	21,857	3,226	-	3,226	-
27	Hecate Power Generation Limited	2010-11	500,000	-	(16,647)	494,383	-	-	11,030	-	21,858	9,021	-	9,021	-
		2009-10	500,000	-	(7,914)	503,116	-	-	11,030	-	16,106	2,915	-	2,915	-
28	Hecate Power Limited	2010-11	500,000	-	(16,336)	494,694	-	-	11,030	-	16,117	3,226	-	3,226	-
		2009-10	500,000	-	(9,668)	501,362	-	-	11,030	-	21,765	9,235	-	9,235	-
29	Hecate Power Management Limited	2010-11	500,000	-	(18,903)	492,127	-	-	11,030	-	15,937	3,366	-	3,366	-
		2009-10	500,000	-	(536,872)	24,158	-	-	61,030	-	7,786	(505,105)	-	(505,105)	-
30	Hecate Power Projects Limited	2010-11	500,000	-	(524,086)	36,994	-	-	61,030	-	7,786	(505,105)	-	(505,105)	-
		2009-10	500,000	-	(18,056)	492,974	-	-	11,030	-	21,397	8,561	-	8,561	-
31	Hecate Power Services Limited	2010-11	500,000	-	(26,617)	484,413	-	-	11,030	-	15,836	(7,055)	-	(7,055)	-
		2009-10	500,000	-	(533,029)	28,001	-	-	61,030	-	12,530	(500,301)	-	(500,301)	-
32	Hecate Power Solutions Limited	2010-11	500,000	-	(520,499)	40,531	-	-	61,030	-	12,585	(500,301)	-	(500,301)	-
		2009-10	500,000	-	(7,806)	503,224	-	-	11,030	-	21,811	9,281	-	9,281	-
33	Hecate Power Supply Limited	2010-11	500,000	-	(17,087)	493,943	-	-	11,030	-	16,083	3,192	-	3,192	-
		2009-10	500,000	-	(12,549)	502,081	981,725	-	996,355	-	21,765	5,635	-	5,635	-
34	Hecate Power Systems Limited	2010-11	500,000	-	(18,184)	492,866	-	-	11,030	-	16,092	3,507	-	3,507	-
		2009-10	500,000	-	(1,003,887)	18,965	-	-	522,852	-	10,252	(515,123)	-	(515,123)	-
35	Hecate Power Transmission Limited	2010-11	500,000	-	(488,764)	331,242	-	-	320,005	-	10,252	(468,098)	-	(468,098)	-
		2009-10	500,000	-	(145,246)	3,344,683	-	-	2,989,929	-	28,533,053	(125,668)	-	(125,668)	-
36	Hecate Power Utility Limited	2010-11	500,000	-	(19,578)	491,452	-	-	11,030	-	2,374,502	2,413	-	2,413	-
		2009-10	500,000	-	(8,337)	502,693	-	-	11,030	-	21,811	9,281	-	9,281	-
37	Hecate Powergen Limited	2010-11	500,000	-	(17,618)	493,412	-	-	11,030	-	16,083	3,198	-	3,198	-

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

v. Information relating to Subsidiaries including subsidiaries of subsidiaries (Contd.):
(In terms of Government of India, Ministry of Corporate Affairs General Circular No: 2/2011, No: 5/12/2007-CL-III dated 8th February, 2011)
(Amount in Rupees)

S. No	Name of the Subsidiary Companies	Year	Share Capital	Share Application Money Pending Allotment	Reserves and Surplus (Net of debit balance of profit & Loss account)	Total Assets (Fixed Assets + Current Assets + Deferred tax Assets)	Capital Work-in-Progress	Expenditure During Construction Pending Capitalisation	Total Liabilities (Debts + Current Liabilities + Deferred tax Liabilities)	Details of Investments (excluding investment in the subsidiary companies) - Treasury Bill	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)
38	Heate Thermal Power and Infrastructure Limited	2010-11	500,000	-	(114,869)	2,895,097	-	-	2,509,966	-	23,926,651	(95,574)	-	(95,574)	-
		2009-10	500,000	-	(19,295)	491,735	-	-	11,030	-	15,895	2,965	-	2,965	-
39	Indiabulls CSEB Bhaivahan Power Limited	2010-11	740,000	-	(654,655)	20,177,050	503,650,259	269,673,881	793,415,845	-	75,227,193	(57,321)	(94,237)	36,916	-
		2009-10	740,000	-	(691,571)	4,007,108,653	503,650,259	241,308,129	4,752,018,612	-	3,836,419	419,128	143,000	276,128	-
40	Indiabulls Electric Company Limited	2010-11	500,000	-	(230,034)	325,116	-	-	55,150	-	12,974	(46,176)	-	(46,176)	-
		2009-10	500,000	-	(183,858)	330,481	-	-	14,339	-	12,267	(61,596)	-	(61,596)	-
41	Indiabulls Electric Energy Limited	2010-11	500,000	-	(186,821)	324,209	-	-	11,030	-	12,928	(2,102)	-	(2,102)	-
		2009-10	500,000	-	(184,719)	329,670	-	-	14,339	-	11,886	(62,427)	-	(62,427)	-
42	Indiabulls Electric Limited	2010-11	500,000	-	(184,466)	326,564	-	-	11,030	-	12,974	(556)	-	(556)	-
		2009-10	500,000	-	(183,910)	330,429	-	-	14,339	-	11,962	(62,359)	-	(62,359)	-
43	Indiabulls Electric Power Limited	2010-11	500,000	-	(185,940)	325,090	-	-	11,030	-	12,928	(1,602)	-	(1,602)	-
		2009-10	500,000	-	(184,338)	330,001	-	-	14,339	-	12,267	(62,046)	(336)	(62,046)	-
44	Indiabulls Electricity Company Limited	2010-11	500,000	-	(299,677)	1,264,323	-	-	1,064,000	-	1,114	(10,886)	-	(10,550)	-
		2009-10	500,000	-	(289,127)	1,267,212	-	-	1,056,339	-	1,114	(74,367)	-	(74,367)	-
45	Indiabulls Electricity Generation Limited	2010-11	500,000	-	(186,314)	323,686	-	-	10,000	-	14,096	596	-	596	-
		2009-10	500,000	-	(186,910)	327,429	-	-	14,339	-	12,165	(61,657)	-	(61,657)	-
46	Indiabulls Hydro Electric Power Limited	2010-11	500,000	-	(1,199,272)	15,228	-	-	714,500	-	1,030	(10,970)	-	(10,970)	-
		2009-10	500,000	-	(1,188,302)	15,228	-	-	703,530	-	1,030	(13,140)	-	(13,140)	-
47	Indiabulls Hydro Energy Limited	2010-11	500,000	-	(2,199,273)	13,727	-	-	1,713,000	-	1,030	(10,970)	-	(10,970)	-
		2009-10	500,000	-	(2,188,303)	9,727	-	-	1,698,030	-	-	(13,141)	-	(13,141)	-
48	Indiabulls Hydro Power Limited	2010-11	500,000	-	(159,591)	350,409	-	-	10,000	-	16,213	4,213	-	4,213	-
		2009-10	500,000	-	(163,804)	347,226	-	-	11,030	-	11,227	(1,913)	-	(1,913)	-
49	Indiabulls Hydro Power Projects Limited	2010-11	500,000	-	(155,924)	354,076	-	-	10,000	-	16,022	3,033	-	3,033	-
		2009-10	500,000	-	(158,957)	352,073	-	-	11,030	-	11,430	(1,710)	-	(1,710)	-
50	Indiabulls Power Development Limited	2010-11	500,000	-	(173,883)	337,147	-	-	11,030	-	15,065	(50,722)	-	(50,722)	-
		2009-10	500,000	-	(123,161)	387,869	-	-	11,030	-	12,611	(1,484)	-	(1,484)	-
51	Indiabulls Power Distribution Limited	2010-11	500,000	-	(364,806)	145,194	-	-	10,000	-	5,797	(5,703)	-	(5,703)	-
		2009-10	500,000	-	(359,103)	151,927	-	-	11,030	-	11,284	(201,887)	-	(201,887)	-
52	Indiabulls Power Generation Company Limited	2010-11	500,000	-	(162,788)	392,362	-	-	55,150	-	16,909	(40,741)	-	(40,741)	-
		2009-10	500,000	-	(122,047)	388,983	-	-	11,030	-	12,983	(612)	-	(612)	-
53	Indiabulls Power Generation Limited	2010-11	215,000,000	-	19,854,364	1,254,154	-	-	1,403,290	235,003,500	59,447	(198,302)	-	(198,302)	-
		2009-10	215,000,000	-	20,052,666	91,268	-	-	1,442,110	236,403,508	11,686,259	10,548,653	2,092,711	8,455,942	-
54	Indiabulls Power Infra-structure Limited	2010-11	500,000	-	(4,545,287)	477,767	-	-	4,091,054	-	1,030	(13,870)	-	(13,870)	-
		2009-10	500,000	-	(4,529,417)	45,667	-	-	4,075,084	-	-	(15,078)	-	(15,078)	-
55	Indiabulls Power Management Limited	2010-11	500,000	-	(184,477)	326,553	-	-	11,030	-	12,974	(556)	-	(556)	-
		2009-10	500,000	-	(183,921)	330,418	-	-	14,339	-	11,962	(62,360)	-	(62,360)	-
56	Indiabulls Power Projects Development Limited	2010-11	500,000	-	(184,672)	326,358	-	-	11,030	-	12,928	(602)	-	(602)	-
		2009-10	500,000	-	(184,070)	330,269	-	-	14,339	-	11,929	(62,393)	-	(62,393)	-

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

v. Information relating to Subsidiaries including subsidiaries of subsidiaries (Contd.):
(In terms of Government of India, Ministry of Corporate Affairs General Circular No: 2/2011, No: 5/12/2007-CL-III dated 8th February, 2011)
(Amount in Rupees)

S. No	Name of the Subsidiary Companies	Year	Share Capital	Share Application Money Pending Allotment	Reserves and Surplus (Net of debit balance of profit & Loss account)	Total Assets (Fixed Assets + Current Assets + Deferred Tax Assets)	Capital Work-in-Progress	Expenditure During Construction Pending Capitalisation	Total Liabilities (Debits + Current Liabilities + Provisions + Deferred tax Liabilities)	Details of Investments (excluding investment in the subsidiary companies)- Treasury Bill	Turnover	Profit / (Loss) before taxation	Provision for Taxation	Profit / (Loss) after taxation	Proposed Dividend (including Corporate Dividend Tax)
57	Indiabulls Power Projects Ltd	2010-11 2009-10	500,000 500,000	- -	(192,711) (194,087)	317,289 316,943	- -	- -	10,000 11,030	- -	14,376 10,277	1,376 (2,864)	- -	1,376 (2,864)	- -
58	Indiabulls Power Solutions Limited	2010-11 2009-10	500,000 500,000	- -	(119,121) (122,571)	391,909 388,459	- -	- -	11,030 11,030	- -	16,980 12,701	3,450 (894)	- -	3,450 (894)	- -
59	Indiabulls Power Supply Limited	2010-11 2009-10	500,000 500,000	- -	(119,120) (122,571)	391,909 388,459	- -	- -	11,030 11,030	- -	16,980 12,701	3,450 (894)	- -	3,450 (894)	- -
60	Indiabulls Power Systems Limited	2010-11 2009-10	500,000 500,000	- -	(119,121) (122,571)	391,909 388,459	- -	- -	11,030 11,030	- -	16,980 12,701	3,450 (894)	- -	3,450 (894)	- -
61	Indiabulls Power Trading Limited	2010-11 2009-10	17,500,000 17,500,000	- -	2,065,060 1,449,325	19,618,210 19,007,784	- -	- -	55,150 58,459	- -	1,234,264 1,394,033	907,025 1,023,791	293,290 (6,429)	613,735 1,030,220	- -
62	Indiabulls Power Transmission Limited	2010-11 2009-10	1,000,000 1,000,000	- -	(99,921) (124,583)	911,109 886,447	- -	- -	11,030 11,030	- -	39,892 14,073	24,662 (1,522)	- -	24,662 (1,522)	- -
63	Indiabulls Power Utility Limited	2010-11 2009-10	500,000 500,000	- -	(119,061) (122,511)	391,969 388,519	- -	- -	11,030 11,030	- -	16,980 12,645	3,450 (950)	- -	3,450 (950)	- -
64	Indiabulls Powergen Limited	2010-11 2009-10	500,000 500,000	- -	(185,662) (184,560)	325,368 329,779	- -	- -	11,030 14,339	- -	12,928 11,929	(1,102) (62,383)	- -	(1,102) (62,383)	- -
65	Indiabulls Reatech Limited	2010-11 2009-10	42,995,000 28,095,000	2,859,364,000 4,349,364,000	4,203,419,952 2,728,976,079	1,870,098,123 2,065,538	13,062,706,328 2,924,011,200	1,715,421,442 172,654,834	14,669,203,009 1,011,339,951	5,125,356,068 5,000,356,068	1,464,816 639,296	(531,140) (1,847,348)	24,987 -	(536,127) (1,847,348)	- -
66	Indiabulls Thermal Energy Limited	2010-11 2009-10	500,000 500,000	- -	(187,698) (189,304)	322,302 321,726	- -	- -	11,030 11,030	- -	14,606 9,858	1,606 (3,282)	- -	1,606 (3,282)	- -
67	Indiabulls Thermal Power Limited	2010-11 2009-10	500,000 500,000	- -	(187,222) (183,334)	323,808 326,666	- -	- -	11,030 10,000	- -	10,015 14,004	(3,625) 4	- -	(3,625) 4	- -
68	Indiabulls Thermal Power Management Limited	2009-10 2010-11	500,000 500,000	- -	(183,338) (183,354)	331,001 326,646	- -	- -	14,339 10,000	- -	12,267 14,004	(61,546) 4	- -	(61,546) 4	- -
69	Indiabulls Thermal Power Projects Limited	2009-10 2010-11	500,000 500,000	- -	(183,358) (185,281)	330,981 325,749	- -	- -	14,339 11,030	- -	12,267 12,974	(61,556) (2,056)	- -	(61,556) (2,056)	- -
70	Indiabulls Thermal Projects Limited	2009-10 2010-11	500,000 500,000	- -	(183,225) (84,388)	331,114 24,149	- -	- -	14,339 368,030	- -	12,399 -	(61,423) (14,000)	- -	(61,423) (14,000)	- -
71	Indiabulls Water Supply And Waste Management Services Limited (100% Subsidiary of Indiabulls Reatech Limited)	2009-10	500,000	-	(829,881)	6,123	-	-	336,004	-	-	(65,025)	-	(65,025)	-
72	Kaya Hydropower Projects Limited	2010-11 2009-10	500,000 500,000	- -	(170,446) (159,346)	333,021 563,288	- -	8,789,462 10,716,362	8,792,929 10,938,996	- -	1,030 -	(11,100) (72,896)	- -	(11,100) (72,896)	- -
73	Lenus Power Limited	2010-11 2009-10	500,000 500,000	- -	(186,346) (188,620)	323,654 325,719	- -	- -	10,000 14,339	- -	13,774 11,910	2,274 (61,487)	- -	2,274 (61,487)	- -

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

v. Information relating to Subsidiaries including subsidiaries of subsidiaries (Contd.):
(In terms of Government of India, Ministry of Corporate Affairs General Circular No: 2/2011, No: 5/12/2007-CL-III dated 8th February, 2011)
(Amount in Rupees)

S. No	Name of the Subsidiary Companies	Year	Share Capital	Share Application Money Pending Allotment	Reserves and Surplus (Net of debit balance of profit & loss account)	Total Assets (Fixed Assets + Current Assets + Deferred tax Assets)	Capital Work-in-Progress	Expenditure During Construction Pending Capitalisation	Total Liabilities (Debits + Current Liabilities & Provisions + Deferred tax Liabilities)	Details of Investments (excluding investment in the subsidiary companies) - Treasury Bill	Turnover	Profit / (Loss) before taxation	Provision for Taxation	Profit / (Loss) after taxation	Proposed Dividend (including Corporate Dividend Tax)
74	Lucina Power And Infrastructure Limited	2010-11	500,000	-	(1,028,177)	281,823	-	-	810,000	-	41,073	21,172	4,413	16,759	-
		2009-10	500,000	-	(1,044,936)	309,403	-	-	854,339	-	-	(162,364)	1,827	(164,191)	-
75	Mabon Power Limited	2010-11	500,000	-	(80,423)	430,607	-	-	11,030	-	18,223	5,393	-	5,393	-
		2009-10	500,000	-	(85,816)	425,214	-	-	11,030	-	13,738	1,067	-	1,067	-
76	Mariana Power Limited	2010-11	500,000	-	(8,868)	502,162	-	-	11,030	-	21,811	8,682	-	8,682	-
		2009-10	500,000	-	(17,550)	493,480	-	-	11,030	-	16,093	3,802	-	3,802	-
77	Pachi Hydropower Projects Limited	2010-11	500,000	-	(372,127)	799,211	162,224	20,334,736	21,168,298	-	-	(162,155)	-	(57,309)	-
		2009-10	500,000	-	(314,818)	965,611	162,224	20,570,592	21,513,245	-	-	(162,155)	-	(162,155)	-
78	Papu Hydropower Projects Limited	2010-11	500,000	-	(510,525)	2,050,819	154,286	14,240,452	16,456,084	-	4	(75,820)	-	(75,820)	-
		2009-10	500,000	-	(634,706)	2,118,756	154,286	14,112,956	16,320,704	-	-	(144,500)	-	(144,500)	-
79	Poena Power Systems Limited	2010-11	500,000	-	(1,009,044)	501,986	-	-	11,030	-	21,765	(990,765)	-	(990,765)	-
		2009-10	500,000	-	(18,279)	492,751	-	-	11,030	-	15,855	2,971	-	2,971	-
80	Poena Hydro Power Projects Limited	2010-11	500,000	-	(14,804)	496,226	-	-	11,030	-	21,811	2,281	-	2,281	-
		2009-10	500,000	-	(17,085)	493,945	-	-	11,030	-	16,126	3,535	-	3,535	-
81	Poena Power Company Limited	2010-11	500,000	-	(310,018)	214,299	-	-	24,317	-	9,370	(3,160)	-	(3,160)	-
		2009-10	500,000	-	(306,858)	230,746	-	-	37,604	-	13,566	(284,738)	-	(284,738)	-
82	Poena Power Development Limited	2010-11	500,000	-	(531,316)	907,644	500,499,140	85,514,449	586,952,549	-	13,969	(514,136)	-	(514,136)	-
		2009-10	500,000	-	(17,180)	493,850	-	-	11,030	-	16,083	3,192	-	3,192	-
83	Poena Power Distributors Limited	2010-11	500,000	-	(7,504)	503,526	-	-	11,030	-	21,811	9,581	-	9,581	-
		2009-10	500,000	-	(17,085)	493,945	-	-	11,030	-	16,126	3,535	-	3,535	-
84	Poena Power Generation Limited	2010-11	500,000	-	(9,133)	501,897	-	-	11,030	-	21,765	9,535	-	9,535	-
		2009-10	500,000	-	(18,668)	492,362	-	-	11,030	-	16,049	3,458	-	3,458	-
85	Poena Power Limited	2010-11	500,000	-	(60,483)	500,547	-	-	61,030	-	21,765	(41,996)	-	(41,996)	-
		2009-10	500,000	-	(18,467)	492,543	-	-	11,030	-	15,788	2,897	-	2,897	-
86	Poena Power Management Limited	2010-11	500,000	-	(7,673)	503,357	-	-	11,030	-	21,857	9,328	-	9,328	-
		2009-10	500,000	-	(17,001)	494,029	-	-	11,030	-	16,083	3,197	-	3,197	-
87	Poena Power Services Limited	2010-11	500,000	-	(8,643)	502,387	-	-	11,030	-	21,812	8,982	-	8,982	-
		2009-10	500,000	-	(17,625)	493,405	-	-	11,030	-	16,126	3,535	-	3,535	-
88	Poena Power Solutions Limited	2010-11	500,000	-	(8,787)	502,243	-	-	11,030	-	21,811	8,531	-	8,531	-
		2009-10	500,000	-	(17,318)	493,712	-	-	11,030	-	16,083	3,498	-	3,498	-
89	Poena Power Supply Limited	2010-11	202,500,000	-	9,716,710	213,238,576	-	-	1,021,866	-	23,014,951	13,934,311	4,200,000	9,734,311	-
		2009-10	500,000	-	(17,601)	493,429	-	-	11,030	-	16,082	2,597	-	2,597	-
90	Poena Power Trading Limited	2010-11	500,000	-	(7,810)	503,220	-	-	11,030	-	21,811	9,281	-	9,281	-
		2009-10	500,000	-	(17,091)	493,939	-	-	11,030	-	16,126	3,535	-	3,535	-
91	Poena Power Utility Limited	2010-11	500,000	-	(8,244)	502,786	-	-	11,030	-	21,811	9,282	-	9,282	-
		2009-10	500,000	-	(17,526)	493,504	-	-	11,030	-	16,083	3,197	-	3,197	-
92	Poena Thermal Power Limited	2010-11	500,000	-	(7,949)	503,081	-	-	11,030	-	21,857	9,021	-	9,021	-
		2009-10	500,000	-	(16,970)	494,060	-	-	11,030	-	16,083	3,192	-	3,192	-

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

v. Information relating to Subsidiaries including subsidiaries of subsidiaries (Contd.):
(In terms of Government of India, Ministry of Corporate Affairs General Circular No: 2/2011, No: 5/12/2007-CL-III dated 8th February, 2011)
(Amount in Rupees)

S. No	Name of the Subsidiary Companies	Year	Share Capital	Share Application Money Pending Allotment	Reserves and Surplus (Net of debit balance of profit & Loss account)	Total Assets (Fixed Assets + Current Assets + Deferred Tax Assets)	Capital Work-in-Progress	Expenditure During Construction Pending Capitalisation	Total Liabilities (Debts + Current Liabilities + Provisions + Deferred tax Liabilities)	Details of Investments (excluding investment in the subsidiary companies)- Treasury Bill	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend (including Corporate Dividend Tax)
93	Renmark Limited (100% Subsidiary of Bracond Limited)	2010-11 2009-10	63,975 63,975	- -	(45,162,198) (34,260,555)	1,116,367,365 1,128,828,920	- -	- -	1,161,465,988 1,162,825,499	- -	- -	(11,506,676) (17,041,907)	- -	(11,506,676) (17,041,907)	- -
94	Seiene Power Company Limited	2010-11 2009-10	500,000 500,000	- -	(76,333) (82,602)	435,197 428,428	- -	- -	11,530 11,030	- -	18,499 13,936	6,269 1,065	- -	6,269 1,065	- -
95	Sentia Thermal Power and Infrastructure Limited	2010-11 2009-10	500,000 500,000	- -	(496,880) (444,049)	58,270 111,101	- -	- -	55,150 55,150	- -	2,683 4,196	(53,966) (52,296)	(1,135) -	(52,831) (52,296)	- -
96	Sepla Hydropower Projects Limited	2010-11 2009-10	500,000 500,000	- -	(263,773) (206,493)	162,101 472,980	- -	9,652,065 10,114,565	9,577,939 10,294,038	- -	- -	(57,280) (117,528)	- -	(57,280) (117,528)	- -
97	Seplast Thermal Power and Infrastructure Limited	2010-11 2009-10	500,000 500,000	- -	(375,962) (325,654)	179,188 229,496	- -	- -	55,150 55,150	- -	7,966 7,420	(50,484) (49,072)	(176) -	(50,308) (49,072)	- -
98	Serida Power Limited	2010-11 2009-10	500,000 500,000	- -	(270,255) (225,387)	284,895 333,072	- -	- -	55,150 58,459	- -	11,324 11,931	(45,326) (105,587)	(458) -	(44,868) (105,587)	- -
99	Simar Power Transmission Company Limited (formerly Poena Power Projects Limited) (100% -Subsidiary of Indiabulls Reatech Limited)	2010-11 2009-10	500,000 500,000	- -	502,030 (16,882)	5,224,146 494,138	76,674,797 -	2,547,576 -	83,444,489 11,030	- -	621,866 16,149	518,922 3,258	- -	518,922 3,258	- -
100	Tharang Waring Hydropower Projects Limited	2010-11 2009-10	500,000 500,000	- -	(261,449) (204,149)	95,841 392,587	- -	8,305,354 8,615,254	8,162,644 8,711,990	- -	- -	(57,300) (117,400)	- -	(57,300) (117,400)	- -
101	Triton Energy Limited	2010-11 2009-10	500,000 500,000	- -	(365,834) (318,923)	255,316 236,227	- -	- -	121,150 55,150	- -	9,133 6,963	(47,818) (49,828)	(907) -	(46,911) (49,828)	- -
102	Varali Power Limited	2010-11 2009-10	500,000 500,000	- -	(420,100) (255,620)	150,550 302,839	- -	- -	70,650 58,459	- -	7,976 11,050	(164,480) (106,088)	- -	(164,480) (106,088)	- -
103	Zeus Energy Limited	2010-11 2009-10	500,000 500,000	- -	(987,686) (926,117)	22,464 28,033	- -	- -	510,150 454,150	- -	70 -	(61,880) (56,809)	(311) -	(61,569) (56,809)	- -

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

Sr No	Currency	Balance Sheet		Profit & Loss Account	
		(Closing Rate)		(Average Rate)	
1	USD	2010-11	2009-10	2010-11	2009-10
		44.65	45.14	45.57	47.42

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

vi. Basis of Accounting

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

vii. Use of Estimates

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

viii. Revenue Recognition

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

ix. 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 or installation, including incidental expenses related to such acquisition.

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

x. Depreciation/Amortization

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

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

The right-to-use leased asset (land) is amortised on a Straight-Line basis over the lease term.

Intangible assets consisting of Software are amortized on a Straight Line basis over a period of four years from the date when the assets are available for use.

xi. Expenditure During Construction Pending Capitalisation

Any expenditure directly/indirectly related and attributable to the construction of power projects and incidental to setting up power project facilities, incurred prior to the date of commencement of commercial operation of the power project, are accumulated under "Expenditure During Construction Pending Capitalisation", to be capitalised on completion of construction of the respective power projects and on commencement of commercial operations.

xii. Impairment of Assets

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

xiii. Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets 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

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

borrowing costs so incurred. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

xiv. Investments

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

xv. Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of occurrence of the transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates. In respect of monetary items which are covered by forward exchange contracts, premium / discount arising on inception of the contract is amortized over the life of the contract. Any exchange differences arising on settlement / translation are dealt with in the Profit and Loss account.

Exchange differences arising on a monetary item that in substance forms part of the company's net investment in a non-integral foreign operation is accumulated in the Foreign Currency Translation Reserve until disposal of the net investment, when it is recognised as an income or expense in the Profit and Loss account.

Non-Monetary items carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

xvi. Employee Benefits

The Company's contribution to Provident Fund is charged to the Profit and Loss account/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 is 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, notified under the Companies (Accounting Standards) Rules, 2006, as amended.

Superannuation (Pension & Medical coverage) payable to a Director on retirement is actuarially valued at the end of the year using the Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in the Profit and Loss account as income or expenses / Expenditure During Construction Pending Capitalisation, as applicable.

xvii. Taxes on Income

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

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

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

xviii. Leases

In case of assets taken on operating lease, the lease rentals are charged to the Profit and Loss account / Expenditure During Construction Pending Capitalisation, as applicable, in accordance with Accounting Standard 19 - Leases, as notified by the Companies (Accounting Standards) Rules, 2006, as amended.

xix. Share Issue Expenses

Share issue expenses are adjusted against securities premium account to the extent of balance available and thereafter, the balance portion is charged off to the Profit and Loss account, as incurred.

xx. Deferred Employee Stock Compensation Costs

Deferred Employee Stock Compensation Costs for Stock Options are recognised in accordance with the Guidance Note on "Accounting for Employee Share Based Payments" issued by the Institute of Chartered Accountants of India, which establishes financial accounting and reporting principles for employee

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

share based payment plans. The Company has elected to apply the Intrinsic Value method of accounting. Accordingly, employee stock compensation costs are measured as the difference between the intrinsic value of the company's shares of stock options at the grant date and the exercise price to be paid by the option holders. The compensation expense is amortised over the vesting period of the options. The fair value of options for disclosure purpose, is measured on the basis of an independent valuation performed by an independent firm of Chartered Accountants in respect of stock options granted.

xxi. 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. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

II. NOTES TO ACCOUNTS:

1. Overview:

Indiabulls Power Limited. ("the Company") was incorporated on October 08, 2007 as a wholly owned subsidiary of Indiabulls Real Estate Limited ("IBREL") with an authorised capital of Rs. 500,000 divided into 50,000 equity shares of Rs. 10 each. During the financial year 2009-10, the authorised capital was increased to Rs. 50,000,000,000 (Rupees Five Thousand Crores) divided into 5,000,000,000 (Five Hundred Crore) equity shares of face value Rs. 10 each. The main business activities of the Company included inter alia, dealing in power generation, distribution, trading and transmission and other ancillary and incidental activities.

On February 12, 2008 the Company had entered into a Shareholder's agreement ("Agreement") with IBREL, individual promoters of IBREL (Sameer Gehlaut, Rajiv

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

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

In accordance with the provisions of Section 21 and other applicable provisions of the Companies Act, 1956, the members of the Company at their Extraordinary General Meeting held on July 4, 2009, accorded their approval to change the name of the Company. The Company has since received fresh certificate of incorporation consequent upon change of name, from the Registrar of Companies, National Capital Territory of Delhi & Haryana, dated July 7, 2009 in respect of the said change. Accordingly, the name of the Company was changed to 'Indiabulls Power Limited.'

The Board of Directors of the Company at its meeting held on November 30, 2010 issued and allotted 420,000,000 Share Warrants of Face Value Rs. 10 each @ Rs. 29 per warrant (paid up value as at the year-end Rs. 7.25 per warrant out of which Rs. 2.50 is towards the Face Value) to certain entities promoted by the promoters of IBREL. At the option of the warrant holders, they are entitled to receive an equivalent number of equity shares of a Face Value of Rs. 10 per share in the Company, at an exercise price of Rs. 29 per equity share. These warrants are convertible at the option of the warrant holder into equity shares of the Company in one or more tranches, within a period of 18 months from the date of their allotment.

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

The Board of Directors of the Company and IBREL at their respective meetings held on January 17, 2011 approved, inter-alia, a draft composite restructuring scheme (the Scheme) of restructuring the power business and related business of IBREL / the Company. The said scheme, inter-alia, provides for restructuring of the share capital of the Company, consequent to the transfer by way of a demerger of the power and related business of IBREL as a going concern to Indiabulls Infrastructure and Power Limited (IIPL); and the amalgamation of Poena Power Supply Limited (PPSL), a wholly owned subsidiary of the Company into the Company, and various other matters consequential or otherwise integrally connected with the Scheme. The Stock Exchanges have since granted their No Objection Certificate to the Scheme. The effectiveness of the Scheme shall be subject to necessary approvals from the shareholders, creditors and the submission of the same to the Hon'ble High Court of Delhi. The proposed Appointed Date of the demerger and amalgamation under the Scheme is April 01, 2011.

2. Projects under development:

(i) Amravati Thermal Power Project:

The Company is in process of setting up a Thermal Power Project at Amravati ("Amravati Project", "The Project") in the State of Maharashtra in two phases with an ultimate capacity of 2,700 MW. Project construction activities are in line with the estimated targets of the Management of the Company.

(ii) Nashik Thermal Power Project

The Company's subsidiary Indiabulls Realtech Limited is in process of setting up a Thermal Power Project at Nashik ("Nashik Project" "The Project") in two phases in the State of Maharashtra with an ultimate capacity of 2,700 MW. Project construction activities are in line with the estimated targets of the Management.

(iii) Bhaiyathan Thermal Power Project

The Company's subsidiary Indiabulls CSEB Bhaiyathan Power Limited (ICBPL) is in the process of setting up a Thermal Power Project at Bhaiyathan ("Bhaiyathan Project") in the state of Chhattisgarh. The Bhaiyathan Project will have two super-critical units of 660 MW each, with a combined capacity of 1,320 MW. The Ministry of Coal, Government of India has allocated captive coal blocks located in

Gidhmuri and Paturia villages in the Korba district in the state of Chhattisgarh for the Bhaiyathan Project, subject to certain terms and conditions. Development work on Bhaiyathan Project is currently progressing at a slow pace due to certain pending statutory clearances relating to the captive coal blocks allocated for the Project. The Company is hopeful of getting such clearances in the near future.

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

(iv) Other Projects:

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

3. Contingent liability not provided for in respect of:

- Estimated amount of contracts remaining to be executed on capital account and not provided for: Rs. 183,470,147,154 (Previous Year: Rs. 79,183,402,904) – advances made there against Rs. 9,452,720,390 (Previous Year: Rs. 2,005,651,922).

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

- Guarantee provided on behalf of Papu Hydropower Projects Limited, a wholly owned subsidiary company, in respect of vehicle loan of Rs. 83,724 (Previous Year: Rs. 478,000).
- Performance Bank Guarantee of Rs. 1,000,000,000 (Previous Year: Rs. 1,000,000,000) issued to Chhattisgarh State Electricity Board by Indiabulls CSEB Bhaiyathan Power Limited (formerly Indiabulls Bhaiyathan Power Limited), a wholly owned subsidiary company, secured partly by pledge of Fixed deposits of Rs. 400,000,000 (Previous Year: Rs. 400,000,000) of the Company.
- Commitment Bank Guarantees of Rs. 811,613,270 (Previous Year: Rs. 388,833,000) issued to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for the Amravati Project, partly secured by way of pledge of fixed deposits of Rs. 236,196,500 (Previous Year: Rs. 194,416,500).
- Guarantee provided on behalf of Indiabulls Realtech Limited, a wholly owned subsidiary, towards Commitment Bank Guarantees of Rs. 835,223,070 (Previous Year: Rs. 397,283,700) issued to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for the Nashik Thermal Power Project, partly secured by way of pledge of fixed deposits of Rs. 242,936,850 (Previous Year: Rs. 198,641,850) and partly by way of corporate guarantee of Rs. 198,641,850 (Previous Year: Rs. 198,641,850) of the company.
- Guarantee provided for Rs. 1,642,005 (Previous Year: Rs. 1,642,005) to the Governor of Maharashtra through PWD, Amravati for availing ROW for laying water pipeline for Amravati project for bid processing, partly secured by way of pledge of fixed deposits of Rs. 492,602 (Previous Year: Rs. 492,602).
- Guarantee provided on behalf of Hecate Power Transmission Limited, a subsidiary of the Company, for Rs. Nil (Previous Year: Rs. 99,315,000) to Rajasthan Rajya Vidyut Prasaran Nigam Limited, partly secured by way of pledge of fixed deposits of Rs. Nil (Previous Year: Rs. 31,950,000) and partly by way of corporate guarantee of Rs. Nil (Previous Year: Rs. 69,520,500) of the company.
- Guarantee provided for Rs. 145,815,000 (Previous Year: Rs. 145,815,000) to Bombay Stock Exchange Limited for initial public offer, partly secured by way of pledge of fixed deposits of Rs. 15,570,500 (Previous Year: Rs. 15,570,500). This guarantee has since been released in April 2011.
- Guarantee provided for Rs. Nil (Previous Year: Rs. 196,000,000) to UCM Coal Company Limited for Bidding for Development and Operation of Chendipada Coal Block, partly secured by way of pledge of fixed deposits of Rs. Nil (Previous Year: Rs. 59,900,000).
- Bid Bond guarantee provided for Rs. Nil (Previous Year: Rs. 4,200,000,000) to Maharashtra State Electricity Distribution Company Limited for Bidding for supply of power on long term basis, partly secured by way of pledge of fixed deposits of Rs. Nil (Previous Year: Rs. 1,100,000,000) and partly by way of corporate undertaking of Rs. Nil (Previous Year: Rs. 2,400,000,000) of the Holding Company i.e. Indiabulls Real Estate Limited.
- Performance Bank Guarantee provided for Rs. 3,600,000,000 (Previous Year: Rs. Nil) to Maharashtra State Electricity Distribution Company limited under the long term power Purchase Agreements, secured by way of pledge of fixed deposits of Rs. 360,000,000 (Previous Year: Rs. Nil) and second charge on project assets relating to Amravati Phase I project.
- Bank Guarantee for Bid Bond issued to Bihar State Electricity Board of Rs. 315,000,000 (Previous Year: Rs. Nil) secured by way of pledge of Fixed Deposit of Rs. 31,500,000 (Previous Year: Rs. Nil).
- Bank Guarantee to Commissioner of Customs for Rs. 15,938,217 (Previous Year: Rs. Nil) secured by way of pledge of fixed deposits of Rs. 4,781,466 (Previous Year: Rs. Nil).
- A letter of comfort has been issued by Indiabulls Realtech Limited in favour of ICICI Bank Limited as security for the repayment of the facility amounting to Rs. 1,750,000,000 (Previous Year: Rs. Nil) sanctioned to Indiabulls Properties Private limited (a subsidiary of associate company of the ultimate holding company - IBREL) secured partly by way of pledge of, amongst others, the Indiabulls Realtech Limited's Fixed Maturity Plan Mutual Funds of Rs. 2,000,000,000 (Previous Year: Rs. Nil).

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

- Corporate Guarantee issued by the Indiabulls Realtech Limited in favour of HDFC Bank as security for the repayment of the facility amounting to Rs. 1,500,000,000 (Previous Year: Rs. Nil) sanctioned to Indiabulls Real Estate Limited secured partly by way of pledge of the Indiabulls Realtech Limited's Fixed Maturity Plan Mutual Funds of Rs. 2,000,000,000 (Previous Year: Rs. Nil).
- A letter of comfort has been issued by the Elena Power And Infrastructure Limited in favour of ICICI Bank Limited as security for the repayment of the facility amounting to Rs. 1,750,000,000 (Previous Year: Rs. Nil) sanctioned to Indiabulls Properties Private limited (a subsidiary of associate company of the ultimate holding company) secured partly by way of pledge of, amongst others, the Elena Power And Infrastructure Limited's FMP Mutual Funds of Rs. 700,000,000 (Previous Year: Rs. Nil).

4. Changes in capital structure during the year from April 01, 2010 to March 31, 2011

On June 17, 2010, the Company issued 414,200 Equity Shares of Rs. 10 each at par in terms of the SPCL – IPSL ESOP – 2008.

On December 15, 2010, the Company issued 1,000,000 Equity Shares of Rs. 10 each at par in terms of the SPCL – IPSL ESOP – 2008.

On March 31, 2011, the Company issued 30,000 Equity Shares of Rs. 10 each at par in terms of the SPCL – IPSL ESOP – 2008.

On March 31, 2011, the Company issued 192,000 Equity Shares of Rs. 10 each at a premium of Rs. 4 per share in terms of the IPL ESOS 2009.

As a consequence of the above, as at March 31,2011, the Issued, Subscribed and Paid-up-Equity Share Capital of the Company stands at Rs. 20,229,327,460 (2,022,932,746 equity shares of face value Rs. 10 each).

The utilization of proceeds of issue of shares by way of Initial Public Offering (IPO) of the Company is as under:

(Amount in Rupees)

Particulars	Year ended March 31, 2011		Year ended March 31, 2010	
Gross proceeds of Issue raised through IPO during the year ended March 31,2010*	16,238,355,570		16,238,355,570	
Less: Utilisation of proceeds				
Funding to part finance the construction and development of the Amravati Power Project - Phase I	5,487,922,479		2,353,333,127	
Funding equity contribution in the Company's wholly owned subsidiary, Indiabulls Realtech Limited, to part finance the construction and development of the Nashik Power Project - Phase I **	6,600,000,000		6,600,000,000	
General Corporate Purposes	1,448,513,570		157,947,581	
Share Issue Expenses	363,486,648	13,899,922,698	347,986,635	9,459,267,343
Balance amount being temporary utilisation of proceeds:	2,338,432,872		6,779,088,227	

The above balance amount aggregating to Rs. 2,338,432,872 (Previous Year: Rs. 6,779,088,227) has been temporarily deployed in Mutual Fund investments and Deposit with Bombay Stock Exchange Limited amounting to Rs. 2,308,432,872 and Rs. 30,000,000 respectively. (Previous Year: Mutual Fund investments, Fixed Deposits and Bank Balances amounting to Rs. 6,019,356,068, Rs. 745,633,350 and Rs. 14,098,809 respectively).

* Amount received from IPO includes Rs. 947,355,570 pursuant to exercise of the Green Shoe Option to the IPO.

** Includes Share application money pending allotment of Rs. 2,859,364,000 (Previous Year: Rs. 4,349,364,000)

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

5. Minority Interest as at March 31, 2011 includes:

- a) 130,000 (Previous Year: 130,000) Equity Shares of Rs. 10 each fully paid up issued by a subsidiary company, Indiabulls Power Generation Limited.
- b) 130,000 (Previous Year: 130,000) Equity Shares of Rs. 10 each fully paid up issued by a subsidiary company, Diana Energy Limited.
- c) 49,000 (Previous Year: 49,000) Equity Shares of Rs. 10 each fully paid up issued by a subsidiary company, Indiabulls Power Transmission Limited
- d) 24,500 (Previous Year: 24,500) Equity Shares of Rs. 10 each fully paid up issued by a subsidiary company, Hecate Power Transmission Limited.
- e) 13,000 (Previous Year: 13,000) Equity Shares of Rs. 10 each fully paid up issued by a subsidiary company, Devona Thermal Power and Infrastructure Limited.
- f) 13,000 (Previous Year: Nil) Equity Shares of Rs. 10 each fully paid up issued by a subsidiary company, Poena Power Limited.
- g) Proportionate share in the movement in Reserves and Surplus of the above mentioned Subsidiary Companies, during the year ended March 31, 2011.

6. Employees Stock Options Schemes :

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

- a) Indiabulls Real Estate Limited Employees Stock Options Scheme – 2006:

During the period ended March 31, 2007, IBREL established the Indiabulls Real Estate Limited Employees Stock Options Scheme ("IBREL ESOS-I" or "Plan-I"). Under the Plan-I, IBREL issued 9,000,000 equity settled options to eligible employees and of its subsidiary companies which gave them a right to subscribe upto 9,000,000 stock options representing an equal number of equity shares of face value of Rs. 2 each of IBREL at an exercise price of Rs. 60 per option, subject to the requirements of vesting. These options vest uniformly over a period of 10 years, commencing one year after from the date of grant. A Compensation Committee constituted by the Board of Directors of IBREL administers the Plan-I.

IBREL follows the Intrinsic Value method of accounting as prescribed under the Guidance Note on "Accounting for Employees Share based Payments" issued by the Institute of Chartered Accountants of India. No Deferred Employee Stock Compensation Cost was initially recorded on the grant of options as the Intrinsic Value calculated by an independent valuer was lower than the exercise price. Had IBREL followed the Fair value method, there would not had been any impact on the Profit After Tax of IBREL and on the Basic and Diluted Earnings per Share of IBREL as the fair value on the date of grant calculated by an independent valuer following binomial option pricing model was less than the exercise price.

- b) Indiabulls Real Estate Limited Employees Stock Options Scheme 2008 (II):

During the year ended March 31, 2009, IBREL established the Indiabulls Real Estate Limited Employees Stock Options Scheme - 2008 (II) ("IBREL ESOS-II" or "Plan-II"). Under Plan II, IBREL issued equity settled options to its eligible employees and of its subsidiary companies to subscribe upto 2,000,000 stock options representing an equal number of equity shares of face value of Rs. 2 each in IBREL, at an exercise price of Rs. 110.50 per option, being the closing market price on the National Stock Exchange of India Limited, as at January 29, 2009.

The stock options so granted, shall vest in the eligible employees within 10 years beginning from January 31, 2010, the first vesting date. The stock options granted under each of the slabs, are exercisable by the option holders within a period of five years from the relevant vesting date.

IBREL follows the Intrinsic Value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share Based Payments ("Guidance Note"), issued by the Institute of Chartered Accountants of India. Since, on the date of grant, the intrinsic value of the options granted was equal to the exercise price, no deferred employee stock compensation cost has been recorded in the financial statements. The fair value of the options under Plan II using the

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

Black-Scholes model, based on the following parameters, is Rs. 62.79 per option, as certified by an independent firm of Chartered Accountants.

Particulars	Plan – II
Exercise price (Rs. Per option)	Rs. 110.50
Expected volatility	86%
Expected forfeiture percentage on each vesting date	Nil
Option Life (Weighted Average)	10.5 Years
Expected Dividend yield	3.92%
Risk Free rate of Interest	6.50%

The expected volatility was determined based on historical volatility data of IBREL's shares listed on the National Stock Exchange of India Limited.

A summary of the movement, during the year, in various IBREL ESOS Plans is as below:

Particulars	IBREL ESOS-I	IBREL ESOS-II
Total Number of options under Scheme	9,000,000	2,000,000
Number of options outstanding as at April 1, 2010	7,676,000	2,000,000
Number of options granted during the year	-	-
Number of options forfeited/cancelled during the year	-	-
Number of options vested during the year	900,000	200,000
Number of options exercised during the year	574,500	128,500
Number of options expired during the year	-	-
Number of options outstanding as at March 31, 2011	7,101,500	1,871,500
Out of the outstanding options number of options exercisable as at March 31, 2011	1,701,500	271,500
Exercise Price (Rs. per option)	60.00	110.50
Remaining Contractual Life (Months)	85	104

c) Indiabulls Real Estate Limited Employees Stock Options Scheme 2010:

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

There is no impact on the profits after taxes and the basic and diluted earnings per share of the Company, on account of IBREL ESOS – I, IBREL ESOS – II, and IBREL ESOP 2010.

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

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

Pursuant to the Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956, duly approved by the Hon'ble High Court of Delhi at New Delhi vide its order dated September 1, 2008 IPSL was amalgamated with SPCL.

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

With effect from the Appointed Date the IPSL ESOS Plan was terminated and in lieu, in terms of Clause 14 (c) of the Scheme of Amalgamation SPCL – IPSL Employees Stock Option Plan - 2008 (“SPCL – IPSL ESOP - 2008”) was established in SPCL for the outstanding, unvested options, for the benefit of the erstwhile IPSL option holders, on terms and conditions not less favorable than those provided in the erstwhile IPSL ESOS Plan and taking into account the share exchange ratio i.e. one equity share of SPCL of face value Rs. 10 each for every one equity share of IPSL of face value Rs. 10 each. All the option holders under the IPSL ESOS Plan on the Effective Date were granted options under the SPCL – IPSL ESOP - 2008 in lieu of their cancelled options under IPSL ESOS Plan. The SPCL – IPSL ESOP - 2008 was treated as continuation of IPSL ESOS Plan and all such options were treated outstanding from their respective date of grant under IPSL ESOS Plan, accordingly, no compensation expense was recognised. No adjustment is required in respect of the number and exercise price of options as the share exchange ratio is one equity share of face value Rs. 10 each of SPCL for every one equity share of face value Rs. 10 each of IPSL.

Under SPCL – IPSL ESOP - 2008, IPL has issued 16,200,000 and 3,800,000 options at an exercise price of Rs. 10 and Rs. 26 per option on January 10, 2008 and September 15, 2008 respectively.

During the year 8,308,000 ESOPs were surrendered, and 1,045,000 options were issued at an exercise price of Rs. 27.80 per option on December 1, 2010 under the SPCL – IPSL ESOP - 2008 Scheme.

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

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

During the year 16,563,000 ESOPs were surrendered under the IPL ESOS 2009 Scheme.

The Fair values of the options under the plan SPCL – IPSL ESOP - 2008 and IPL ESOS 2009 using the binomial pricing model based on the following parameters, is Rs. Nil per option, as certified by an independent firm of Chartered Accountants. The fair value of the re-granted options under the SPCL – IPSL ESOP - 2008 plan is Rs. 8.81 per option as certified by an independent firm of Chartered Accountants.

S. No	Particulars	SPCL – IPSL ESOP - 2008			IPL ESOS 2009
		Grant on January 10, 2008	Grant on September 15, 2008	Re-grant on December 2, 2010	Grant on July 4, 2009
1	Exercise price (Rs. Per option)	Rs. 10.00	Rs. 26.00	Rs. 27.80	Rs. 14.00
2	Expected volatility	0%	0%	42%	0%
3	Expected forfeiture percentage on each vesting date	5%	5%	5%	5%
4	Option Life	1 through 10 years	1 through 10 years	1 through 10 years	1 through 10 years
5	Expected Dividend Yield	8%	8%	0%	6.50%
6	Risk Free rate of Interest	8%	8%	8.03%	6.50%

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

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

	As at March 31, 2011	
	SPCL – IPSL ESOP - 2008	IPL ESOS 2009
Total Options under the Scheme	20,000,000	20,000,000
Outstanding at the beginning of the year (Nos.)	18,355,800	20,000,000
Options surrendered / lapsed during the year	8,308,000	16,563,000
Options granted during the year (Nos.)	1,045,000	-
Exercise price for options granted on January 10, 2008	Rs. 10 per option	N.A.
Exercise price for options granted on September 15, 2008	Rs. 26 per option	N.A.
Exercise price for options granted on July 4, 2009	N.A.	Rs. 14 per option
Exercise price for options granted on December 2, 2010	Rs 27.80 per option	N.A.
Options vested during the year (Nos.)	1,429,200	2,000,000
Exercised during the year (Nos.)	1,444,200	192,000
Vesting period and Percentage	Ten Years, 10% each year	Ten Years, 10% each year
Expired during the year (Nos.)	Nil	Nil
Options outstanding at the year end (Nos.)	9,648,600	3,245,000
Out of the above exercisable at year end (Nos.)	1,429,200	164,300
Options which are yet to be granted (Nos.)	7,463,000	16,563,000
Weighted average remaining contractual life (Months)	97	118

Fair Value Methodology:

As the IPL ESOS 2009 Plans were issued at a value higher than the fair value of the options on the date of the grant, there is no impact of the same on the net profit and earnings per share.

The SPCL – IPSL ESOP - 2008 (re-grant) were issued at the Intrinsic value of the options on the date of the grant. Had the compensation cost for the stock options granted under ESOP – 2008 (including re-grant) been determined based on the fair value approach, the Company's net profit and earnings per share as a standalone entity would have been as per the Pro forma amounts indicated below:-

	(Amount in Rupees)	
	March 31, 2011	March 31, 2010
Net Profit available to Equity Share Holders (as reported)	96,642,307	377,242,830
Less : Stock-based compensation expense determined under fair value based method:[Gross Rs. 9,206,450 lacs (Previous Year: Rs. Nil)] (Proforma)	893,921	-
Net Profit available to Equity Share Holders (Proforma)	95,748,386	377,242,830
Basic earnings per share (as reported)	0.048	0.208
Basic earnings per share (Proforma)	0.047	0.208
Diluted earnings per share (as reported)	0.047	0.206
Diluted earnings per share (Proforma)	0.047	0.206

Indiabulls Employees' Welfare Trust:

During the year, pursuant to the approval accorded at the Extra-ordinary General Meeting of the members of the Company held on September 30, 2010, the "Indiabulls Employees' Welfare Trust" (Trust) has been formed on October 04, 2010 with an initial Corpus of Rs. 50,000, contributed equally by the Company, IBREL and three other listed Settlor entities, to administer and implement the Company's current un-granted Employee Stock Option Schemes ("ESOP") and any future ESOP / Employee Stock Purchase Schemes. The Employees of the subsidiary Companies are also entitled to grant of ESOPs from the Trust. The Trust is administered by Independent Trustees. In terms of the Trust Deed, Equity

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

shares of the Settlor entities are to be purchased by the Trust to the extent permissible in terms of the ESOP scheme as approved by the Members of the Settlor Companies for the purposes of allotment of the same to eligible employees of the Settlor Companies, upon exercise of options granted by the Compensation Committee of those companies, at a price to be determined by the Trust based on its carrying cost. During the year, there has been no new grants made by the Company which is required to be administered by the Trust.

7. Secured Loans

Secured Loans aggregating Rs. 5,250,000,000 (Previous Year: Rs. Nil) are secured by first mortgage and charge on all immovable and movable assets, both present and future, of Amravati Phase I Project. The aforesaid loan is further secured by the pledge of 809,339,219 equity shares (40.01% of the total equity share capital) of the Company held by IBREL through execution of a Deed of Pledge amongst IBREL (Pledgor), IPL and Power Finance Corporation Limited. Additionally, IBREL is required by a Non-Disposal and Safety Net Arrangement Agreement not to dispose off at least 11% of the Equity Share Capital held by it in the Company.

Secured Loans aggregating Rs. 473,678,337 (Previous Year: Rs. Nil) are secured by way of lien on bank fixed deposits aggregating Rs. 510,415,000 (Previous Year: Rs. Nil) placed by the Company.

Secured Loans aggregating Rs. 4,615,359,721 (Previous Year: Rs. Nil) are secured by first mortgage and charge on all immovable and movable assets, both present and future, of Nashik Phase I Project. The aforesaid loan is further secured by pledge of 2,192,745 equity shares of the Company (51% of the Equity Share Capital of the Company) through execution of Pledge Agreement with Indiabulls Power Limited., the Holding Company.

8. Employee Benefits

Contributions are made to Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the employees and the Company make pre-determined contributions to the Provident Fund. The contributions are normally based upon a certain proportion of the employee's salary. The Company has recognised an amount of Rs. 191,645 (Previous Year: Rs. 40,648) towards employer's contribution towards Provident Fund.

Provision for unfunded Gratuity and Compensated absences payable to eligible employees on retirement is based upon actuarial valuation for the year ended March 31, 2011. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. After the issuance of the Accounting Standard (AS) 15 (Revised) on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit Method'. Gains and Losses on changes in actuarial assumptions are accounted for in the Profit and Loss Account / Expenditure During Construction Pending Capitalisation.

Disclosures as per Accounting Standard (AS) 15- Employee Benefits, as notified under the Companies (Accounting Standards) Rules, 2006, as amended in respect of gratuity and compensated absences for the year ended March 31, 2011:.

Disclosures in respect of Gratuity, Compensated Absences and Superannuation Benefits:

(Amount in Rupees)

Particulars	Gratuity		Compensated Absences		Superannuation Benefits	
	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
Reconciliation of liability recognised in the Balance Sheet:						
Present Value of commitments	15,351,760	9,180,550	14,320,976	8,944,650	128,118,798	89,053,226
Fair value of plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Net liability in the Balance Sheet	15,351,760	9,180,550	14,320,976	8,944,650	128,118,798	89,053,226
Movement in net liability recognised in the Balance Sheet:						
Net liability as at the beginning of the year	9,180,550	1,487,148	8,944,650	4,324,287	89,053,226	57,414,250
Net amount recognised as expenses in the Profit and Loss account / in Expenditure During Construction Pending Capitalisation	6,171,210	8,059,367	5,376,326	7,488,909	39,065,572	89,234,489
Amount Transferred to Subsidiary Company	-	(365,965)	-	(2,868,546)	-	(57,595,513)

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

(Amount in Rupees)

Particulars	Gratuity		Compensated Absences		Superannuation Benefits	
	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
Contribution during the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Net liability as at the end of the year	15,351,760	9,180,550	14,320,976	8,944,650	128,118,798	89,053,226
Expenses recognised in the Profit and Loss Account / in Expenditure During Construction Pending Capitalisation						
Current service cost	5,422,386	3,445,547	5,874,250	3,061,162	16,186,318	9,594,828
Past Service Cost	-	3,382,352	-	2,868,546	-	57,595,513
Interest Cost	652,172	180,570	811,413	469,202	8,314,185	4,451,396
Expected return on plan asset	-	-	-	-	-	-
Benefits Paid	-	-	(33,076)	-	-	-
Actuarial (gains) / losses	96,652	1,050,898	(1,276,261)	1,089,999	14,565,069	17,592,752
Amount Transferred to Subsidiary Company	-	(365,965)	-	(2,868,546)	-	(57,595,513)
Expenses charged / (reversal) to the Profit and Loss account / to Expenditure During Construction Pending Capitalisation	6,171,210	7,693,402	5,376,326	4,620,363	39,065,572	89,234,489
Return on Plan assets:						
Expected return on Plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Reconciliation of defined-benefit commitments:						
Commitments as at the beginning of the year	9,180,550	1,487,148	8,944,650	4,324,287	89,053,226	57,414,250
Current service cost	5,422,386	3,445,547	5,874,250	3,061,162	16,186,318	9,594,828
Past Service Cost	-	3,382,352	-	2,868,546	-	57,595,513
Interest cost	652,172	180,570	811,413	469,202	8,314,185	4,451,396
Paid benefits	-	-	(33,076)*	-	-	-
Actuarial (gains) / losses	96,652	1,050,898	(1,276,261)	1,089,999	14,565,069	17,592,752
Amount Transferred to Subsidiary Company	-	(365,965)	-	(2,868,546)	-	(57,595,513)
Commitments as at the end of the year	15,351,760	9,180,550	14,320,976	8,944,650	128,118,798	89,053,226
Reconciliation of Plan assets:						
Plan assets as at the beginning of the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Contributions during the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Paid benefits	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Plan assets as at the end of the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustment:						
On plan liabilities	(372,300)	(1,413,647)	691,227	(1,336,583)	(24,073,023)	(20,474,855)
On plan assets	-	-	-	-	-	-
Present value of benefit obligation	15,172,887	9,180,550	14,220,940	8,944,650	128,118,798	89,053,226
Fair value of plan assets	-	-	-	-	-	-
Excess of (obligation over plan assets) / plan assets over obligation	(8,034,417)	(8,603,096)	(9,903,938)	(8,704,484)	(123,722,096)	(89,053,226)

* Note: Amount paid directly by the Company for Gratuity Rs. 79,509 and Compensated Absences Rs. 64,860.

The actuarial valuation in respect of commitments and expenses relating to unfunded Gratuity, Compensated absences and Superannuation benefits (Pension and Medical Coverage upto March 31, 2010) are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

The actuarial valuation in respect commitments and expenses relating to unfunded Gratuity, Compensated absences and Superannuation benefits (Pension and Medical Coverage) are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

(a) Economic Assumptions

	March 31, 2011	March 31, 2010
Discount rate	8.00%	7.50%
Expected return on plan assets	N.A.	N.A.
Expected rate of salary increase	5.00%	5.00%

(b) Demographic Assumptions

	March 31, 2011	March 31, 2010
Retirement Age	60 Years	60 Years
Mortality Table	LIC (1994-96)	LIC (1994-96)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
- Upto 30 Years	3.00	3.00
- From 31 to 44 Years	2.00	2.00
- Above 44 Years	1.00	1.00

The employer's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity, Compensated Absences and Superannuation Benefits is Rs. 8,537,005 , Rs. 4,678,013 and Rs. 24,825,297 respectively.

As this is the fourth year in which the AS-15 (Revised) – Employee Benefits, as notified under the Companies (Accounting Standards) Rules, 2006, as amended, has been applied, the amounts of the present value of the obligation, fair value of plan assets, surplus or deficit in the plan and experience adjustment arising on plan liabilities and plan assets for the previous years have been furnished to the extent available with the Company.

9. Other Current Assets includes interest accrued but not due of Rs. 14,858,678 (Previous Year: Rs. 38,651,037) on fixed deposits pledged with banks.

10. Goodwill:

During the year 2007-08, the Company had acquired the following subsidiary Companies from its Holding Company, Indiabulls Real Estate Limited:

Name of the Subsidiary Companies	Proportion of ownership acquired
Aravali Properties Limited	100%
Citra Thermal Power and Infrastructure Limited	100%
Devona Thermal Power and Infrastructure Limited	100%
Diana Energy Limited	100%
Diana Power Limited	100%
Fama Power Company Limited	100%
Indiabulls Electricity Company Limited	100%
Indiabulls Energy Limited	100%

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

Name of the Subsidiary Companies	Proportion of ownership acquired
Indiabulls Hydro Electric Power Limited	100%
Indiabulls Hydro Energy Limited	100%
Indiabulls Hydro Power Limited	100%
Indiabulls Hydro Power Projects Limited	100%
Indiabulls Power and Infrastructure Limited	100%
Indiabulls Power Distribution Limited	100%
Indiabulls Power Generation Limited	100%
Indiabulls Power Projects Limited	100%
Indiabulls Power Trading Limited	100%
Indiabulls Realtech Limited	100%
Indiabulls Thermal Energy Limited	100%
Indiabulls Thermal Power Limited	100%
Lucina Power And Infrastructure Limited	100%
Selene Power Company Limited	100%
Sentia Thermal Power and Infrastructure Limited	100%
Sepset Thermal Power and Infrastructure Limited	100%
Triton Energy Limited	100%
Zeus Energy Limited	100%

During the year, IPL acquired Indiabulls Water Supply & Waste Management Services Limited from its Holding Company, Indiabulls Real Estate Limited.

As a result of the above, as at the March 31, 2011, Goodwill on consolidation was Rs. 3,123,238 (Previous Year: Rs. 2,293,358).

During the year 2008-09, the Company had divested its entire stake in the equity share capital of Indiabulls Energy Limited, a subsidiary of the Company, to IBREL.

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

Nature of relationship	Related party
Related parties where control exists:	
I. Holding Company	Indiabulls Real Estate Limited
Other related parties:	
II. Subsidiary*	
Name of Subsidiary Companies	Name of Subsidiary Companies
Airmid Power Limited	Indiabulls Power Generation Company Limited
Albasta 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

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

Name of Subsidiary Companies	Name of Subsidiary Companies
Bracond Limited	Indiabulls Power Systems Limited
Chloris Power Limited	Indiabulls Power Trading Limited
Citra Thermal Power and Infrastructure Limited	Indiabulls Power Transmission Limited
Corus Power Limited	Indiabulls Power Utility Limited
Devona Thermal Power and Infrastructure Limited	Indiabulls Powergen Limited
Diana Energy Limited	Indiabulls Realtech Limited
Diana Power Limited	Indiabulls Thermal Energy Limited
Elena Power and Infrastructure Limited	Indiabulls Thermal Power Limited
Fama Power Company Limited	Indiabulls Thermal Power Management Limited
Fornax Power Limited	Indiabulls Thermal Power Projects Limited
Galactic Ventures Limited**	Indiabulls Thermal Projects Limited
Geneformus Limited	Indiabulls Water & Waste Management Services Limited***
Hecate Electric Limited	Kaya Hydropower Projects Limited
Hecate Energy Private Limited	Lenus Power Limited
Hecate Energy Trading Limited	Lucina Power And Infrastructure Limited
Hecate Hydro Electric Power Limited	Mabon Power Limited
Hecate Power and Energy Resources Limited	Mariana Power Limited
Hecate Power Company Limited	Pachi Hydropower Projects Limited
Hecate Power Development Limited	Papu Hydropower Projects Limited
Hecate Power Distributors Limited	Poana Power Systems Limited
Hecate Power Generation Limited	Poena Hydro Power Projects Limited
Hecate Power Limited	Poena Power Company Limited
Hecate Power Management Limited	Poena Power Development Limited
Hecate Power Projects Limited	Poena Power Distributors Limited
Hecate Power Services Limited	Poena Power Generation Limited
Hecate Power Solutions Limited	Poena Power Limited
Hecate Power Supply Limited	Poena Power Management Limited
Hecate Power Systems Limited	Poena Power Services Limited
Hecate Power Transmission Limited	Poena Power Solutions Limited
Hecate Power Utility Limited	Poena Power Supply 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

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

Name of Subsidiary Companies	Name of Subsidiary Companies
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	

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

** upto March 31, 2010

*** with effect from 1st April 2010

III. Subsidiaries /Associates of Holding Company*:

Airmid Aviation Services Private Limited
Indiabulls Real Estate Company Private Limited
Fornax Properties Limited
Hecate Power and Land Development Limited
Lucina Land Development Limited
Albasta Properties Limited
Varali Infrastructure Limited
Indiabulls Constructions Limited
Indiabulls Industrial Infrastructure Limited

* with whom transactions have been entered during the year

IV. Companies Promoted by the Promoters of IBREL*:

Azalea Infrastructure Private Limited
Gloxinia Infrastructure Private Limited
Jarul Infrastructure Private Limited
Alona Infrastructure Private Limited
Indiabulls Infrastructure Company Limited

*with whom transactions have been entered during the year

V. Subsidiary of Associate of IBREL* – Indiabulls Properties Private Limited

*with whom transactions have been entered during the year

VI. Key Management Personnel

Name	Designation
Mr. Sameer Gehlaut	Director and Chairman of the Company and Holding Company
Mr. Rajiv Rattan	Whole time Director and Vice Chairman of the Company and Director and Vice Chairman of Holding Company.
Mr. Saurabh K. Mittal	Director and Vice Chairman of the Company and Holding Company
Mr. Narendra Gehlaut	Joint Managing Director of Holding Company – Person exercising significant influence
Mr. Vipul D. Bansal	Joint Managing Director of Holding Company – Person exercising significant influence
Mr. Ranjit Gupta	Chief Executive Officer of the Company
Mr. Sanjay Nagrare	Manager of the Company

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

VII. Summary of significant Transactions with Related Parties:

(Amount in Rupees)

Nature of Transactions	Year Ended	Holding Company	Fellow Subsidiaries	Companies Promoted by Promoters of IBREL	Key Management Personnel	Total
Finance						
Issue of Share Capital	31-Mar-11	-	-	-	-	-
	31-Mar-10	5,925,000,000	-	-	-	5,925,000,000
Issue of Share Warrants	31-Mar-11	-	-	3,045,000,000	-	3,045,000,000
	31-Mar-10	-	-	-	-	-
Loans Given / Inter Corporate Deposits Placed*	31-Mar-11	-	15,979,900,000	-	-	15,979,900,000
	31-Mar-10	-	15,800,000,000	-	-	15,800,000,000
Assets						
Capital Work-in-Progress (including Capital Advances)	31-Mar-11	-	25,068,928	4,116,231,687	-	4,141,300,615
	31-Mar-10	-	-	-	-	-
Expenses						
Traveling Expenses	31-Mar-11	-	70,056,321	-	-	70,056,321
	31-Mar-10	-	52,391,435	-	-	52,391,435
Consultancy Charges	31-Mar-11	126,180,000	2,338,360	-	-	128,518,360
	31-Mar-10	-	-	-	-	-
Rent	31-Mar-11	-	130,619,511	-	-	130,619,511
	31-Mar-10	-	-	-	-	-
Reimbursement of General expenses received	31-Mar-11	7,488,020	-	225,348	-	7,713,368
	31-Mar-10	318,290	26,635	-	-	344,925
Reimbursement of Personnel Cost received	31-Mar-11	28,560,912	-	-	-	28,560,912
	31-Mar-10	-	-	-	-	-
Reimbursement of expenses made	31-Mar-11	135,000	-	90,933	-	225,933
	31-Mar-10	57,586,846	-	-	-	57,586,846
Advance / Security Deposit to Vendor	31-Mar-11	-	2,202,783,602	-	-	2,202,783,602
	31-Mar-10	-	2,025,000,000	-	-	2,025,000,000
Remuneration	31-Mar-11	-	-	-	141,366,884	141,366,884
	31-Mar-10	-	-	-	87,302,944	87,302,944
Income						
Interest on Loans Given / Inter Corporate Deposits Placed	31-Mar-11	-	138,190,866	-	-	138,190,866
	31-Mar-10	-	101,446,563	-	-	101,446,563
Corporate Guarantee/ Corporate Undertaking given on behalf of Company by	31-Mar-11	-	-	-	-	-
	31-Mar-10	2,750,000,000	-	-	-	2,750,000,000

*Maximum Outstanding Balance at any time during the year.

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

VIII. Outstanding balances as at March 31, 2011

(Amount in Rupees)

Nature of Transactions	Year Ended	Holding Company	Fellow Subsidiaries	Companies Promoted by Promoters of IBREL	Total
Traveling Expenses Payable	31-Mar-11	-	19,088,789	-	19,088,789
	31-Mar-10	-	9,608,390	-	9,608,390
Corporate Guarantee/ Corporate Undertaking given on behalf of Company by	31-Mar-11	-	-	-	-
	31-Mar-10	3,000,000,000	-	-	3,000,000,000
Inter Corporate Deposit Placed	31-Mar-11	-	4,319,400,000	-	4,319,400,000
	31-Mar-10	-	6,500,000,000	-	6,500,000,000
Interest accrued on Inter Corporate Deposit Placed	31-Mar-11	-	54,368,873	-	54,368,873
	31-Mar-10	-	9,221,917	-	9,221,917
Advance / Security Deposit to Vendors	31-Mar-11	-	4,227,783,602	-	4,227,783,602
	31-Mar-10	-	2,025,000,000	-	2,025,000,000
Capital Work – in – Progress	31-Mar-11	-	25,068,928	3,605,666,394	3,630,735,322
	31-Mar-10	-	-	-	-
Right to use Land	31-Mar-11	-	509,567,169	-	509,567,169
	31-Mar-10	-	-	-	-

IX . Detail of Outstanding Balance as at March 31, 2011

(Amount in Rupees)

Name	Year Ended	Inter Corporate Deposit Placed	Interest on Inter Corporate Deposit Placed	Travelling Expenses Payable	Corporate Guarantee / Corporate Undertaking given on behalf of Company by	Advance / Security Deposit to Vendor	Capital Work -in-Progress (Including Capital Advances)	Right to Use land
Holding Company								
Indiabulls Real Estate Limited	31-Mar-11	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	3,000,000,000	-	-	-
Fellow Subsidiary Company								
Fornax Properties Limited	31-Mar-11	2,650,400,000	34,113,916	-	-	-	-	-
	31-Mar-10	2,000,000,000	7,076,712	-	-	-	-	-
Hecate Power and Land Development Limited	31-Mar-11	-	-	-	-	-	-	-
	31-Mar-10	2,000,000,000	1,035,616	-	-	-	-	-
Airmid Aviation Services Private Limited	31-Mar-11	-	-	19,088,789	-	2,067,000,000	-	-
	31-Mar-10	-	-	9,608,390	-	2,025,000,000	-	-
Indiabulls Real Estate Company Private Limited	31-Mar-11	-	-	-	-	160,783,602	-	-
	31-Mar-10	-	-	-	-	-	-	-
Lucina Land Development Limited	31-Mar-11	1,669,000,000	20,254,957	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-
Albasta Properties Limited	31-Mar-11	-	-	-	-	-	-	-
	31-Mar-10	2,500,000,000	1,109,589	-	-	-	-	-

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

IX . Detail of Outstanding Balance as at March 31, 2011 (contd.)

(Amount in Rupees)

Name	Year Ended	Inter Corporate Deposit Placed	Interest on Inter Corporate Deposit Placed	Travelling Expenses Payable	Corporate Guarantee / Corporate Undertaking given on behalf of Company by	Advance / Security Deposit to Vendor	Capital Work-in-Progress (Including Capital Advances)	Right to Use land
Indiabulls Industrial Infrastructure Limited	31-Mar-11	-	-	-	-	-	25,068,928	509,567,169
	31-Mar-10	-	-	-	-	-	-	-
Indiabulls Construction Limited	31-Mar-11	-	-	-	-	2,000,000,000	-	-
	31-Mar-10	-	-	-	-	-	-	-
Company Promoted by Promoters of IBREL								
Indiabulls Infrastructure Company Limited	31-Mar-11	-	-	-	-	-	3,605,666,394	-
	31-Mar-10	-	-	-	-	-	-	-
Total	31-Mar-11	4,319,400,000	54,368,873	19,088,789	-	4,227,783,602	3,630,735,322	509,567,169
	31-Mar-10	6,500,000,000	9,221,917	9,608,390	3,000,000,000	2,025,000,000	-	-

X. Statement of Material Transactions

- (a) In respect of Share Capital, Loans Given /Inter Corporate Deposits placed (Maximum Outstanding Balances) and interest thereon, Reimbursement of General expenses received and Reimbursement of General expenses made:

(Amount in Rupees)

Name	Year Ended	Issue of Share Capital	Issue of Share Warrants	Loans Given / Inter Corporate Deposits Placed	Interest on Loan Given / Inter Corporate Deposit Placed	Reimbursement of Personnel Cost Received	Reimbursement of General Expenses Received	Reimbursement of expenses made
Holding Company								
Indiabulls Real Estate Limited	31-Mar-11	-	-	-	-	28,560,912	7,488,020	135,000
	31-Mar-10	5,925,000,000	-	-	-	-	318,290	57,586,846
Fellow Subsidiaries								
Airmid Aviation Services Private Limited	31-Mar-11	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	26,635	-
Fornax Properties Limited	31-Mar-11	-	-	8,414,900,000	106,111,332	-	-	-
	31-Mar-10	-	-	6,500,000,000	7,863,014	-	-	-
Varali Infrastructure Limited	31-Mar-11	-	-	-	-	-	-	-
	31-Mar-10	-	-	800,000,000	131,507	-	-	-
Hecate Power And Land Development Limited	31-Mar-11	-	-	2,000,000,000	1,964,384	-	-	-
	31-Mar-10	-	-	2,000,000,000	1,150,685	-	-	-
Albasta Properties Limited	31-Mar-11	-	-	2,500,000,000	2,465,753	-	-	-
	31-Mar-10	-	-	2,500,000,000	1,232,877	-	-	-
Lucina Land Development Limited	31-Mar-11	-	-	3,065,000,000	27,649,397	-	-	-
	31-Mar-10	-	-	-	-	-	-	-
Indiabulls Constructions Limited	31-Mar-11	-	-	-	-	-	-	-
	31-Mar-10	-	-	4,000,000,000	91,068,480	-	-	-
Company Promoted by Promoters of IBREL								
Azalea Infrastructure Private Limited	31-Mar-11	-	1,087,500,000	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

X. Statement of Material Transactions (Contd.)

- (a) In respect of Share Capital, Loans Given /Inter Corporate Deposits placed (Maximum Outstanding Balances) and interest thereon, Reimbursement of General expenses received and Reimbursement of General expenses made:

(Amount in Rupees)

Name	Year Ended	Issue of Share Capital	Issue of Share Warrants	Loans Given / Inter Corporate Deposits Placed	Interest on Loan Given / Inter Corporate Deposit Placed	Reimbursement of Personnel Cost Received	Reimbursement of General Expenses Received	Reimbursement of expenses made
Gloxinia Infrastructure Private Limited	31-Mar-11	-	435,000,000	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-
Jarul Infrastructure Private Limited	31-Mar-11	-	761,250,000	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-
Alona Infrastructure Private Limited	31-Mar-11	-	761,250,000	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-
Indiabulls Infrastructure Company Limited	31-Mar-11	-	-	-	-	-	225,348	90,993
	31-Mar-10	-	-	-	-	-	-	-
Total	31-Mar-11	-	3,045,000,000	15,979,900,000	138,190,866	28,560,912	7,713,368	225,933
	31-Mar-10	5,925,000,000	-	15,800,000,000	101,446,563	-	344,925	57,586,846

- (b) In respect of Consultancy Charges, Travelling Expenses, Advance / Security Deposit to Vendor, Remuneration, Rent and Corporate Guarantee / Corporate Undertaking given on behalf of the Company

(Amount in Rupees)

Name	Year Ended	Consultancy Charges	Traveling Expenses	Advance / Security Deposit to Vendor	Capital Work-in-Progress	Remuneration	Rent	Security Given	Corporate Guarantee / Corporate Undertaking given on behalf of Company by
Holding Company									
Indiabulls Real Estate Limited	31-Mar-11	126,180,000	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	2,750,000,000
Fellow Subsidiary Company									
Airmid Aviation Services Private Limited	31-Mar-11	-	70,056,321	42,000,000	-	-	-	-	-
	31-Mar-10	-	52,391,435	2,025,000,000	-	-	-	-	-
Indiabulls Real Estate Company Private Limited	31-Mar-11	-	-	160,783,602	-	-	130,619,511	-	-
	31-Mar-10	-	-	-	-	-	-	-	-
Indiabulls Infrastructure and Power Limited	31-Mar-11	2,338,360	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-
Indiabulls Constructions Limited	31-Mar-11	-	-	2,000,000,000	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-
Company Promoted by Promoters of IBREL									
Indiabulls Infrastructure Company Limited	31-Mar-11	-	-	-	4,116,231,687	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-
Indiabulls Industrial Infrastructure Limited	31-Mar-11	-	-	-	25,068,928	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-
Subsidiary of Associate of IBREL									
Indiabulls Properties Private Limited	31-Mar-11	-	-	-	-	-	-	Refer Note II(3) of Schedule R	-
	31-Mar-10	-	-	-	-	-	-	-	-

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

X. Statement of Material Transactions (Contd.)

(b) In respect of Consultancy Charges, Travelling Expenses, Advance / Security Deposit to Vendor, Remuneration, Rent and Corporate Guarantee / Corporate Undertaking given on behalf of the Company

(Amount in Rupees)

Name	Year Ended	Consultancy Charges	Traveling Expenses	Advance / Security Deposit to Vendor	Capital Work-in-Progress	Remuneration	Rent	Security Given	Corporate Guarantee / Corporate Undertaking given on behalf of Company by
Key Management Personnel									
Rajiv Rattan	31-Mar-11	-	-	-	-	111,687,841	-	-	-
	31-Mar-10	-	-	-	-	87,302,944	-	-	-
Saurabh K. Mittal	31-Mar-11	-	-	-	-	16,050,819	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-
Ranjit Gupta	31-Mar-11	-	-	-	-	10,833,331	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-
Sanjay Nagrare	31-Mar-11	-	-	-	-	2,794,893	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-
Total	31-Mar-11	128,518,360	70,056,321	2,202,783,602	4,141,300,615	141,366,884	130,619,511	-	-
	31-Mar-10	-	52,391,435	2,025,000,000	-	87,302,944	-	-	2,750,000,000

12. Earnings Per Share (EPS)

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

Dilutive potential equity shares are deemed converted to equity shares at the beginning of the year, unless they have been issued at a later date during the year. The number of equity shares and potential diluted equity shares are adjusted for stock split, bonus shares, share warrants and the potential dilutive effect of Employee Stock Options Plan as appropriate.

Calculation of Earnings per Share

(Amount in Rupees)

	For the Year ended March 31, 2011	For the Year ended March 31, 2010
Profit After Tax (Rs.)	54,587,836	382,656,646
Less: Share of Minority	(54,283)	1,311,378
Profit available for Equity Shareholders (Rs.)	54,642,119	381,345,268
Weighted average number of Shares used in computing Basic earnings per share (Number of Shares)	2,021,917,126	1,812,014,444
Add: Effect of number of equity shares on account of Employees Stock option plans of the company	15,723,340	20,806,440
Weighted average number of Shares used in computing Diluted earnings per share (Number of Shares)	2,037,640,466	1,832,820,884
Nominal Value per Equity Share – (Rs.)	10.00	10.00
Basic Earnings Per Share – (Re.)	0.027	0.210
Diluted Earnings Per Share – (Re.)	0.027	0.200

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

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

13. The Company has taken various premises on operating leases / leave and license and lease rent of Rs. 143,065,128 (Previous Year: Rs. 2,976,566) in respect of the same has been incurred during the year ended March 31, 2011. The underlying agreements are executed for a period generally ranging from one year to three years, renewable at the option of the Company and are cancellable, by giving a notice generally of 30 to 90 days. There are no restrictions imposed by such leases and there are no subleases.

(Amount in Rupees)

Minimum lease rentals payable	As at March 31, 2011	As at March 31, 2010
Within one year	183,553,255	6,467,543
One to Five years	572,041,344	7,531,367
Above Five Years	Nil	Nil

14. Deferred Tax:

Pursuant to Accounting Standard 22 (AS 22) – Accounting for Taxes on Income, as notified under the Companies (Accounting Standards) Rules, 2006, as amended, the Company has credited an amount of Rs. 8,803,995 (Previous Year: Rs. 12,566,984) as deferred tax credit (Net) to the Profit and Loss Account for the year ended March 31, 2011.

The breakup of Deferred Tax Assets (Net) into major components as at March 31, 2011 is given below:

(Amount in Rupees)

	As at March 31, 2011	As at March 31, 2010
Deferred Tax Assets		
Arising on account of timing differences due to:		
Preliminary Expenses	12,019	41,244
Depreciation	2,257	-
Provision for Superannuation	22,168,025	10,449,466
Provision for Compensated Absences	2,117,337	1,928,333
Provision for Gratuity	1,971,454	2,758,748
Total (A)	26,271,092	15,177,791
Deferred Tax Liabilities		
Arising on account of timing differences due to:		
Depreciation / Amortisation	4,864,502	2,575,196
Total (B)	4,864,502	2,575,196
Deferred Tax Assets (Net) (A – B)	21,406,590	12,602,595

15. Expenditure During Construction Pending Capitalisation includes expenses of Rs. 2,988,811,569 (Previous Year: Rs. 883,031,929) incurred directly/indirectly, relating to the setting up various power projects, incurred during the year by the Company. Expenditure During Construction Pending Capitalisation also includes borrowing cost of Rs. 1,933,061,447 (Previous Year: Rs. 495,007,443) incurred during the year.
16. During the year, the Company has provided loans aggregating to Rs. 522,873,000 (Previous Year: Rs. Nil) to the "Indiabulls Employees' Welfare Trust" (Trust) (Refer Note II (6) of Schedule R) for purchase of equity shares, of which Rs. Nil (excluding Rs. 8,145,396 being interest accrued but not due) (Previous Year: Rs. Nil) was outstanding as at March 31, 2011. The said loan was granted for the purpose to be utilised by the Trust towards the purchase of shares of Settlor entities in terms of the Trust Deed from the open market.

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Consolidated Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

17. The group'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 operation and based on the information available with the Company, there is/are no reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 - '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.
18. As per the best estimate of the Management, no provision is required to be made as per Accounting Standard (AS) 29 - Provisions, Contingent Liabilities and Contingent Assets as notified under the Companies (Accounting Standards) Rules, 2006, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.
19. In the opinion of the Board of Directors, all current assets, loans and advances appearing in the Balance Sheet as at March 31, 2011 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the Balance Sheet.
20. In respect of amounts as mentioned under Section 205C of the Companies Act, 1956, there were no dues required to be credited to the Investor Education and Protection Fund as at March 31, 2011.
21. The Group has not entered into any derivative instruments during the year. Foreign currency exposure not hedged as at March 31, 2011 pertaining to Inter-Corporate Deposits (ICD) given to wholly owned foreign subsidiary company of Rs. 893,000,000 (US Dollars 20 million) (Previous Year: Rs. 902,800,000) (US Dollars 20 million). Interest receivable on the above ICD not hedged as at March 31, 2011 Rs. 41,837,601 (US Dollars 937,012) (Previous Year: Rs. 33,460,313 (US Dollars 741,256).
22. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 :
- An amount of Rs. Nil and Rs. Nil was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
 - 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.
 - No interest is payable at the end of the year other than interest under Micro, Small and Medium Enterprises Development Act, 2006.
 - No amount of interest was accrued and unpaid at the end of the accounting year.
- The above information and that given in Schedule K - "Current Liabilities" regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.
23. Previous year's figures have been regrouped / re-arranged to confirm to current year's groupings and classifications.

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

K.A.Katki
Partner

Place : Mumbai
Date: April 25, 2011

For and on behalf of the Board

Rajiv Rattan
Vice Chairman

Place : New Delhi
Date: April 25, 2011

Saurabh K Mittal
Vice Chairman

Gaurav Toshkhani
Company Secretary

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Auditors' Report to the Members of Indiabulls Power Limited.

1. We have audited the attached Balance Sheet of **INDIABULLS POWER LIMITED.** ("the Company") as at March 31, 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
 2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
 4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by
- this report are in agreement with the books of account;
- (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - (e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on March 31, 2011 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2011 from being appointed as a Director in terms of Section 274(1)(g) of the Companies Act, 1956.

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

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

Mumbai, April 25, 2011

Annexure to the Auditors' Report Referred to in paragraph 3 of our report of even date

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

- (i) Having regard to the nature of the Company's business / activities / result, clauses (x), (xiii) and (xix) of CARO are not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) None of the fixed assets were disposed off during the year.
- (iii) The Company did not have any inventory during the year.
- (iv) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:
 - (a) The Company has granted loans aggregating Rs. 27,002,580,352 to two Companies during the year. At the year-end, the outstanding balances of such loans aggregated Rs. 5,010,607,344 (2 Companies) and the maximum amount involved during the year was Rs. 8,427,062,531 (2 Companies).
 - (b) The rate of interest and other terms and conditions of such loans, wherever stipulated, are, in our opinion, prima facie not prejudicial to the interests of the Company.
 - (c) The receipts of principal amounts and interest have been regular/as per stipulations.
 - (d) There were no overdue principal and interest amounts remaining outstanding as at the year-end.

In our opinion and according to the information and explanations given to us, the Company has not

taken any loans secured or unsecured during the year from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, sub clauses (e), (f) & (g) of clause (iii) of the Order pertaining to loans taken during the year are not applicable to the Company.

- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and the sale of services. There were no transactions during the year with regard to purchase of inventory or the sale of goods. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) Where each of such transaction is in excess of Rs.5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time except in respect of certain purchases / services purchased for which comparable quotations are not available and in respect of which we are unable to comment.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (viii) In our opinion, the internal audit functions carried out during the year by firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.

Annexure to the Auditors' Report Referred to in paragraph 3 of our report of even date (Contd.)

- (ix) The Central Government of India pursuant to the Cost Accounting Records (Electricity Industry) Rules, 2001 ("Rules") has prescribed the maintenance of cost records prescribed under Section 209(1) (d) of the Companies Act, 1956 to the Company. According to the information and explanations given to us, the Rules are not applicable to the Company for the year ended March 31, 2011, as the Company has not started commercial production as at the year end. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any other product of the Company.
- (x) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Income-tax, Wealth Tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. The Company has no dues towards Investor Education and Protection Fund, Employees' State Insurance, Sales Tax, Custom Duty and Excise Duty.
- (b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2011 for a period of more than six months from the date they became payable.
- (c) There are no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on March 31, 2011 on account of any dispute.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutions. During the year, the Company has not obtained any borrowings by way of debentures.
- (xii) In our opinion, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) Based on our examination of the records and evaluations of the related internal controls, the Company has maintained proper records of the transactions and contracts in respect of its dealing in other investments and timely entries have been made therein. The aforesaid investments have been held by the Company in its own name. During the year, the Company has not dealt in any shares, securities or debentures.
- (xiv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not *prima facie* prejudicial to the interests of the Company.
- (xv) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.
- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long- term investment.
- (xvii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xviii) The Management has disclosed the end use of money raised by public issues and we have verified the same.
- (xix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

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

Mumbai, April 25, 2011

Balance Sheet of Indiabulls Power Limited. as at March 31, 2011

	Schedule	(Amount in Rupees)	
		As at March 31, 2011	As at March 31, 2010
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	20,229,327,460	20,212,965,460
Reserves and Surplus	B	19,081,357,204	18,994,406,831
Share Warrants (Refer Note II(i) of Schedule S)		3,045,000,000	-
Loan Funds			
Secured Loans	C	5,724,288,077	-
Unsecured Loans	D	210,100,000	-
Deferred Tax Liabilities (Net) (Refer Note II(xiii) of Schedule S)		1,194,825	-
TOTAL		48,291,267,566	39,207,372,291
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	E	1,123,919,054	1,050,137,829
Less: Accumulated Depreciation / Amortisation		29,124,691	7,889,857
Net Block		1,094,794,363	1,042,247,972
Capital Work-in-Progress (including Capital Advances)		15,613,246,649	2,011,653,140
		16,708,041,012	3,053,901,112
Expenditure During Construction Pending Capitalisation	F	2,146,659,730	794,086,999
Investments	G	16,186,211,620	13,438,841,620
Deferred Tax Assets (Net) (Refer Note II(xiii) of Schedule S)		-	1,135,531
Current Assets, Loans and Advances			
Sundry Debtors	H	-	992,700
Cash and Bank Balances	I	1,977,870,810	2,707,623,172
Other Current Assets	J	65,684,638	82,688,418
Loans and Advances	K	17,372,589,420	19,329,257,491
		19,416,144,868	22,120,561,781
Less: Current Liabilities and Provisions			
Current Liabilities	L	6,147,456,101	190,270,398
Provisions	M	18,333,563	10,884,354
		6,165,789,664	201,154,752
Net Current Assets		13,250,355,204	21,919,407,029
TOTAL		48,291,267,566	39,207,372,291
Significant Accounting Policies and Notes to Accounts	S		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

K.A.Katki
Partner

Rajiv Rattan
Vice Chairman

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

Place : Mumbai
Date: April 25, 2011

Place : New Delhi
Date: April 25, 2011

Profit & Loss Account

of Indiabulls Power Limited. for the year ended March 31, 2011

(Amount in Rupees)

	Schedule	For the year ended March 31, 2011	For the year ended March 31, 2010
INCOME			
Revenue from Operations	N	7,500,000	8,000,000
Other Income	O	296,462,620	700,240,775
TOTAL		303,962,620	708,240,775
EXPENDITURE			
Employees Remuneration and Benefits	P	101,396,042	162,429,294
Administrative and Other expenses	Q	72,262,681	81,226,135
Interest and Finance Charges	R	12,431,090	29,258,246
Depreciation / Amortisation	E	8,593,697	3,451,435
TOTAL		194,683,510	276,365,110
PROFIT BEFORE TAX		109,279,110	431,875,665
Provision for Taxation:			
-Current Tax		9,600,000	57,100,000
-Tax Adjustment in respect of earlier years		-	(1,331,634)
-Deferred Tax Expense / (Credit) - (Net) (Refer Note II(xiii) of Schedule S)		2,330,356	(1,135,531)
-Wealth Tax		706,447	-
Profit After Tax		96,642,307	377,242,830
Balance of Profit Brought Forward		1,582,374,584	1,205,131,754
Balance of Profit Carried Forward		1,679,016,891	1,582,374,584
Earnings Per Share (EPS) - Basic & Diluted (Refer Note II (x) of Schedule S)			
Basic EPS (Re.)		0.048	0.208
Diluted EPS (Re.)		0.047	0.206
Face Value per equity share (Rs.)		10.00	10.00
Significant Accounting Policies and Notes to Accounts	S		

In terms of our report attached

 For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

 K.A.Katki
Partner

 Rajiv Rattan
Vice Chairman

 Shamsher Singh Ahlawat
Director

 Gaurav Toshkhani
Company Secretary

 Place : Mumbai
Date: April 25, 2011

 Place : New Delhi
Date: April 25, 2011

Cash Flow Statement of Indiabulls Power Limited. for the year ended March 31, 2011

(Amount in Rupees)

	For the year ended March 31, 2011		For the year ended March 31, 2010	
A CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit Before Tax		109,279,110		431,875,665
Adjustment for :				
Depreciation / Amortisation		8,593,697		3,451,435
Interest Expenses		12,431,090		29,258,246
Provision for Gratuity / Compensated Absences		1,044,589		8,375,998
Sundry Balances Written Off		-		500,000
Balances Written Back		-		(895,202)
Dividend on Units of Mutual Funds - Non Trade		(76,244,036)		(292,277,694)
Interest Income on Fixed Deposits		(149,132,791)		(388,487,096)
Interest income on Loans		(9,050,440)		-
Interest income on Inter Corporate Deposits		(61,644,497)	(274,002,388)	(18,580,783)
Operating Loss before Working Capital Changes		(164,723,278)		(226,779,431)
Adjustments for:				
(Increase)/Decrease in Advances recoverable in Cash or in Kind or for Value to be Received / Loan to Employees / Security Deposits / Prepaid Expenses		1,289,846,225		(2,439,786,023)
(Increase)/Decrease in Sundry debtors		992,700		(992,700)
Transfer of Employee Benefits to Subsidiary Company		-		(60,830,024)
Increase/(Decrease) in Trade Payables and Other Liabilities		(135,678,798)	1,155,160,127	92,320,679
Cash generated from / (used in) Operations		990,436,849		(2,636,067,499)
Direct Taxes Paid		(25,772,231)		(64,318,793)
Net Cash generated from / (used in) Operations		964,664,618		(2,700,386,292)
B Cash Flow from Investing Activities				
Purchase of Fixed Assets		(74,949,720)		(1,043,699,079)
Capital Work-in-Progress (including Capital Advances) / Expenditure During Construction Pending Capitalisation		(8,841,087,487)		(1,688,313,415)
Investment in Equity Shares of Subsidiary Companies		(1,692,000,000)		(2,809,010,000)
Share Application Money pending allotment - in Subsidiary Company		-		(4,349,364,000)
Sale of Investment in Equity Shares in Subsidiary Company		630,000		245,000
Investments in Mutual Funds - Long term		(125,000,000)		(6,000,356,068)
Loans / Inter Corporate Deposits (given) / received back - Net		682,287,630		(1,753,067,800)
Fixed Deposit (placed) / matured with bank		842,259,595		3,471,487,487
Interest Received on Fixed Deposits		182,495,256		468,347,577
Interest Received on Inter Corporate Deposits given		45,285,812		90,734,370
Interest Received on Loans given		9,050,440		-
Dividend on Units of Mutual Funds - Non Trade		76,244,036		292,277,694
Net Cash Used in Investing Activities		(8,894,784,438)		(13,320,718,234)

Cash Flow Statement of Indiabulls Power Limited. for the year ended March 31, 2011 (Contd.)

	For the year ended March 31, 2011	(Amount in Rupees) For the year ended March 31, 2010
C Cash Flow from Financing Activities		
Proceeds from issue of Equity Shares (Including Securities Premium)	17,130,000	16,252,797,570
Proceeds from issue of Share Warrants	3,045,000,000	-
Loans taken from Banks and Financial Institutions	5,724,288,077	-
Loans / Inter Corporate Deposits taken from Subsidiary Company	210,100,000	-
Share issue expense	(115,814)	(351,849,125)
Interest Expenses	(12,431,090)	(29,258,246)
Net Cash Generated From Financing Activities	8,983,971,173	15,871,690,199
D Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)	1,053,851,353	(149,414,327)
E Unrealised Exchange Difference on Translation of balances denominated in Foreign Currency	(10,344,120)	(119,353,494)
F Cash and Cash Equivalents as at the beginning of the Year	37,609,659	306,377,480
G Cash and Cash Equivalents as at the end of the year (D+E+F)	1,081,116,892	37,609,659

Note :

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

2 **Cash and cash equivalents as at the year end includes :**

Cash and Bank balances (Refer Schedule I)	1,977,870,810	2,707,623,172
Add: Current investments in Units of Mutual Funds considered temporary deployment of funds (Refer Schedule G)	950,000,000	19,000,000
	2,927,870,810	2,726,623,172
Less: In fixed deposit accounts having maturity of more than 3 months	1,846,753,918	2,689,013,513
Cash and cash equivalents as restated	1,081,116,892	37,609,659

3. Unclaimed IPO Share Application Money balance of Rs. 141,750 (Previous Year Rs. 295,076) in designated bank accounts are not available for use by the Company.

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

K.A.Katki
Partner

Rajiv Rattan
Vice Chairman

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

Place : Mumbai
Date: April 25, 2011

Place : New Delhi
Date: April 25, 2011

Schedules

 forming part of Balance Sheet of Indiabulls Power Limited. as at
March 31, 2011

(Amount in Rupees)

	As at March 31, 2011	As at March 31, 2010
SCHEDULE A		
Share Capital		
Authorised:		
5,000,000,000 (Previous Year 5,000,000,000) Equity Shares of Rs.10 each	50,000,000,000	50,000,000,000
Issued, subscribed and paid up: (Refer Note No II (iv) of Schedule S)		
Equity Share Capital		
2,022,932,746 Equity Shares (Previous Year 2,021,296,546) of Rs 10 each fully paid up	20,229,327,460	20,212,965,460
- Of the above, 1,185,000,000 (Previous Year 1,185,000,000) Equity Shares of Rs. 10 each are held by the Holding Company - Indiabulls Real Estate Limited and its nominees		
- Of the above, Nil (Previous Year 829,500,000) Equity Shares of Rs. 10 each have been issued as fully paid up bonus shares by capitalisation of the Securities Premium Account.		
As Per Balance Sheet	20,229,327,460	20,212,965,460
SCHEDULE B		
Reserves And Surplus		
Securities Premium Account (Refer Note No II (iv) of Schedule S)		
Balance as per Last Balance Sheet	17,376,815,131	13,407,511,250
Add: Additions during year	768,000	12,629,832,110
	17,377,583,131	26,037,343,360
Less: Issue of Bonus Shares	-	(8,295,000,000)
Share Issue Expenses - Initial Public Offer (IPO)	(115,814)	(365,528,229)
	17,377,467,317	17,376,815,131
Foreign Currency Translation Reserve		
Balance as per Last Balance Sheet	35,217,116	154,570,610
Less: Exchange Rate Fluctuation during the year	(10,344,120)	(119,353,494)
	24,872,996	35,217,116
Surplus as per Profit and Loss Account	1,679,016,891	1,582,374,584
As Per Balance Sheet	19,081,357,204	18,994,406,831

Schedules

 forming part of Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

(Amount in Rupees)

	As at March 31, 2011	As at March 31, 2010
SCHEDULE C		
Secured Loans (Refer Note No II (vi) of Schedule S)		
- From Banks	3,665,878,337	-
- From Financial Institutions	2,057,800,000	-
Vehicle Loans*		
- From Financial Institution (Secured against hypothecation of vehicle)	609,740	-
* Repayable within one year Rs.291,650 (Previous Year Rs. Nil)		
As Per Balance Sheet	5,724,288,077	-
SCHEDULE D		
Unsecured Loans		
Short Term Loans		
Inter - Corporate Deposit - From Subsidiary Company (Poena Power Supply Limited)	210,100,000	-
As Per Balance Sheet	210,100,000	-

Schedules

 forming part of Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

**SCHEDULE E
Fixed Assets**

Particulars	Gross Block At Cost				Accumulated Depreciation / Amortisation			Net Block	
	As at April 1, 2010	Additions during the Year	Adjustments/ Sales during the Year	As at March 31, 2011	As at April 1, 2010	Provided during the Year*	Adjustments during the Year	As at March 31, 2011	As at March 31, 2010
A. Tangible Assets									
Leasehold Land	987,111,800	-	-	987,111,800	3,273,767	10,390,651	-	973,447,382	983,838,033
Freehold Land	-	1,481,000	-	1,481,000	-	-	-	1,481,000	-
Building	1,172,748	-	-	1,172,748	9,217	19,116	-	1,144,415	1,163,531
Plant & Machinery	1,632,700	3,622,094	-	5,254,794	17,613	183,611	-	5,053,570	1,615,087
Office Equipments	2,831,761	5,668,508	-	8,500,269	337,041	431,926	-	7,731,302	2,494,720
Computers	4,827,361	8,440,874	-	13,268,235	541,549	1,438,844	-	11,287,842	4,285,812
Furniture and Fixtures	3,433,143	11,608,991	-	15,042,134	544,259	1,211,458	-	13,286,417	2,888,884
Vehicles	44,040,794	41,928,453	-	85,969,247	2,276,260	6,286,640	-	77,406,347	41,764,534
TOTAL (A)	1,045,050,307	72,749,920	-	1,117,800,227	6,999,706	19,962,246	-	1,090,838,275	1,038,050,601
B. Intangible Assets									
Software	5,087,522	1,031,305	-	6,118,827	890,151	1,272,588	-	3,956,088	4,197,371
TOTAL (B)	5,087,522	1,031,305	-	6,118,827	890,151	1,272,588	-	3,956,088	4,197,371
TOTAL (A+B)	1,050,137,829	73,781,225	-	1,123,919,054	7,889,857	21,234,834	-	1,094,794,363	1,042,247,972
C. Capital Work-in-Progress (including Capital Advances)									
TOTAL (C)	-	-	-	-	-	-	-	15,613,246,649	2,011,653,140
GRAND TOTAL (A+B+C)	1,050,137,829	73,781,225	-	1,123,919,054	7,889,857	21,234,834	-	16,708,041,012	3,053,901,112
Previous Year	4,894,085	1,045,243,744	-	1,050,137,829	841,468	7,048,389	-	3,053,901,112	

* Note: Depreciation aggregating Rs. 12,641,137 (Previous Year Rs. 3,596,954) on assets directly related to the Project has been transferred to Expenditure During Construction Pending Capitalisation and depreciation aggregating to Rs. 8,593,697 (Previous year Rs. 3,451,435) being depreciation on other fixed assets has been debited to the Profit & Loss Account.

Schedules

 forming part of Balance Sheet of Indiabulls Power Limited. as at
 March 31, 2011 (Contd.)

SCHEDULE F
**Expenditure During Construction Pending Capitalisation
 (Refer Note II(xv) of Schedule S)**

Particulars	(Amount in Rupees)		
	Opening Balance as at April 1, 2010	Additions During the Year	Closing Balance as at March 31, 2011
Employee Remuneration and Benefits [Including Provision for Gratuity and Compensated Absences Rs. 6,404,620 (Previous Year Rs.479,955)] (Refer Note II (vii) & (xvi) of Schedule S)	118,673,637	151,863,049	270,536,686
Staff Welfare Expenses	2,379,398	2,427,801	4,807,199
Repair and Maintenance Expenses			
- Vehicle	1,695,408	6,976,578	8,671,986
- Others	2,928,609	7,696,513	10,625,122
Lease Rent Expenses	1,918,049	138,806,189	140,724,238
Legal and Professional Charges	71,415,515	9,292,982	80,708,497
Communication Expenses	1,776,757	2,615,468	4,392,225
Rates and Taxes	4,040,391	33,822,904	37,863,295
Travelling and Conveyance Expenses	44,853,294	68,602,391	113,455,685
Soil Investigation Charges	3,071,390	-	3,071,390
Interest and Financing Charges	492,015,244	840,536,251	1,332,551,495
Project Insurance	39,398,328	53,161,450	92,559,778
Administrative and Other Expenses	2,839,766	43,220,902	46,060,668
Miscellaneous Site Expenses	3,072,281	5,279,167	8,351,448
Depreciation/Amortisation	4,008,932	12,641,137	16,650,069
	794,086,999	1,376,942,782	2,171,029,781
Other Income			
Dividend on Units of Mutual Funds - Non Trade (Current Investments)	-	24,370,051	24,370,051
	-	24,370,051	24,370,051
As Per Balance Sheet	794,086,999	1,352,572,731	2,146,659,730

Schedules

 forming part of Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE G		
Investments		
(Refer Note No II (xii) of Schedule S)		
i) Long Term (At Cost)		
Non-trade, Unquoted, Fully Paid Up		
In Subsidiary Companies		
a) In Fully Paid Up Equity Shares		
1,750,000 (Previous Year 1,750,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Trading Limited	17,500,000	17,500,000
370,000 (Previous Year 370,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Generation Limited	3,700,000	3,700,000
370,000 (Previous Year 370,000) Equity Shares of Face Value of Rs. 10 each in Diana Energy Limited	3,700,000	3,700,000
74,000 (Previous Year 74,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls CSEB Bhaiyathan Power Limited	740,000	740,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Aravali Properties Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Lucina Power And Infrastructure Limited	500,000	500,000
4,299,500 (Previous Year 2,809,500) Equity Shares of Face Value of Rs. 10 each in Indiabulls Realtech Limited*	4,250,000,000	2,760,000,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Distribution Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Hydro Electric Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Hydro Energy Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Hydro Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Hydro Power Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Infrastructure Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Thermal Energy Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Thermal Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Electricity Company Limited	500,000	500,000

Schedules

 forming part of Balance Sheet of Indiabulls Power Limited. as at
March 31, 2011 (Contd.)

(Amount in Rupees)

	As at March 31, 2011	As at March 31, 2010
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Diana Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Fama Power Company Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Selene Power Company Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Sentia Thermal Power And Infrastructure Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Sepset Thermal Power And Infrastructure Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Triton Energy Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Kaya Hydropower Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Pachi Hydropower Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Papu Hydropower Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Sepla Hydropower Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Tharang Warang Hydropower Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Zeus Energy Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Airmid Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Albina Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Mabon Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Serida Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Lenus Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Angina Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Ashkit Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Corus Power Limited	500,000	500,000

Schedules

 forming part of Balance Sheet of Indiabulls Power Limited. as at
 March 31, 2011 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2011	As at March 31, 2010
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Chloris Power Limited	500,000	500,000
5,000,000 (Previous Year 5,000,000) Equity Shares of Face Value of Rs. 10 each in Elena Power And Infrastructure Limited	50,000,000	50,000,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Fornax Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Mariana Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Apesh Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Varali Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power Company Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power Services Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Thermal Power And Infrastructure Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power Generation Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power Distributors Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power And Energy Resources Limited	500,000	500,000
37,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Power Limited	370,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Hydro Electric Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Energy Trading Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Energy Private Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power Projects Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Thermal Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Power Company Limited	500,000	500,000

Schedules

forming part of Balance Sheet of Indiabulls Power Limited. as at
March 31, 2011 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2011	As at March 31, 2010
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Power Services Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Power Distributors Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Power Generation Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Hydro Power Projects Limited	500,000	500,000
100,000,000 (Previous Year 100,000,000) Equity Shares of Face Value of US Dollar 1 each in Bracond Limited	4,327,710,552	4,327,710,552
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Power Trading Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Generation Company Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Supply Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Solutions Limited	500,000	500,000
51,000 (Previous Year 51,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Transmission Limited	510,000	510,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Utility Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Powergen Limited	500,000	500,000
NIL (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Sinner Power Transmission Company Limited (formerly Poena Power Projects Limited)	-	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Electric Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power Development Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power Systems Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power Management Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power Supply Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power Utility Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power Solutions Limited	500,000	500,000

Schedules

forming part of Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2011	As at March 31, 2010
25,500 (Previous Year 25,500) Equity Shares of Face Value of Rs. 10 each in Hecate Power Transmission Limited	255,000	255,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Powergen Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Electric Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Power Development Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poana Power Systems Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Power Management Limited	500,000	500,000
202,500,000 (Previous Year 50,000) Equity Shares of Face Value of Rs.1 each in Poena Power Supply Limited	202,500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Power Utility Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Power Solutions Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Amravati Power Transmission Company Limited (formerly Poena Power Transmission Limited)	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Development Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Systems Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Management Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Projects Development Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Electric Power Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Electric Energy Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Electric Company Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Electricity Generation Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Thermal Power Management Limited	500,000	500,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Thermal Power Projects Limited	500,000	500,000

Schedules

 forming part of Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

(Amount in Rupees)

	As at March 31, 2011	As at March 31, 2010
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Thermal Projects Limited	500,000	500,000
37,000 (Previous Year 37,000) Equity Shares of Face Value of Rs. 10 each in Devona Thermal Power And Infrastructure Limited	370,000	370,000
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Citra Thermal Power And Infrastructure Limited	500,000	500,000
	8,900,855,552	7,209,485,552
* 2,192,745 (Previous Year Rs.Nil) equity shares of Indiabulls Realtech Limited (IRL) are pledged in favour of project lenders of IRL		
b) In Fully Paid Up Preference Shares		
21,000,000 (Previous Year 21,000,000) 0.0001% Cumulative Non-Convertible Redeemable Preference Shares of Face Value of Rs. 10 each in Indiabulls Power Generation Limited	210,000,000	210,000,000
c) Non Trade, Unquoted - in Units of Mutual Fund		
- In 150,000,000 (Previous Year 150,000,000) Units of UTI Mutual Fund - Fixed Maturity Plan at NAV of Rs. 10) (Of the above, investment of Rs 1,500,000,000 (Previous Year Rs.Nil) have a lien marked in favour of project lenders)	1,500,000,000	1,500,000,000
- In 112,500,000 (Previous Year 100,000,000) Units of Reliance Fixed Horizon Fund at NAV of Rs. 10) (Of the above, investment of Rs 1,000,000,000 (Previous Year Rs.Nil) have a lien marked in favour of project lenders)	1,125,000,000	1,000,000,000
- In 200,017,537 (Previous Year 200,017,537) Units of ICICI Prudential - Fixed Maturity Plan at NAV of Rs. 10)	2,000,175,370	2,000,175,370
- In 150,018,069 (Previous Year 150,018,069) Units of Birla Sunlife Fixed Term Plan at NAV of Rs. 10)	1,500,180,698	1,500,180,698
Total (i) = (a + b + c)	15,236,211,620	13,419,841,620
ii) Current Investments (lower of cost and fair value)		
in Units of Mutual Funds - Non Trade, Un-quoted		
- In Nil Units (Previous Year 1,126,720) of LIC MF Saving Plus Fund - Daily Dividend at NAV of Nil per Unit (Previous Year Rs. 16.8631 per Unit)	-	19,000,000
- In 43,637,834 Units (Previous Year Nil) Units of SBI Magnum Insta Cash Fund NAV of Rs.21.7701 per unit)	950,000,000	-
Total (ii)	950,000,000	19,000,000
As Per Balance Sheet Total (i + ii)	16,186,211,620	13,438,841,620
Aggregate Market Value of Quoted Investments	-	-
Aggregate Book Value of Quoted Investments	-	-
Aggregate Book Value of Un-Quoted Investments	16,186,211,620	13,438,841,620

Schedules

 forming part of Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE H		
Sundry Debtors		
(Unsecured, considered good, Unless otherwise stated)		
Outstanding for a period exceeding six months	-	-
Other Debts	-	992,700
(Previous year due from Subsidiary Company-Albasta Power Limited Rs. 992,700. Maximum Amount Outstanding at any time during the year Rs. 1,000,000)		
As Per Balance Sheet	-	992,700
SCHEDULE I		
Cash and Bank Balances		
Cash On Hand	585,218	1,007,205
Balances with Scheduled Banks :		
- In Current Accounts	130,389,924	17,307,378
- In Fixed Deposit Accounts (Refer Note II (iii) of Schedule S)	1,846,753,918	2,689,013,513
Unclaimed IPO Share Application Money lying in Escrow Account	141,750	295,076
As Per Balance Sheet	1,977,870,810	2,707,623,172
SCHEDULE J		
Other Current Assets		
(Unsecured, Considered Good, Unless Otherwise Stated)		
Accrued Interest on Fixed Deposit Accounts (Refer Note II (viii) of Schedule S)	15,428,125	48,790,590
Accrued Interest on Inter Corporate Deposits		
- From Subsidiary Companies :		
- Bracond Limited	41,837,601	33,460,313
[Maximum Amount Outstanding at any time during the Year Rs. 41,837,601 (Previous Year Rs 33,460,313)]		
- Devona Thermal Power and Infrastructure Limited	-	311,082
[Maximum Amount Outstanding at any time during the Year Rs. 311,082 (Previous Year Rs 311,082)]		
- Hecate Power Utility Limited	111,509	-
[Maximum Amount Outstanding at any time during the year Rs.25,669,972 (Previous Year Rs Nil)]		
- Hecate Thermal Power and Infrastructure Limited	93,542	-
[Maximum Amount Outstanding at any time during the year Rs.21,514,366 (Previous Year Rs Nil)]		
- Indiabulls Power Generation Limited	43,495	118,356
[Maximum Amount Outstanding at any time during the year Rs.119,157 (Previous Year Rs 118,356)]		
- Hecate Power Transmission Limited	24,970	8,077
[Maximum Amount Outstanding at any time during the Year Rs.33,047 (Previous Year Rs 8,077)]		
Accrued Interest on Loan	8,145,396	-
- From Indiabulls Employees' Welfare Trust (Refer Note II (xviii) of Schedule S)		
As Per Balance Sheet	65,684,638	82,688,418

Schedules

 forming part of Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE K		
Loans and Advances		
(Unsecured, Considered Good, Unless Otherwise Stated)		
Loans to Subsidiary Companies :		
Airmid Power Limited [Maximum Balance Outstanding at any time during the Year Rs. 2,635,031 (Previous Year Rs 2,164,031)]	2,635,031	2,164,031
Aravali Properties Limited [Maximum Balance Outstanding at any time during the Year Rs.3,391,500 (Previous Year Rs 4,180,500)]	3,391,500	3,325,500
Citra Thermal Power and Infrastructure Limited [Maximum Balance Outstanding at any time during the Year Rs.1,504,074 (Previous Year Rs 1,484,074)]	1,504,074	1,484,074
Devona Thermal Power and Infrastructure Limited [Maximum Balance Outstanding at any time during the Year Rs. 8,322,802 (Previous Year Rs 7,961,802)]	8,322,802	7,961,802
Elena Power And Infrastructure Limited [Maximum Balance Outstanding at any time during the Year Rs. 7,744,078,000 (Previous Year Rs 9,433,578,000)]	5,207,600,000	7,744,078,000
Fama Power Company Limited [Maximum Balance Outstanding at any time during the Year Rs.470,000 (Previous Year Rs 470,000)]	470,000	470,000
Indiabulls CSEB Bhaiyathan Power Limited [Maximum Balance Outstanding at any time during the Year Rs. 6,512,548,932 (Previous Year Rs 5,672,242,932)]	787,138,727	2,740,964,932
Iindiabulls Electricity Company Limited [Maximum Balance Outstanding at any time during the Year Rs.1,054,000 (Previous Year Rs 1,042,000)]	1,054,000	1,042,000
Indiabulls Hydro Electric Power Limited [Maximum Balance Outstanding at any time during the Year Rs. 704,500 (Previous Year Rs 692,500)]	704,500	692,500
Indiabulls Hydro Energy Limited [Maximum Balance Outstanding at any time during the Year Rs.1,703,000 (Previous Year Rs 1,687,000)]	1,703,000	1,687,000
Indiabulls Power Infrastructure Limited [Maximum Balance Outstanding at any time during the Year Rs. 4,081,054 (Previous Year Rs 4,064,054)]	4,081,054	4,064,054
Indiabulls Realtech Limited [Maximum Balance Outstanding at any time during the Year Rs.4,223,468,617 (Previous Year Rs 1,742,799,542)]	4,223,468,617	1,000,490,542
Kaya Hydropower Projects Limited [Maximum Balance Outstanding at any time during the Year Rs. 8,782,929 (Previous Year Rs 8,782,929)]	8,782,929	8,782,929

Schedules

 forming part of Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2011	As at March 31, 2010
Lucina Power and Infrastructure Limited [Maximum Balance Outstanding at any time during the Year Rs.800,000 (Previous Year Rs 1,650,000)]	800,000	800,000
Pachi Hydropower Projects Limited [Maximum Balance Outstanding at any time during the Year Rs. 20,935,335 (Previous Year Rs 20,903,335)]	20,935,335	20,903,335
Papu Hydropower Projects Limited [Maximum Balance Outstanding at any time during the Year Rs.16,317,210 (Previous Year Rs 15,996,210)]	16,317,210	15,996,210
Sepla Hydropower Projects Limited [Maximum Balance Outstanding at any time during the Year Rs.7,488,923 (Previous Year Rs 7,422,923)]	7,488,923	7,422,923
Tharang Warang Hydropower Projects Limited [Maximum Balance Outstanding at any time during the Year Rs. 8,088,139 (Previous Year Rs 8,082,139)]	8,088,139	8,082,139
Zeus Energy Limited [Maximum Balance Outstanding at any time during Year Rs. 455,000 (Previous Year Rs 399,000)]	455,000	399,000
Hecate Power Projects Limited [Maximum Balance Outstanding at any time during the year Rs.50,000 (Previous Year Rs 500,000)]	50,000	50,000
Hecate Power Transmission Limited [Maximum Balance Outstanding at any time during the Year Rs.476,000 (Previous Year Rs 750,000)]	476,000	300,000
Hecate Power Solutions Limited [Maximum Balance Outstanding at any time during the Year Rs. 50,000 (Previous Year Rs 500,000)]	50,000	50,000
Indiabulls Power Generation Limited [Maximum Balance Outstanding at any time during the Year Rs.1,260,000 (Previous Year Rs. 200,000,000)]	1,260,000	-
Varali Power Limited [Maximum Balance Outstanding at any time during the Year Rs.21,000 (Previous Year Rs Nil)]	15,500	-
Triton Energy Limited [Maximum Balance Outstanding at any time during the Year Rs.66,000 (Previous Year Rs Nil)]	66,000	-
Hecate Power Utility Limited [Maximum Balance Outstanding at any time during the Year Rs.1,450,000,000 (Previous Year Rs. 720,000,000)]	2,855,000	-
Hecate Thermal Power & Infrastructure Limited [Maximum Balance Outstanding at any time during the Year Rs.1,550,000,000 (Previous Year Rs Nil)]	2,395,000	-
Poena Power Limited [Maximum Balance Outstanding at any time during the Year Rs.50,000 (Previous Year Rs Nil)]	50,000	-

Schedules

 forming part of Balance Sheet of Indiabulls Power Limited. as at March 31, 2011 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2011	As at March 31, 2010
Poana Power Development Limited [Maximum Balance Outstanding at any time during Year Rs.585,565,000 (Previous Year Rs Nil)]	585,565,000	-
Poana Power Systems Limited [Maximum Balance Outstanding at any time during the Year Rs.1,000,000 (Previous Year Rs Nil)]	1,000,000	-
Bracond Limited [Maximum Balance Outstanding at any time during the Year Rs. 1,019,000,000 (Previous Year Rs 1,019,000,000)]	893,000,000	902,800,000
	11,791,723,341	12,474,010,971
Other Loans & Advances		
Advances recoverable in cash or in kind or for value to be received	2,386,371,630	2,301,833,896
Loan to Employees	-	1,749,400
Security Deposits	302,520,029	185,476,231
Prepaid Expenses	1,047,004	725,361
Share Application Money Pending Allotment (Refer Note No II (iv) of Schedule S)	2,859,364,000	4,349,364,000
Advance Income Tax / Tax Deducted At Source (Net of Provision for Tax Rs. 347,223,597 (Previous Year Rs. 336,917,150))	31,529,109	16,063,325
Advance Fringe Benefits Tax (Net of Provision for Tax Rs. 1,337,257 (Previous Year Rs. 1,337,257))	34,307	34,307
As Per Balance Sheet	17,372,589,420	19,329,257,491
SCHEDULE L		
Current Liabilities		
Sundry Creditors (Refer Note II(xxiii) of Schedule S)		
(a) Dues to Micro and Small Enterprises	-	-
(b) Dues to Others	5,643,174,956	62,938,369
Earnest Money Deposits	500,000	50,000,000
Unclaimed IPO Share Application Money lying in Escrow A/c. refundable	141,750	295,076
Other Current Liabilities	503,639,395	77,036,953
As Per Balance Sheet	6,147,456,101	190,270,398
SCHEDULE M		
Provisions (Refer Note No II (vii) of Schedule S)		
Provision for Gratuity	10,677,957	6,303,827
Provision for Compensated Absences	7,655,606	4,580,527
As Per Balance Sheet	18,333,563	10,884,354

Schedules

forming part of Consolidated Profit & Loss Account of Indiabulls Power Limited. for the year ended March 31, 2011

	(Amount in Rupees)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
SCHEDULE N		
Revenue from Operations		
Other Operating Income - Advisory Services	7,500,000	8,000,000
[Tax Deducted at Source Rs.775,750 (Previous Year Rs. 882,400)]		
As Per Profit and Loss Account	7,500,000	8,000,000
SCHEDULE O		
Other Income		
Interest on Inter Corporate Deposits - Gross	61,644,497	18,580,783
[Tax Deducted at Source Rs.5,272,287 (Previous Year Rs. 338,418)]		
Interest on Loan to Indiabulls Employees' Welfare Trust	9,050,440	-
Dividend on Units of Mutual Funds - Non Trade (Current Investments)	76,244,036	292,277,694
Interest on Fixed Deposits - Gross	149,132,791	388,487,096
[Tax Deducted at Source Rs. 18,431,920 (Previous Year Rs. 43,595,727)]		
Balances Written Back	-	895,202
Miscellaneous Income	390,856	-
As Per Profit and Loss Account	296,462,620	700,240,775
SCHEDULE P		
Employees Remuneration and Benefits		
Salaries and Wages (Refer Note II(xvi) of Schedule S)	98,481,436	153,131,211
Contribution to Provident Fund and Other funds	1,482,674	8,603,354
[Including Provision for Gratuity, Compensated Absences and Superannuation Benefits Rs. 1,188,958 (Previous Year Rs. 8,557,261)] (Refer Note II (vii) of Schedule S)		
Recruitment and Training Expenses	267,151	45,892
Staff Welfare Expenses	1,164,781	648,837
As Per Profit and Loss Account	101,396,042	162,429,294

Schedules

 forming part of Consolidated Profit & Loss Account of Indiabulls Power Limited. for the year ended March 31, 2011 (Contd.)

(Amount in Rupees)

	For the year ended March 31, 2011	For the year ended March 31, 2010
SCHEDULE Q		
Administrative and Other Expenses		
Rent	1,115,496	580,000
Rates and Taxes	4,201,820	341,126
Legal and Professional Charges	8,141,508	7,300,491
Travelling and Conveyance	14,917,141	32,364,714
Printing and Stationery	4,294,727	1,900,133
Repairs and Maintenance		
-Vehicle	2,108,156	2,202,724
-Others	3,169,673	9,430,325
Communication Expenses	2,814,686	1,537,971
Security Expenses	1,652,271	2,166,065
Tender Expenses	1,065,000	2,498,250
Business Promotion	11,828,397	14,692,741
Donations	2,525,000	221,100
Auditors' Remuneration (Excluding Service Tax Rs. 565,800, Previous Year Including Service Tax Rs. 206,000)		
- As Auditors	3,700,000	2,206,000
- Certification	600,000	-
- Out of Pocket Expenses	300,000	-
Postage And Courier	4,668,535	800,138
Software Expenses	3,278,402	-
Membership And Subscription	683,531	187,665
Sundry Balances Written Off	-	500,000
Miscellaneous Expenses	1,198,338	2,296,692
As Per Profit and Loss Account	72,262,681	81,226,135
SCHEDULE R		
Interest and Finance Charges		
Interest to Bank		
- on refund of share application money	-	24,657,534
- on Overdraft facility	6,578,897	-
Interest on Income Taxes	7,760	1,333,933
Interest on Vehicle Loan	57,020	-
Interest on Inter Corporate Deposits	2,417,063	1,492,603
Bank Guarantee / Other Bank Charges	3,370,350	1,774,176
As Per Profit and Loss Account	12,431,090	29,258,246

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011

SCHEDULE S:**I. SIGNIFICANT ACCOUNTING POLICIES****i. Basis of Accounting**

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

ii. Use of Estimates

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

iii. Revenue Recognition

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

iv. 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.

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

v. Depreciation / Amortization

Depreciation on fixed assets is provided on the

Straight-Line Method at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956.

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

Intangible assets consisting of Software are amortized on a Straight Line basis over a period of four years from the date when the assets are available for use.

vi. Expenditure During Construction Pending Capitalisation

Any expenditure directly / indirectly related and attributable to the construction of power projects and incidental to setting up power project facilities, incurred prior to the date of commencement of commercial operation of the power project, are accumulated under "Expenditure During Construction Pending Capitalisation", to be capitalised on completion of construction of the respective power projects and commencement of commercial operations.

vii. Impairment of Assets

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

viii. Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets 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

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

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 revenue.

ix. Investments

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

x. Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of occurrence of the transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates. In respect of monetary items which are covered by forward exchange contracts, premium / discount arising on inception of the contract is amortized over the life of the contract. Any exchange differences arising on settlement / translation are dealt with in the Profit and Loss Account.

Exchange differences arising on a monetary item that in substance forms part of the Company's net investment in a non-integral foreign operation is accumulated in the Foreign Currency Translation Reserve until disposal of the net investment, when it is recognised as an income or expense in the Profit and Loss Account.

Non-Monetary items carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

xi. Employee Benefits

The Company's contribution to Provident Fund is charged to the Profit and Loss Account / 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 is 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, notified under the Companies (Accounting Standards) Rules, 2006, as amended.

Superannuation (Pension & Medical coverage) payable to a Director on retirement is actuarially valued at the end of the year using the Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of change in actuarial assumptions, and are recognised in the Profit and Loss Account as income or expenses / Expenditure During Construction Pending Capitalisation, as applicable.

xii. Taxes on Income

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

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

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

xiii. Leases

In case of assets taken on operating lease, the lease rentals are charged to the Profit and Loss Account / Expenditure During Construction Pending Capitalisation, as applicable, in accordance with Accounting Standard 19 - Leases, as notified by the Companies (Accounting Standards) Rules, 2006, as amended.

xiv. Share Issue Expenses

Share issue expenses are adjusted against securities premium account to the extent of balance available and thereafter, the balance portion is charged off to the Profit and Loss Account, as incurred.

xv. Deferred Employee Stock Compensation Costs

Deferred Employee Stock Compensation Costs for Stock Options are recognised in accordance with the Guidance Note on "Accounting for Employee Share Based Payments" issued by the Institute of Chartered Accountants of India, which establishes financial accounting and reporting principles for employee

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

share based payment plans. The Company has elected to apply the Intrinsic Value method of accounting. Accordingly, employee stock compensation costs are measured as the difference between the intrinsic value of the Company's shares of stock options at the grant date and the exercise price to be paid by the option holders. The compensation expense is amortised over the vesting period of the options. The fair value of options for disclosure purpose, is measured on the basis of an independent valuation performed by an independent firm of Chartered Accountants in respect of stock options granted.

xvi. 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. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

II. Notes to Accounts:

i) Overview:

Indiabulls Power Limited. ("the Company") was incorporated on October 08, 2007 as a wholly owned subsidiary of Indiabulls Real Estate Limited ("IBREL") with an authorised capital of Rs. 500,000 divided into 50,000 equity shares of Rs. 10 each. During the financial year 2009-10, the authorised capital was increased to Rs. 50,000,000,000 (Rupees Five Thousand Crores) divided into 5,000,000,000 (Five Hundred Crore) equity shares of face value Rs. 10 each. The main business activities of the Company included inter alia, dealing in power generation, distribution, trading and transmission and other ancillary and incidental activities.

On February 12, 2008, the Company had entered into a Shareholder's agreement ("Agreement") with IBREL, individual promoters of IBREL (Sameer Gehlaut, Rajiv Rattan and Saurabh K. Mittal), Investors (FIM Limited and LNM India Internet Ventures Limited) and the

erstwhile Indiabulls Power Services Limited ("IPSL" or "Amalgamating Company"), a fellow subsidiary. The Company had also entered into a Share Subscription Agreement ("SSA") dated February 12, 2008, with IBREL, FIM Limited and LNM India Internet Ventures Limited. In terms of the Agreement and the SSA, the Company had issued and allotted 237,000,000 equity shares of face value of Rs. 10 each at a premium of Rs. 56.67 per share to the Investors on February 22, 2008.

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

In accordance with the provisions of Section 21 and other applicable provisions of the Companies Act, 1956, the members of the company at their Extraordinary General Meeting held on July 4, 2009, accorded their approval to change the name of the Company. The Company has since received fresh certificate of incorporation consequent upon change of name, from the Registrar of Companies, National Capital Territory of Delhi & Haryana, dated July 7, 2009 in respect of the said change. Accordingly, the name of the Company was changed to 'Indiabulls Power Limited'.

The Board of Directors of the Company at its meeting held on November 30, 2010 issued and allotted 420,000,000 Share Warrants of Face Value Rs. 10 each @ Rs. 29 per warrant (paid up value as at the year-end Rs. 7.25 per warrant out of which Rs. 2.50 is towards the Face Value) to certain entities promoted by the promoters of IBREL. At the option of the warrant holders, they are entitled to receive an equivalent number of equity shares of Face Value of Rs. 10 per share in the Company, at an exercise price of Rs. 29 per equity share. These warrants are convertible at the option of the warrant holder into equity shares of the Company in one or more tranches, within a period of 18 months from the date of their allotment.

The Board of Directors of the Company and IBREL at their respective meetings held on January 17, 2011

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

approved, inter-alia, a draft composite restructuring scheme (the Scheme) of restructuring the power business and related business of IBREL / the Company. The said scheme, inter-alia, provides for restructuring of the share capital of the Company, consequent to the transfer by way of a demerger of the power and related business of IBREL as a going concern to Indiabulls Infrastructure and Power Limited (IIPL); and the amalgamation of Poena Power Supply Limited (PPSL), a wholly owned subsidiary of the Company into the Company, and various other matters consequential or otherwise integrally connected with the Scheme. The Stock Exchanges have since granted their No Objection Certificate to the Scheme. The effectiveness of the Scheme shall be subject to necessary approvals from the shareholders, creditors and the submission of the same to the Hon'ble High Court of Delhi. The proposed Appointed Date of the demerger and amalgamation under the Scheme is April 01, 2011.

ii) Project under Development

The Company is in process of setting up a Thermal Power Project at Amravati ("Amravati Project", "the Project") in the State of Maharashtra in two phases with an ultimate capacity of 2,700 MW. Project construction activities are in line with the estimated targets of the Management of the company.

iii) Contingent Liabilities not provided for in respect of:

- Estimated amount of contracts remaining to be executed on capital account and not provided for: Rs. 64,105,648,587 (Previous Year: Rs. 51,150,614,716) – advances made there against Rs. 8,894,675,139 (Previous Year: Rs. 2,005,651,922).
- Guarantee provided on behalf of Papu Hydropower Projects Limited, a wholly owned subsidiary company, in respect of vehicle loan of Rs. 83,724 (Previous Year: Rs. 478,000).
- Performance Bank Guarantee of Rs. 1,000,000,000 (Previous Year: Rs. 1,000,000,000) issued to Chhattisgarh State Electricity Board by Indiabulls CSEB Bhaiyathan Power Limited (formerly Indiabulls Bhaiyathan Power Limited), a wholly owned subsidiary company, secured partly by pledge of Fixed deposits of Rs. 400,000,000 (Previous Year: Rs. 400,000,000) of the Company.
- Commitment Bank Guarantees of Rs. 811,613,270 (Previous Year: Rs. 388,833,000) issued to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for the Amravati Project, partly secured by way of pledge of fixed deposits of Rs. 236,196,500 (Previous Year: Rs. 194,416,500).
- Guarantee provided on behalf of Indiabulls Realtech Limited, a wholly owned subsidiary, towards Commitment Bank Guarantees of Rs. 835,223,070 (Previous Year: Rs. 397,283,700) issued to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for the Nashik Thermal Power Project, partly secured by way of pledge of fixed deposits of Rs. 242,936,850 (Previous Year: Rs. 198,641,850) and partly by way of corporate guarantee of Rs. 198,641,850 (Previous Year: Rs. 198,641,850) of the company.
- Guarantee provided for Rs. 1,642,005 (Previous Year: Rs. 1,642,005) to the Governor of Maharashtra through PWD, Amravati for availing ROW for laying water pipeline for Amravati project for bid processing, partly secured by way of pledge of fixed deposits of Rs. 492,602 (Previous Year: Rs. 492,602).
- Guarantee provided on behalf of Hecate Power Transmission Limited, a subsidiary of the company, for Rs. Nil (Previous Year: Rs. 99,315,000) to Rajasthan Rajya Vidyut Prasaran Nigam Limited, partly secured by way of pledge of fixed deposits of Rs. Nil (Previous Year: Rs. 31,950,000) and partly by way of corporate guarantee of Rs. Nil (Previous Year: Rs. 69,520,500) of the company.
- Guarantee provided for Rs. 145,815,000 (Previous Year: Rs. 145,815,000) to Bombay Stock Exchange Limited for Initial Public Offer of the Company, partly secured by way of pledge of fixed deposits of Rs. 15,570,500 (Previous Year: Rs. 15,570,500). This guarantee has since been released in April 2011.
- Guarantee provided for Rs. Nil (Previous Year: Rs. 196,000,000) to UCM Coal Company Limited for Bidding for Development and Operation of Chendipada Coal Block, partly secured by way of pledge of fixed deposits of Rs. Nil (Previous Year: Rs. 59,900,000).

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

- Bid Bond guarantee provided for Rs. Nil (Previous Year: Rs. 4,200,000,000) to Maharashtra State Electricity Distribution Company Limited for Bidding for supply of power on long term basis, partly secured by way of pledge of fixed deposits of Rs. Nil (Previous Year: Rs. 1,100,000,000) and partly by way of corporate undertaking of Rs. Nil (Previous Year: Rs. 2,400,000,000) of the Holding Company i.e. Indiabulls Real Estate Limited.
- Performance Bank Guarantee provided for Rs. 3,600,000,000 (Previous Year: Rs. Nil) to Maharashtra State Electricity Distribution Company limited under the long term power Purchase Agreements, secured by way of pledge of fixed deposits of Rs. 360,000,000 (Previous Year: Rs. Nil) and second charge on project assets relating to Amravati Phase I project.
- Bank Guarantee for Bid Bond issued to Bihar State Electricity Board of Rs. 315,000,000 (Previous Year: Rs. Nil) secured by way of pledge of Fixed Deposit of Rs. 31,500,000 (Previous Year: Rs. Nil).
- Bank Guarantee to Commissioner of Customs for Rs. 15,938,217 (Previous Year: Rs. Nil) secured by way of pledge of fixed deposits of Rs. 4,781,466 (Previous Year: Rs. Nil).

iv) Changes in capital structure during the year ended March 31, 2011

On June 17, 2010, the Company issued 414,200 Equity Shares of Rs. 10 each at par in terms of the SPCL – IPSL ESOP - 2008.

On December 15, 2010, the Company issued 1,000,000 Equity Shares of Rs. 10 each at par in terms of the SPCL – IPSL ESOP - 2008.

On March 31, 2011, the Company issued 30,000 Equity Shares of Rs. 10 each at par in terms of the SPCL – IPSL ESOP - 2008.

On March 31, 2011, the Company issued 192,000 Equity Shares of Rs. 10 each at a premium of Rs. 4 per share in terms of the IPL ESOS 2009.

As a consequence of the above, as at March 31, 2011, the Issued, Subscribed and Paid-up-Equity Share Capital of the Company stands at Rs. 20,229,327,460 (2,022,932,746 equity shares of face value Rs. 10 each).

The utilization of proceeds of issue of shares by way of Initial Public Offering (IPO) of the Company is as under:

Particulars	Upto March 31, 2011		Year ended March 31, 2010	
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Gross proceeds of Issue raised through IPO during the year ended March 31,2010*		16,238,355,570		16,238,355,570
Less: Utilisation of proceeds				
Funding to part finance the construction and development of the Amravati Power Project - Phase I	5,487,922,480		2,353,333,127	
Funding equity contribution in the Company's wholly owned subsidiary, Indiabulls Realtech Limited, to part finance the construction and development of the Nashik Power Project – Phase I**	6,600,000,000		6,600,000,000	
General Corporate Purposes	1,448,513,570		157,947,581	
Share Issue Expenses	363,486,648	13,899,922,698	347,986,635	9,459,267,343
Balance amount being temporary utilisation of proceeds:		2,338,432,872		6,779,088,227

The above balance amount aggregating to Rs. 2,338,432,872 (Previous Year: Rs. 6,779,088,227) has been temporarily deployed in Mutual Fund investments and Deposit with Bombay Stock Exchange Limited amounting to Rs. 2,308,432,872

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

and Rs. 30,000,000 respectively. (Previous Year: Mutual Fund Investments, Fixed Deposits and Bank Balances amounting to Rs. 6,019,356,068 Rs. 745,633,350 and Rs. 14,098,809 respectively).

*Amount received from IPO includes Rs. 947,355,570 pursuant to exercise of the Green Shoe Option to the IPO.

** Includes Share application money pending allotment of Rs. 2,859,364,000 (Previous Year: Rs. 4,349,364,000)

v) Employees Stock Options Schemes :

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

a) Indiabulls Real Estate Limited Employees Stock Options Scheme – 2006:

During the period ended March 31, 2007, IBREL established the Indiabulls Real Estate Limited Employees Stock Options Scheme ("IBREL ESOS-I" or "Plan-I"). Under the Plan- I, IBREL issued 9,000,000 equity settled options to eligible employees and of its subsidiary Companies which gave them a right to subscribe upto 9,000,000 stock options representing an equal number of equity shares of face value of Rs. 2 each of IBREL at an exercise price of Rs. 60 per option, subject to the requirements of vesting. These options vest uniformly over a period of 10 years, commencing one year after from the date of grant. A Compensation Committee constituted by the Board of Directors of IBREL administers the Plan- I.

IBREL follows the Intrinsic Value method of accounting as prescribed under the Guidance Note on "Accounting for Employees Share Based Payments" issued by the Institute of Chartered Accountants of India. No Deferred Employee Stock Compensation Cost was initially recorded on the grant of options as the Intrinsic Value calculated by an independent valuer

was lower than the exercise price. Had IBREL followed the Fair value method, there would not had been any impact on the Profit After Tax of IBREL and on the Basic and Diluted Earnings per Share of IBREL as the fair value on the date of grant calculated by an independent valuer following binomial option pricing model was less than the exercise price.

b) Indiabulls Real Estate Limited Employees Stock Options Scheme 2008 (II):

During the year ended March 31, 2009, IBREL established the Indiabulls Real Estate Limited Employees Stock Options Scheme - 2008 (II) ("IBREL ESOS-II" or "Plan-II"). Under Plan II, IBREL issued equity settled options to its eligible employees and of its subsidiary companies to subscribe upto 2,000,000 stock options representing an equal number of equity shares of face value of Rs. 2 each in IBREL, at an exercise price of Rs. 110.50 per option, being the closing market price on the National Stock Exchange of India Limited, as at January 29, 2009.

The stock options so granted, shall vest in the eligible employees within 10 years beginning from January 31, 2010, the first vesting date. The stock options granted under each of the slabs, are exercisable by the option holders within a period of five years from the relevant vesting date.

IBREL follows the Intrinsic Value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share Based Payments ("Guidance Note"), issued by the Institute of Chartered Accountants of India. Since, on the date of grant, the intrinsic value of the options granted was equal to the exercise price, no deferred employee stock compensation cost has been recorded in the financial statements. The fair value of the options under Plan II using the Black-Scholes model, based on the following parameters, is Rs. 62.79 per option, as certified by an independent firm of Chartered Accountants.

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

Particulars	Plan – II
Exercise price (Rs. Per option)	Rs. 110.50
Expected volatility	86%
Expected forfeiture percentage on each vesting date	Nil
Option Life (Weighted Average)	10.5 Years
Expected Dividend yield	3.92%
Risk Free rate of Interest	6.50%

The expected volatility was determined based on historical volatility data of IBREL's shares listed on the National Stock Exchange of India Limited.

A summary of the movement, during the year, in various IBREL ESOS Plans is as below:

Particulars	IBREL ESOS-I	IBREL ESOS-II
Total Number of options under Scheme	9,000,000	2,000,000
Number of options outstanding as at April 1, 2010	7,676,000	2,000,000
Number of options granted during the year	-	-
Number of options forfeited/cancelled during the year	-	-
Number of options vested during the year	900,000	200,000
Number of options exercised during the year	574,500	128,500
Number of options expired during the year	-	-
Number of options outstanding as at March 31, 2011	7,101,500	1,871,500
Out of the outstanding options number of options exercisable as at March 31, 2011	1,701,500	271,500
Exercise Price (Rs. per option)	60.00	110.50
Remaining Contractual Life (Months)	85	104

c) Indiabulls Real Estate Limited Employees Stock Options Scheme 2010:

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

There is no impact on the profits after taxes and the basic and diluted earnings per share of the Company, on account of IBREL ESOS – I, IBREL ESOS – II, and IBREL ESOP 2010.

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

On January 10, 2008 the erstwhile IPSL, had established the IPSL ESOS Plan, under which, IPSL was authorised to issue upto 20,000,000 equity settled options at an exercise price of Rs. 10 per option to eligible employees. Employees covered by the plan were granted an option to purchase equity shares of IPSL subject

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

to the requirements of vesting. A Compensation Committee constituted by the Board of Directors of IPSL administered the plan. All these options were outstanding as at April 01, 2008.

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

Under SPCL – IPSL ESOP - 2008, IPL has issued 16,200,000 and 3,800,000 options at an exercise price of Rs. 10 and Rs. 26 per option on January 10, 2008 and September 15, 2008 respectively.

During the year 8,308,000 ESOPs were surrendered, and 1,045,000 options were issued at an exercise price of Rs. 27.80 per option on December 1, 2010 under the SPCL – IPSL ESOP - 2008 Scheme.

These options vest uniformly over a period of 10

years, commencing one year after from the date of grant. IPL follows the Intrinsic Value method of accounting as prescribed in the Guidance Note on Accounting for Employees Share Based Payments (“Guidance Note”), issued by the Institute of Chartered Accountants of India. There is no impact on the profits after taxes and the basic and diluted earnings per share of the Company, on account of SPCL – IPSL ESOP - 2008.

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

During the year 16,563,000 ESOPs were surrendered under the IPL ESOS 2009 Scheme.

The Fair values of the options under the plan SPCL – IPSL ESOP - 2008 and IPL ESOS 2009 using the binomial pricing model based on the following parameters, is Rs. Nil per option, as certified by an independent firm of Chartered Accountants. The fair value of the re-granted options under the SPCL – IPSL ESOP - 2008 plan is Rs. 8.81 per option as certified by an independent firm of Chartered Accountants.

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Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

S. No	Particulars	SPCL – IPSL ESOP - 2008			IPL ESOS 2009
		Grant on January 10, 2008	Grant on September 15, 2008	Re-grant on December 2, 2010	Grant on July 4, 2009
1	Exercise price (Rs. Per option)	Rs. 10.00	Rs. 26.00	Rs. 27.80	Rs. 14.00
2	Expected volatility	0%	0%	42%	0%
3	Expected forfeiture percentage on each vesting date	5%	5%	5%	5%
4	Option Life	1 through 10 years	1 through 10 years	1 through 10 years	1 through 10 years
5	Expected Dividend Yield	8%	8%	0%	6.50%
6	Risk Free rate of Interest	8%	8%	8.03%	6.50%

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

	As at March 31, 2011	
	SPCL – IPSL ESOP - 2008	IPL ESOS 2009
Total Options under the Scheme	20,000,000	20,000,000
Outstanding at the beginning of the year (Nos.)	18,355,800	20,000,000
Options surrendered / lapsed during the year	8,308,000	16,563,000
Options granted during the year (Nos.)	1,045,000	-
Exercise price for options granted on January 10, 2008	Rs. 10 per option	N.A.
Exercise price for options granted on September 15, 2008	Rs. 26 per option	N.A.
Exercise price for options granted on July 4, 2009	N.A.	Rs. 14 per option
Exercise price for options granted on December 2, 2010	Rs. 27.80 per option	N.A.
Options vested during the year (Nos.)	1,429,200	2,000,000
Exercised during the year (Nos.)	1,444,200	192,000
Vesting period and Percentage	Ten Years, 10% each year	Ten Years, 10% each year
Expired during the year (Nos.)	Nil	Nil
Options outstanding at the year end (Nos.)	9,648,600	3,245,000
Out of the above exercisable at year end (Nos.)	1,429,200	164,300
Options which are yet to be granted (Nos.)	7,463,000	16,563,000
Weighted average remaining contractual life (Months)	97	118

Fair Value Methodology:

As the IPL ESOS 2009 Plans were issued at a value higher than the fair value of the options on the date of the grant, there is no impact of the same on the net profit and earnings per share.

The SPCL – IPSL ESOP - 2008 (re-grant) were issued at the Intrinsic value of the options on the date of the grant. Had the compensation cost for the stock options granted under ESOP – 2008 (including re-grant) been

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

determined based on the fair value approach, the Company's net profit and earnings per share would have been as per the Proforma amounts indicated below:-

	(Amount in Rupees)	
	March 31, 2011	March 31, 2010
Net Profit available to Equity Share Holders (as reported)	96,642,307	377,242,830
Less : Stock-based compensation expense determined under fair value based method:[Gross Rs. 9,206,450 lacs (Previous Year: Rs. Nil)] (Proforma)	893,921	-
Net Profit available to Equity Share Holders (Proforma)	95,748,386	377,242,830
Basic earnings per share (as reported)	0.048	0.208
Basic earnings per share (Proforma)	0.047	0.208
Diluted earnings per share (as reported)	0.047	0.206
Diluted earnings per share (Proforma)	0.047	0.206

Indiabulls Employees' Welfare Trust:

During the year, pursuant to the approval accorded at the Extra ordinary General Meeting of the members of the Company held on September 30, 2010, the "Indiabulls Employees' Welfare Trust" (Trust) has been formed on October 04, 2010 with an initial Corpus of Rs. 50,000, contributed equally by the Company, IBREL and three other listed Settlor entities, to administer and implement the Company's current un-granted Employee Stock Option Schemes ("ESOP") and any future ESOP / Employee Stock Purchase Schemes. The Employees of the subsidiary Companies are also entitled to grant of ESOPs from the Trust. The Trust is administered by Independent Trustees. In terms of the Trust Deed, Equity shares of the Settlor entities are to be purchased by the Trust to the extent permissible in terms of the ESOP scheme as approved by the Members of the Settlor Companies for the purposes of allotment of the same to eligible employees of the Settlor Companies, upon exercise of options granted by the Compensation Committee of those companies, at a price to be determined by the Trust based on its carrying cost. During the year, there has been no new grants made by the Company which is required to be administered by the Trust [Refer Note II (xviii) of Schedule S].

vi) Secured Loans

Secured Loans aggregating Rs. 5,250,000,000 (Previous Year: Rs. Nil) are secured by first mortgage and charge on all immovable and movable assets, both present and future, of Amravati Phase I Project. The aforesaid loan is further secured by the pledge of 809,339,219 equity shares (40.01% of the total equity share capital) of the Company held by IBREL through execution of a Deed of Pledge amongst IBREL (Pledgor), IPL and Power Finance Corporation Limited. Additionally, IBREL is required by a Non-Disposal and Safety Net Arrangement Agreement not to dispose off equity shares held by it in the Company representing 11% of the total equity share capital of the Company.

Secured Loans aggregating Rs. 473,678,337 (Previous Year: Rs. Nil) are secured by way of lien on bank fixed deposits aggregating Rs. 510,415,000 (Previous Year: Rs. Nil) placed by the Company.

vii) Employee Benefits

Contributions are made to Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the eligible employees and the company make pre-determined contributions to the Provident Fund. The contributions are normally based upon a proportion of the employee's salary. The company has recognised in the Profit and Loss Account, an amount of Rs. 124,067 (Previous Year: Rs. 40,648) towards employer's contribution towards Provident Fund.

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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, 2011. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. After the issuance of the Accounting Standard (AS) 15 (Revised) on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit Method'. Gains and Losses on changes in actuarial assumptions are accounted for in the Profit and Loss Account / Expenditure During Construction Pending Capitalisation.

Disclosures as per Accounting Standard (AS) 15- Employee Benefits, as notified under the Companies (Accounting Standards) Rules, 2006, as amended in respect of Gratuity, Compensated Absences and Superannuation Benefits for the year ended March 31, 2011:

Particulars	(Amount in Rupees)					
	Gratuity (Unfunded)		Compensated Absences (Unfunded)		Superannuation Benefits (Unfunded)	
	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
Reconciliation of liability recognised in the Balance sheet:						
Present Value of commitments (as per Actuarial valuation)	10,677,957	6,303,827	7,655,606	4,580,527	N.A.	-
Fair value of plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Net liability in the Balance Sheet (as per Actuarial valuation)	10,677,957	6,303,827	7,655,606	4,580,527	N.A.	-
Movement in net liability recognised in the Balance Sheet:						
Net liability as at the beginning of the year	6,303,827	1,298,812	4,580,527	4,182,003	N.A.	57,414,250
Net amount recognised as expenses in the Profit and Loss account / in Expenditure During Construction Pending Capitalisation	4,374,130	5,370,980	3,075,079	3,267,070	N.A.	181,263
Amount Transferred to Subsidiary Company**	-	(365,965)	-	(2,868,546)	N.A.	(57,595,513)
Contribution during the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Net liability as at the end of the year	10,677,957	6,303,827	7,655,606	4,580,527	N.A.	-
Expenses recognised in the Profit and Loss Account / in Expenditure During Construction Pending Capitalisation						
Current service cost	3,712,905	2,057,261	3,771,113	2,089,564	N.A.	1,986,849
Past Service Cost	-	2,211,556	-	-	N.A.	-
Interest Cost	424,162	114,160	405,998	197,147	N.A.	1,076,517
Expected return on plan asset	-	-	-	-	-	-
Benefits Paid	- *	-	(33,076)*	-	N.A.	-
Actuarial (gains) / losses	237,063	988,003	(1,068,956)	980,359	N.A.	(2,882,103)
Amount Transferred to Subsidiary Company	-	(365,965)	-	(2,868,546)	N.A.	(57,595,513)
Expenses charged / (reversal) to the Profit and Loss Account / to Expenditure During Construction Pending Capitalisation	4,374,130	5,005,015	3,075,079	398,524	N.A.	181,263
Return on Plan assets:						
Expected return on Plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

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Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

(Amount in Rupees)

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)		Superannuation Benefits (Unfunded)	
	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Reconciliation of defined-benefit commitments:						
Commitments as at the beginning of the year	6,303,827	1,298,812	4,580,527	4,182,003	N.A.	57,414,250
Current service cost	3,712,905	2,057,261	3,771,113	2,089,564	N.A.	1,986,849
Past Service Cost	-	2,211,556	-	-	N.A.	-
Interest cost	424,162	114,160	405,998	197,147	-	1,076,517
Paid benefits	-*	-	(33,076)*	-	N.A.	-
Actuarial (gains) / losses	237,063	988,003	(1,068,956)	980,359	N.A.	(2,882,103)
Amount Transferred to Subsidiary Company**	-	(365,965)	-	(2,868,546)	N.A.	(57,595,513)
Commitments as at the end of the year	10,677,957	6,303,827	7,655,606	4,580,527	N.A.	-
Reconciliation of Plan assets:						
Plan assets as at the beginning of the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Contributions during the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Paid benefits	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Plan assets as at the end of the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Experience adjustment:						
On plan liabilities	(437,733)	(988,003)	880,781	(980,359)	N.A.	N.A.
On plan assets	-	-	-	-	N.A.	N.A.
Present value of benefit obligation	10,677,957	6,303,827	7,655,606	4,580,527	N.A.	N.A.
Fair value of plan assets	-	-	-	-	N.A.	N.A.
Excess of (obligation over plan assets) / plan assets over obligation	(10,677,957)	(6,303,827)	(7,655,606)	(4,580,527)	N.A.	N.A.

* Note: Amount paid directly by the company for Gratuity Rs. 79,509 and Compensated Absences Rs. 64,860.

** Liability transferred to Elena Power And Infrastructure Limited, a subsidiary of the company.

The actuarial valuation in respect of commitments and expenses relating to unfunded Gratuity, Compensated absences and Superannuation benefits (Pension and Medical Coverage upto March 31, 2010) are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

(a) Economic Assumptions

	March 31, 2011	March 31, 2010
Discount rate	8.00%	7.50%
Expected return on plan assets	N.A.	N.A.
Expected rate of salary increase	5.00%	5.00%

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

(b) Demographic Assumptions

	March 31, 2011	March 31, 2010
Retirement Age	60 Years	60 Years
Mortality Table	LIC (1994-96)	LIC (1994-96)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
- Upto 30 Years	3.00	3.00
- From 31 to 44 Years	2.00	2.00
- Above 44 Years	1.00	1.00

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. 4,606,994 (Previous Year: Rs. 3,620,108) and Rs. 2,004,937 (Previous Year: Rs. 1,645,501) respectively.

As this is the fourth year in which the AS-15 (Revised) – Employee Benefits, as notified under the Companies (Accounting Standards) Rules, 2006, as amended, has been applied, the amounts of the present value of the obligation, fair value of plan assets, surplus or deficit in the plan and experience adjustment arising on plan liabilities and plan assets for the previous years have been furnished to the extent available with the company.

- viii) Other Current Assets includes interest accrued but not due of Rs. 14,858,678 (Previous Year: Rs. 38,651,037) on fixed deposits pledged with banks.
- ix) Disclosures in respect of Accounting Standard – 18, Related Party Disclosures, as notified under the Companies (Accounting Standards) Rules, 2006, as amended:

Nature of relationship	Related party
Related parties where control exists:	
I. Holding Company	Indiabulls Real Estate Limited
Other related parties:	
II. Subsidiaries*	
Name of Subsidiary Companies	Name of Subsidiary Companies
Airmid Power Limited	Indiabulls Power Generation Company Limited
Albasta Power Limited **	Indiabulls Power Generation Limited
Albina Power Limited	Indiabulls Power Infrastructure Limited
Amravati Power Transmission Company Limited (formerly Poena Power Transmission Limited)	Indiabulls Power Management Limited
Angina Power Limited	Indiabulls Power Projects Development Limited
Apesh Power Limited	Indiabulls Power Projects Limited
Aravali Properties Limited	Indiabulls Power Solutions Limited
Ashkit Power Limited	Indiabulls Power Supply Limited
Bracond Limited	Indiabulls Power Systems Limited
Chloris Power Limited	Indiabulls Power Trading Limited
Citra Thermal Power and Infrastructure Limited	Indiabulls Power Transmission Limited
Corus Power Limited	Indiabulls Power Utility Limited
Devona Thermal Power and Infrastructure Limited	Indiabulls Powergen Limited
Diana Energy Limited	Indiabulls Realtech Limited
Diana Power Limited	Indiabulls Thermal Energy Limited

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

Name of Subsidiary Companies	Name of Subsidiary Companies
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
Galactic Ventures Limited**	Indiabulls Thermal Projects Limited
Geneformus Limited	Indiabulls Water Supply & Waste Management Services Limited***
Hecate Electric Limited	Kaya Hydropower Projects Limited
Hecate Energy Private Limited	Lenus Power Limited
Hecate Energy Trading Limited	Lucina Power And Infrastructure Limited
Hecate Hydro Electric Power Limited	Mabon Power Limited
Hecate Power and Energy Resources Limited	Mariana Power Limited
Hecate Power Company Limited	Pachi Hydropower Projects Limited
Hecate Power Development Limited	Papu Hydropower Projects Limited
Hecate Power Distributors Limited	Poana Power Systems Limited
Hecate Power Generation Limited	Poena Hydro Power Projects Limited
Hecate Power Limited	Poena Power Company Limited
Hecate Power Management Limited	Poena Power Development Limited
Hecate Power Projects Limited	Poena Power Distributors Limited
Hecate Power Services Limited	Poena Power Generation Limited
Hecate Power Solutions Limited	Poena Power Limited
Hecate Power Supply Limited	Poena Power Management Limited
Hecate Power Systems Limited	Poena Power Services Limited
Hecate Power Transmission Limited	Poena Power Solutions Limited
Hecate Power Utility Limited	Poena Power Supply 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	

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

** upto March 31, 2010

*** with effect from April 01, 2010

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

III. Subsidiaries /Associates of Holding Company*:

Airmid Aviation Services Private Limited
Indiabulls Real Estate Company Private Limited

*with whom transactions have been entered into during the year

IV. Companies Promoted by the Promoters of IBREL*:

Azalea Infrastructure Private Limited
Gloxinia Infrastructure Private Limited
Jarul Infrastructure Private Limited
Alona Infrastructure Private Limited
Indiabulls Infrastructure Company Limited

*with whom transactions have been entered into during the year

V. Key Management Personnel

Name	Designation
Mr. Sameer Gehlaut	Director and Chairman of the Company and Holding Company
Mr. Rajiv Rattan	Whole time Director and Vice Chairman of the Company and Director and Vice Chairman of Holding Company.
Mr. Saurabh K. Mittal	Director and Vice Chairman of the Company and Holding Company
Mr. Narendra Gehlaut	Joint Managing Director of Holding Company – Person exercising significant influence
Mr. Vipul D. Bansal	Joint Managing Director of Holding Company – Person exercising significant influence
Mr. Ranjit Gupta	Chief Executive Officer of the Company
Mr. Sanjay Nagrare	Manager of the Company

VI. Summary of Significant Transactions with Related Parties:

(Amount in Rupees)

Nature of Transactions	Year ended	Holding Company	Subsidiaries / Associates of Holding Company	Subsidiaries	Companies Promoted by the Promoters of IBREL	Key Management Personnel	Total
Finance							
Issue of Share Capital	31-Mar-11	-	-	-	-	-	-
	31-Mar-10	5,925,000,000	-	-	-	-	5,925,000,000
Investment in Equity Shares	31-Mar-11	-	-	1,692,000,000	-	-	1,692,000,000
	31-Mar-10	-	-	2,809,010,000	-	-	2,809,010,000
Issue of Share Warrants	31-Mar-11	-	-	-	3,045,000,000	-	3,045,000,000
	31-Mar-10	-	-	-	-	-	-
Sale of Investment in Equity Shares of Subsidiary Company	31-Mar-11	-	-	500,000	-	-	500,000
	31-Mar-10	-	-	-	-	-	-
Loan Taken / Inter Corporate Deposit Received*	31-Mar-11	-	-	210,100,000	-	-	210,100,000
	31-Mar-10	-	-	-	-	-	-

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

VI. Summary of Significant Transactions with Related Parties (Contd.):

(Amount in Rupees)

Nature of Transactions	Year ended	Holding Company	Subsidiaries / Associates of Holding Company	Subsidiaries	Companies Promoted by the Promoters of IBREL	Key Management Personnel	Total
Loan Given / Inter Corporate Deposit Placed*	31-Mar-11	-	-	23,174,989,046	-	-	23,174,989,046
	31-Mar-10	-	-	18,878,477,971	-	-	18,878,477,971
Expenses							
Interest on Loan Taken / Inter Corporate Deposit Received	31-Mar-11	-	-	2,417,063	-	-	2,417,063
	31-Mar-10	-	-	-	-	-	-
Travelling Expenses	31-Mar-11	-	58,998,746	-	-	-	58,998,746
	31-Mar-10	-	52,391,435	-	-	-	52,391,435
Rent	31-Mar-11	-	130,619,511	-	-	-	130,619,511
	31-Mar-10	-	-	-	-	-	-
Reimbursement of General expenses received	31-Mar-11	7,488,020	-	11,083,060	202,820	-	18,773,900
	31-Mar-10	318,290	-	41,633,227	-	-	41,951,517
Reimbursement of Personnel Costs received	31-Mar-11	13,777,991	-	43,148,055	-	-	56,926,046
	31-Mar-10	-	-	-	-	-	-
Reimbursement of Personnel Costs made	31-Mar-11	-	-	9,008,523	-	-	9,008,523
	31-Mar-10	-	-	-	-	-	-
Reimbursement of Expenses made	31-Mar-11	135,000	-	28,624	-	-	163,624
	31-Mar-10	57,586,846	-	62,159,728	-	-	119,746,574
Remuneration	31-Mar-11	-	-	-	-	10,833,331	10,833,331
	31-Mar-10	-	-	-	-	11,290,744	11,290,744
Income							
Interest on Loan Given / Inter Corporate Deposit Placed	31-Mar-11	-	-	61,644,219	-	-	61,644,219
	31-Mar-10	-	-	18,539,688	-	-	18,539,688
Other Operating Income	31-Mar-11	-	-	7,500,000	-	-	7,500,000
	31-Mar-10	-	-	8,000,000	-	-	8,000,000
Others							
Capital Work-in-Progress (including Capital Advances)	31-Mar-11	-	-	8,971,803,590	1,255,662,634	-	10,227,466,224
	31-Mar-10	-	-	1,989,780,773	-	-	1,989,780,773
Advance / Security Deposit to Vendor	31-Mar-11	-	202,783,602	131,200,000	754,395,665	-	1,088,379,267
	31-Mar-10	-	2,025,000,000	237,352,500	-	-	2,262,352,500
Share Application Money Pending Allotment	31-Mar-11	-	-	-	-	-	-
	31-Mar-10	-	-	4,349,364,000	-	-	4,349,364,000
Bank Guarantees	31-Mar-11	Refer Note II (iii) of Schedule S	-	Refer Note II (iii) of Schedule S	-	-	-
	31-Mar-10	Refer Note II (iii) of Schedule S	-	Refer Note II (iii) of Schedule S	-	-	-

* Maximum Outstanding balance at any time during the year.

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

VII Summary of Outstanding Balances as at March 31, 2011:

(Amount in Rupees)

Nature of Transactions	Year ended	Subsidiaries / Associates of Holding Company	Subsidiaries	Companies Promoted by the Promoters of IBREL	Fellow Subsidiaries	Total
Loan Taken / Inter Corporate Deposit Received	31-Mar-11	-	210,100,000	-	-	210,100,000
	31-Mar-10	-	-	-	-	-
Loan Given / Inter Corporate Deposit Placed	31-Mar-11	-	11,791,723,341	-	-	11,791,723,341
	31-Mar-10	-	12,474,010,971	-	-	12,474,010,971
Accrued Interest Income from Loan Given / Inter Corporate Deposit Placed	31-Mar-11	-	42,111,117	-	-	42,111,117
	31-Mar-10	-	33,897,828	-	-	33,897,828
Travelling Expenses payable	31-Mar-11	8,252,365	-	-	-	8,252,365
	31-Mar-10	9,608,390	-	-	-	9,608,390
Share Application Money Pending Allotment	31-Mar-11	-	2,859,364,000	-	-	2,859,364,000
	31-Mar-10	-	4,349,364,000	-	-	4,349,364,000
Debtors	31-Mar-11	-	-	-	-	-
	31-Mar-10	-	992,700	-	-	992,700
Capital Work-in-Progress (including Capital Advances)	31-Mar-11	-	5,611,937,426	745,097,341	-	6,357,034,767
	31-Mar-10	-	1,981,448,000	-	-	1,981,448,000
Advance / Security Deposit to Vendors	31-Mar-11	2,227,783,602	131,200,000	-	-	2,358,983,602
	31-Mar-10	2,025,000,000	237,352,500	-	-	2,262,352,500
Civil Construction Expenses	31-Mar-11	-	1,100,683,906	-	-	1,100,683,906
	31-Mar-10	-	3,864,195	-	-	3,864,195

VIII. Outstanding Balance as at March 31, 2011 (Other than Loans Given / Inter Corporate Deposits Placed):

(Amount in Rupees)

Name of Related Party	Year ended	Accrued Income on Loan Given / Inter Corporate Deposit Placed	Traveling Expenses Payable	Share Application Money Pending Allotment	Debtors	Capital Work-in-Progress (Including Capital Advances)	Advance / Security Deposit to Vendor	Civil Construction Expenses
Subsidiaries								
Elena Power And Infrastructure Limited	31-Mar-11	-	-	-	-	5,611,937,426	-	1,100,683,906
	31-Mar-10	-	-	-	-	1,981,448,000	237,352,500	3,864,195
Bracond Limited	31-Mar-11	41,837,601	-	-	-	-	-	-
	31-Mar-10	33,460,313	-	-	-	-	-	-
Devona Thermal Power And Infrastructure Limited	31-Mar-11	-	-	-	-	-	-	-
	31-Mar-10	311,082	-	-	-	-	-	-

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

VIII. Outstanding Balance as at March 31, 2011 (Other than Loans Given / Inter Corporate Deposits Placed) (Contd.):

(Amount in Rupees)

Name of Related Party	Year ended	Accrued Income on Loan Given / Inter Corporate Deposit Placed	Traveling Expenses Payable	Share Application Money Pending Allotment	Debtors	Capital Work-in-Progress (Including Capital Advances)	Advance / Security Deposit to Vendor	Civil Construction Expenses
Indiabulls Realtech Limited	31-Mar-11	-	-	2,859,364,000	-	-	-	-
	31-Mar-10	-	-	4,349,364,000	-	-	-	-
Hecate Thermal Power And Infrastructure Limited	31-Mar-11	93,542	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-
Albasta Power Limited	31-Mar-11	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	992,700	-	-	-
Amravati Power Transmission Limited (Formerly Poena Power Transmission Limited)	31-Mar-11	-	-	-	-	-	131,200,000	-
	31-Mar-10	-	-	-	-	-	-	-
Hecate Power Utility Limited	31-Mar-11	111,509	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-
Indiabulls Power Generation Limited	31-Mar-11	43,495	-	-	-	-	-	-
	31-Mar-10	118,356	-	-	-	-	-	-
Hecate Power Transmission Limited	31-Mar-11	24,970	-	-	-	-	-	-
	31-Mar-10	8,077	-	-	-	-	-	-
Subsidiaries / Associates of Holding Company								
Airmid Aviation Services Private Limited	31-Mar-11	-	8,252,365	-	-	-	2,067,000,000	-
	31-Mar-10	-	9,608,390	-	-	-	2,025,000,000	-
Indiabulls Real Estate Company Private Limited	31-Mar-11	-	-	-	-	-	160,783,602	-
	31-Mar-10	-	-	-	-	-	-	-
Companies Promoted by the Promoters of IBREL								
Indiabulls Infrastructure Company Limited	31-Mar-11	-	-	-	-	745,097,341	-	-
	31-Mar-10	-	-	-	-	-	-	-
Total	31-Mar-11	42,111,117	8,252,365	2,859,364,000	-	6,357,034,767	2,358,983,602	1,100,683,906
	31-Mar-10	33,897,828	9,608,390	4,349,364,000	992,700	1,981,448,000	2,262,352,500	3,864,195

Note: Related Party relationships as given above is as identified by the company and relied upon by the Auditors.

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

IX. Statement of Material Transactions

- a) In respect of Share Capital, Investment in Equity Shares, Issue of Share Warrants, Loan Taken/Inter Corporate Deposit Received (Maximum Outstanding Balances) and interest thereon, Loans Given /Inter Corporate Deposits placed (Maximum Outstanding Balances) and interest thereon, Outstanding Balances of Loans Given /Inter Corporate Deposits placed as at March 31, 2011, Reimbursement of Personnel Costs, received, Reimbursement of Personnel Costs made, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	Issue of Share Warrants	Loan Taken / Inter Corporate Deposit Received (Maximum Outstanding Balances)	Loan Given / Inter Corporate Deposit Placed (Maximum Outstanding Balances)	Interest on Loan Taken / Inter Corporate Deposit Received	Interest Income from Loan Given / Inter Corporate Deposit Placed	Outstanding Balances of Loan Given / Inter Corporate Deposit Placed (Given)	Reimbursement of Personnel Costs received	Reimbursement of Personnel Costs made	Reimbursement of General expenses received	Reimbursement of Expenses made	(Amount in Rupees)	
Holding Company															
Indiabulls Real Estate Limited	31-Mar-11	-	-	-	-	-	-	-	-	13,777,991	-	7,488,020	135,000		
31-Mar-10	5,925,000,000	-	-	-	-	-	-	-	-	-	-	318,290	57,586,846		
Subsidiaries															
Airmid Power Limited	31-Mar-11	-	-	-	-	2,635,031	-	-	2,635,031	-	-	-	-	-	-
31-Mar-10	-	-	-	-	-	2,164,031	-	-	2,164,031	-	-	-	-	-	-
Albasta Power Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	92,082	-	-	-
Albina Power Limited	31-Mar-11	-	-	-	-	300,000	-	-	-	-	-	-	-	-	-
31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	300	-	-	-
Amravati Power Transmission Company Limited (formerly Poena Power Transmission Limited)	31-Mar-11	-	-	-	-	-	-	-	-	-	-	3,488	-	-	-
31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Angina Power Limited	31-Mar-11	-	-	-	-	15,000	-	-	-	-	-	-	-	-	-
31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Aravali Properties Limited	31-Mar-11	-	-	-	-	3,391,500	-	-	3,391,500	-	-	-	-	-	-
31-Mar-10	-	-	-	-	-	4,180,500	-	-	3,325,500	-	-	24,158	-	-	-
Ashkit Power Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	3,470	-	-	-
Bracond Limited	31-Mar-11	-	-	-	-	1,019,000,000	-	8,921,130	893,000,000	-	-	-	-	-	-
31-Mar-10	-	-	-	-	-	1,019,000,000	-	15,473,175	902,800,000	-	-	-	-	-	-
Chloris Power Limited	31-Mar-11	-	-	-	-	15,000	-	-	-	-	-	-	-	-	-
31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Citra Thermal Power And Infrastructure Limited	31-Mar-11	-	-	-	-	1,504,074	-	-	1,504,074	-	-	-	-	-	-
31-Mar-10	-	-	-	-	-	1,484,074	-	-	1,484,074	-	-	2,558	-	-	-
Corus Power Limited	31-Mar-11	-	-	-	-	15,000	-	-	-	-	-	-	-	-	-
31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

IX. Statement of Material Transactions (Contd.)

a) In respect of Share Capital, Investment in Equity Shares, Issue of Share Warrants, Loan Taken/Inter Corporate Deposit Received (Maximum Outstanding Balances) and interest thereon, Loans Given /Inter Corporate Deposits placed (Maximum Outstanding Balances) and interest thereon, Outstanding Balances of Loans Given /Inter Corporate Deposits placed as at March 31, 2011, Reimbursement of Personnel Costs, received, Reimbursement of Personnel Costs made, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	Issue of Share Warrants	Loan Taken / Inter Corporate Deposit Received (Maximum Outstanding Balances)	Loan Given / Inter Corporate Deposit Placed (Maximum Outstanding Balances)	Interest on Loan Taken / Inter Corporate Deposit Received	Interest Income from Loan Given / Inter Corporate Deposit Placed	Outstanding Balances of Loan Given / Inter Corporate Deposit Placed (Given)	Reimbursement of Personnel Costs received	Reimbursement of Personnel Costs made	Reimbursement of General expenses received	Reimbursement of General Expenses made	(Amount: in Rupees)	
Devona Thermal Power and Infrastructure Limited	31-Mar-11	-	-	-	-	8,322,802	-	-	8,322,802	-	-	-	-	-	-
Diana Energy Limited	31-Mar-10	-	-	-	-	7,961,802	-	565,401	7,961,802	-	-	275,332	-	-	-
Elena Power and Infrastructure Limited	31-Mar-11	-	-	-	-	21,000	-	223	-	-	-	-	-	-	-
Fama Power Company Limited	31-Mar-10	-	-	-	-	500,000	-	1,726	-	-	-	10,837	-	-	-
Hecate Hydro Electric Power Limited	31-Mar-11	-	-	-	-	7,744,078,000	-	-	5,207,600,000	-	9,008,523	160,524	-	-	-
Hecate Power & Energy Resources Limited	31-Mar-10	-	49,500,000	-	-	9,433,578,000	-	-	7,744,078,000	-	-	79,687	60,830,024	-	-
Hecate Power Company Limited	31-Mar-11	-	-	-	-	470,000	-	-	470,000	-	-	-	-	-	-
Hecate Power Generation Limited	31-Mar-10	-	-	-	-	470,000	-	-	470,000	-	-	-	-	-	-
Hecate Power Solutions Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	7,000	-	-	-
Hecate Power Systems Limited	31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hecate Power Systems Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hecate Power Systems Limited	31-Mar-10	-	-	-	-	100,000	-	-	-	-	-	11,921	-	-	-
Hecate Power Systems Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hecate Power Systems Limited	31-Mar-10	-	-	-	-	1,625,000	-	-	-	-	-	300	-	-	-
Hecate Power Systems Limited	31-Mar-11	-	-	-	-	50,000	-	-	50,000	-	-	-	-	-	-
Hecate Power Systems Limited	31-Mar-10	-	-	-	-	500,000	-	-	50,000	-	-	-	-	-	-
Hecate Power Systems Limited	31-Mar-11	-	-	-	-	50,000	-	-	50,000	-	-	-	-	-	-
Hecate Power Systems Limited	31-Mar-10	-	-	-	-	500,000	-	-	50,000	-	-	-	-	-	-
Hecate Power Systems Limited	31-Mar-11	-	-	-	-	50,000	-	-	50,000	-	-	-	-	-	-
Hecate Power Systems Limited	31-Mar-10	-	-	-	-	500,000	-	-	50,000	-	-	500,000	-	-	-
Hecate Power Systems Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hecate Power Systems Limited	31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hecate Power Systems Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hecate Power Systems Limited	31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

IX. Statement of Material Transactions (Contd.)

a) In respect of Share Capital, Investment in Equity Shares, Issue of Share Warrants, Loan Taken/Inter Corporate Deposit Received (Maximum Outstanding Balances) and interest thereon, Loans Given /Inter Corporate Deposits placed (Maximum Outstanding Balances) and interest thereon, Outstanding Balances of Loans Given /Inter Corporate Deposits placed as at March 31, 2011, Reimbursement of Personnel Costs, received, Reimbursement of Personnel Costs made, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	Issue of Share Warrants	Loan Taken / Inter Corporate Deposit Received (Maximum Outstanding Balances)	Loan Given / Inter Corporate Deposit Placed (Maximum Outstanding Balances)	Interest on Loan Taken / Inter Corporate Deposit Received	Interest Income from Loan Given / Inter Corporate Deposit Placed	Outstanding Balances of Loan Given / Inter Corporate Deposit Placed (Given)	Reimbursement of Personnel Costs made	Reimbursement of General expenses received	Reimbursement of Expenses made	(Amount in Rupees)	
Hecate Power Transmission Limited	31-Mar-11	-	-	-	-	476,000	-	27,745	476,000	-	-	-	-	-
	31-Mar-10	-	-	-	-	750,000	-	8,975	300,000	-	-	-	-	-
Hecate Power Utility Limited	31-Mar-11	-	-	-	-	1,450,000,000	-	28,646,091	2,855,000	-	-	-	-	-
	31-Mar-10	-	-	-	-	720,000,000	-	2,358,904	-	-	146	-	-	-
Hecate Thermal Power And Infrastructure Limited	31-Mar-11	-	-	-	-	1,550,000,000	-	24,008,787	2,395,000	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-
Indiabulls CSEB Bhatiyathan Power Limited	31-Mar-11	-	-	-	-	6,512,548,932	-	-	787,138,727	26,400,715	369,178	3,624	-	-
	31-Mar-10	-	-	-	-	5,672,242,932	-	-	2,740,964,932	-	1,013,619	136,502	-	-
Indiabulls Electric Energy Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-	-	21,768	-	-	-
Indiabulls Electric Power Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-	-	500	-	-	-
Indiabulls Electricity Company Limited	31-Mar-11	-	-	-	-	1,054,000	-	-	1,054,000	-	-	-	-	-
	31-Mar-10	-	-	-	-	1,042,000	-	-	1,042,000	-	20,911	-	-	-
Indiabulls Hydro Energy Limited	31-Mar-11	-	-	-	-	704,500	-	-	704,500	-	-	-	-	-
	31-Mar-10	-	-	-	-	692,500	-	-	692,500	-	-	-	-	-
Indiabulls Power Limited	31-Mar-11	-	-	-	-	1,703,000	-	-	1,703,000	-	-	-	-	-
	31-Mar-10	-	-	-	-	1,687,000	-	-	1,687,000	-	4,579	-	-	-
Indiabulls Power Distribution Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-	-	209,640	-	-	-
Indiabulls Power Generation Company Limited	31-Mar-11	-	-	-	-	15,000	-	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

IX. Statement of Material Transactions (Contd.)

a) In respect of Share Capital, Investment in Equity Shares, Issue of Share Warrants, Loan Taken/Inter Corporate Deposits Received (Maximum Outstanding Balances) and interest thereon, Loans Given /Inter Corporate Deposits placed (Maximum Outstanding Balances) and interest thereon, Outstanding Balances of Loans Given /Inter Corporate Deposits placed as at March 31, 2011, Reimbursement of Personnel Costs, received, Reimbursement of Personnel Costs made, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	Issue of Share Warrants	Loan Taken / Inter Corporate Deposits Received (Maximum Outstanding Balances)	Loan Given / Inter Corporate Deposits Placed (Maximum Outstanding Balances)	Interest on Loan Taken / Inter Corporate Deposits Received	Interest Income from Loan Given / Inter Corporate Deposits Placed	Outstanding Balances of Loan Given / Inter Corporate Deposits Placed (Given)	Reimbursement of Personnel Costs received	Reimbursement of Personnel Costs made	Reimbursement of General expenses received	Reimbursement of General Expenses made
Indiabulls Power Generation Limited	31-Mar-11	-	-	-	-	1,260,000	-	40,243	1,260,000	-	-	-	-
Indiabulls Power Generation Limited	31-Mar-10	-	-	-	-	200,000,000	-	131,507	-	-	-	1,030,609	1,051,750
Indiabulls Power Infrastructure Limited	31-Mar-11	-	-	-	-	4,081,054	-	-	4,081,054	-	-	-	-
Indiabulls Power Infrastructure Limited	31-Mar-10	-	-	-	-	4,064,054	-	-	4,064,054	-	-	1,360	-
Indiabulls Power Solutions Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-
Indiabulls Power Solutions Limited	31-Mar-10	-	-	-	-	-	-	-	-	-	-	242	-
Indiabulls Power Supply Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-
Indiabulls Power Supply Limited	31-Mar-10	-	-	-	-	-	-	-	-	-	-	242	-
Indiabulls Power Systems Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-
Indiabulls Power Systems Limited	31-Mar-10	-	-	-	-	-	-	-	-	-	-	242	-
Indiabulls Power Trading Limited	31-Mar-11	-	-	-	-	6,000	-	-	-	-	-	-	-
Indiabulls Power Trading Limited	31-Mar-10	-	-	-	-	-	-	-	-	-	-	259,870	-
Indiabulls Power Transmission Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-
Indiabulls Power Transmission Limited	31-Mar-10	-	10,000	-	-	-	-	-	-	-	-	-	-
Indiabulls Power Generation Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	500	-
Indiabulls Power Generation Limited	31-Mar-10	-	-	-	-	-	-	-	-	-	-	9,355,904	25,000
Indiabulls Power Generation Limited	31-Mar-11	-	1,490,000,000	-	-	4,223,468,617	-	-	4,223,468,617	-	-	-	-
Indiabulls Power Generation Limited	31-Mar-10	-	2,759,500,000	-	-	1,742,799,542	-	-	1,000,490,542	-	-	37,696,051	21,452
Indiabulls Thermal Projects Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-
Indiabulls Thermal Projects Limited	31-Mar-10	-	-	-	-	-	-	-	-	-	-	21,778	-
Kaya Hydro-power Projects Limited	31-Mar-11	-	-	-	-	8,782,929	-	-	8,782,929	-	-	-	-
Kaya Hydro-power Projects Limited	31-Mar-10	-	-	-	-	8,782,929	-	-	8,782,929	-	-	28,761	-
Lenus Power Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-
Lenus Power Limited	31-Mar-10	-	-	-	-	-	-	-	-	-	-	300	-

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

IX. Statement of Material Transactions (Contd.)

- a) In respect of Share Capital, Investment in Equity Shares, Issue of Share Warrants, Loan Taken/Inter Corporate Deposit Received (Maximum Outstanding Balances) and interest thereon, Loans Given /Inter Corporate Deposits placed (Maximum Outstanding Balances) and interest thereon, Outstanding Balances of Loans Given /Inter Corporate Deposits placed as at March 31, 2011, Reimbursement of Personnel Costs, received, Reimbursement of Personnel Costs made, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	Issue of Share Warrants	Loan Taken / Inter Corporate Rate Deposit Received (Maximum Outstanding Balances)	Loan Given / Inter Corporate Deposit Placed (Maximum Outstanding Balances)	Interest on Loan Taken / Inter Corporate Deposit Received	Interest Income from Loan Given / Inter Corporate Deposit Placed	Outstanding Balances of Loan Given / Inter Corporate Deposit Placed (Given)	Reimbursement of Personnel Costs received	Reimbursement of Personnel Costs made	Reimbursement of General expenses received	Reimbursement of General Expenses made	(Amount in Rupees)	
Lucina Power and Infrastructure Limited	31-Mar-11	-	-	-	-	800,000	-	-	800,000	-	-	-	-	-	-
Mabon Power Limited	31-Mar-10	-	-	-	-	1,650,000	-	-	800,000	-	-	149,402	-	120,000	-
Pachi Hydro-power Projects Limited	31-Mar-11	-	-	-	-	20,935,335	-	-	20,935,335	-	-	300	-	-	-
Papu Hydro-power Projects Limited	31-Mar-10	-	-	-	-	20,903,335	-	-	20,903,335	-	-	32,147	-	-	-
Poana Power Systems Limited	31-Mar-11	-	-	-	-	16,317,210	-	-	16,317,210	-	-	-	-	-	-
Poena Power Company Limited	31-Mar-10	-	-	-	-	15,996,210	-	-	15,996,210	-	-	130,740	-	-	-
Poena Power Development Limited	31-Mar-10	-	-	-	-	1,000,000	-	-	1,000,000	-	-	1,000,000	-	-	-
Poena Power Limited	31-Mar-11	-	-	-	-	2,000	-	-	-	-	-	-	-	-	-
Sinnar Power Transmission Company Limited	31-Mar-10	-	-	-	-	585,565,000	-	-	585,565,000	16,747,340	-	181,207	-	-	-
Poena Power Supply Limited	31-Mar-11	-	-	-	-	50,000	-	-	50,000	-	-	-	-	-	-
Sentia Thermal Power And Infrastructure Limited	31-Mar-10	-	-	-	-	56,000	-	-	-	-	-	666	-	-	-
Sepla Hydro-power Projects Limited	31-Mar-10	-	-	-	-	7,488,923	-	-	7,488,923	-	-	11	-	-	-
	31-Mar-11	-	202,000,000	-	210,100,000	-	2,417,063	-	-	-	-	5,093	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-11	-	-	-	-	56,000	-	-	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-11	-	-	-	-	7,488,923	-	-	7,488,923	-	-	2,211	-	-	-
	31-Mar-10	-	-	-	-	7,422,923	-	-	7,422,923	-	-	-	-	-	-

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

IX. Statement of Material Transactions (Contd.)

a) In respect of Share Capital, Investment in Equity Shares, Issue of Share Warrants, Loan Taken/Inter Corporate Deposit Received (Maximum Outstanding Balances) and interest thereon, Loans Given /Inter Corporate Deposits placed (Maximum Outstanding Balances) and interest thereon, Outstanding Balances of Loans Given /Inter Corporate Deposits placed as at March 31, 2011, Reimbursement of Personnel Costs, received, Reimbursement of Personnel Costs made, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	Issue of Share Warrants	Loan Taken / Inter Corporate rate Deposit Received (Maximum Outstanding Balances)	Loan Given / Inter Corporate Deposit Placed (Maximum Outstanding Balances)	Interest on Loan Taken / Inter Corporate Deposit Received	Interest Income from Loan Given / Inter Corporate rate Deposit Placed	Outstanding Balances of Loan Given / Inter Corporate Deposit Placed (Given)	Reimbursement of Personnel Costs received	Reimbursement of Personnel Costs made	Reimbursement of General expenses received	Reimbursement of Expenses made	(Amount in Rupees)		
Sespet Thermal Power And Infrastructure Limited	31-Mar-11	-	-	-	-	56,000	-	-	-	-	-	-	-	-	-	-
Serida Power Limited	31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TharangWarang Hydropower Projects Limited	31-Mar-11	-	-	-	-	21,000	-	-	-	-	-	-	-	-	-	-
Triton Energy Limited	31-Mar-10	-	-	-	-	8,088,139	-	-	8,088,139	-	-	-	-	-	-	-
Varali Power Limited	31-Mar-11	-	-	-	-	8,082,139	-	-	8,082,139	-	-	-	-	-	-	-
Zeus Energy Limited	31-Mar-10	-	-	-	-	66,000	-	-	66,000	-	-	-	-	-	-	-
	31-Mar-11	-	-	-	-	21,000	-	-	15,500	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	455,000	-	-	455,000	-	-	-	-	-	-	-
	31-Mar-11	-	-	-	-	399,000	-	-	399,000	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Companies Promoted by the Promoters of IBREL																
Azalea Infrastructure Private Limited	31-Mar-11	-	-	1,087,500,000	-	-	-	-	-	-	-	-	-	-	-	-
Gloxinia Infrastructure Private Limited	31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Janul Infrastructure Private Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Alona Infrastructure Private Limited	31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Indiabulls Infrastructure Company Limited	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	31-Mar-11	5,925,000,000	1,692,000,000	3,045,000,000	210,100,000	23,174,989,046	2,417,063	61,644,219	11,791,723,341	56,926,046	9,008,523	18,773,900	163,624	41,951,517	119,746,574	
	31-Mar-10	-	2,809,010,000	-	-	18,878,477,971	-	18,539,888	12,474,010,971	-	-	-	-	-	-	-

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

IX. Statement of Material Transactions

b) In respect of Capital Work-in-Progress (including Capital Advances), Sale of Investment in Equity Shares of Subsidiary Company, Travelling Expenses, Rent, Advance / Security Deposit to Vendor, Other Operating Income, Remuneration and Share Application Money Pending Allotment

Name of Related Party	Year ended	Capital Work-in-Progress (Including Capital Advances)	Sale of Investment In Equity Shares of Subsidiary Company	Travelling Expenses	Rent	Advance / Security Deposit to Vendor	Other Operating Income	Remuneration	Share Application Money Pending Allotment
(Amount in Rupees)									
Subsidiaries									
Elena Power And Infrastructure Limited	31-Mar-11	8,971,803,590	-	-	-	-	-	-	-
	31-Mar-10	1,989,780,773	-	-	-	237,352,500	-	-	-
Indiabulls CSEB Bhayathalan Power Limited	31-Mar-11	-	-	-	-	-	1,000,000	-	-
	31-Mar-10	-	-	-	-	-	3,500,000	-	-
Indiabulls Realtech Limited	31-Mar-11	-	500,000	-	-	-	5,000,000	-	-
	31-Mar-10	-	-	-	-	-	3,500,000	-	4,349,364,000
Albasta Power Limited	31-Mar-11	-	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	1,000,000	-	-
Anravati Power Transmission Company Limited (formerly Poena Power Transmission Limited)	31-Mar-11	-	-	-	-	131,200,000	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-
Poena Power Development Limited	31-Mar-11	-	-	-	-	-	1,500,000	-	-
	31-Mar-10	-	-	-	-	-	-	-	-
Subsidiaries / Associates of Holding Company									
Airmid Aviation Services Private Limited	31-Mar-11	-	-	58,998,746	-	42,000,000	-	-	-
	31-Mar-10	-	-	52,391,435	-	2,025,000,000	-	-	-
Indiabulls Real Estate Company Private Limited	31-Mar-11	-	-	-	130,619,511	160,783,602	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-
Companies Promoted by Promoters of IBREL									
Indiabulls Infrastructure Company Limited	31-Mar-11	1,255,662,634	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	-	-

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

IX. Statement of Material Transactions (Contd.)

b) In respect of Capital Work-in-Progress (including Capital Advances), Sale of Investment in Equity Shares of Subsidiary Company, Travelling Expenses, Rent, Advance / Security Deposit to Vendor, Other Operating Income, Remuneration and Share Application Money Pending Allotment

Name of Related Party	Year ended	Capital Work-in-Progress (Including Capital Advances)	Sale of Investment In Equity Shares of Subsidiary Company	Traveling Expenses	Rent	Advance / Security Deposit to Vendor	Other Operating Income	Remuneration	Share Application Money Pending Allotment
Key Management Personnel									
Rajiv Rattan	31-Mar-11	-	-	-	-	-	-	-	-
	31-Mar-10	-	-	-	-	-	-	11,290,744	-
Ranjit Gupta	31-Mar-11	-	-	-	-	-	-	10,833,331	-
	31-Mar-10	-	-	-	-	-	-	-	-
Total	31-Mar-11	10,227,466,224	500,000	58,998,746	130,619,511	333,983,602	7,500,000	10,833,331	-
	31-Mar-10	1,989,780,773	-	52,391,435	-	2,262,352,500	8,000,000	11,290,744	4,349,364,000

Note: The above table does not include investment in shares acquired pursuant to Scheme of Amalgamation of Indiabulls Power Services Limited with the Company with effect from April 1, 2008.

Note : Related Party relationships as given above is as identified by the company and relied upon by the Auditors.

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

x) Earnings Per Share (EPS):

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

Dilutive potential equity shares are deemed converted to equity shares at the beginning of the year, unless they have been issued at a later date during the year. The number of equity shares and potential diluted equity shares are adjusted for stock split, bonus shares, share warrants and the potential dilutive effect of Employee Stock Options Plan as appropriate.

(Amount in Rupees except number of shares)

Particulars	For the Year ended March 31, 2011	For the Year ended March 31, 2010
Profit After Tax (Rs.)	96,642,307	377,242,830
Weighted average number of Shares used in computing Basic earnings per share (Number of Shares)	2,021,917,126	1,812,014,444
Add: Effect of number of equity shares on account of Employees Stock option plans of the company	15,723,340	20,806,440
Weighted average number of Shares used in computing Diluted earnings per share(Number of Shares)	2,037,640,466	1,832,820,884
Face Value per Equity Share – (Rs.)	10.00	10.00
Basic Earnings Per Share – (Re.)	0.048	0.208
Diluted Earnings Per Share – (Re.)	0.047	0.206

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

- xi) The Company has taken various premises on operating leases / leave and license and lease rent of Rs. 139,921,685 (Previous Year: Rs. 2,237,547) in respect of the same has been incurred during the year ended March 31, 2011. The underlying agreements are executed for a period generally ranging from one year to three years, renewable at the option of the Company and are cancellable, by giving a notice generally of 30 to 90 days. There are no restrictions imposed by such leases and there are no subleases.

Minimum lease rentals payable

(Amount in Rupees)

	As At March 31, 2011	As At March 31, 2010
Within one year	179,649,353	5,889,787
One to Five years	567,455,770	7,377,701
Above Five Years	Nil	Nil

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

xii) Particulars relating to purchase and sale of Investments during the year:

(a) Statement of acquisition and sale of long term, trade investments during the year ended March 31, 2011:

Investment in equity shares of	Year ended	Investments made during the year		Investments sold during the year	
		No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
Elena Power And Infrastructure Limited	March 31, 2011	-	-	-	-
	March 31, 2010	4,950,000	49,500,000	-	-
Poena Power Limited	March 31, 2011	-	-	13,000	130,000
	March 31, 2010	-	-	-	-
Indiabulls Power Transmission Limited	March 31, 2011	-	-	-	-
	March 31, 2010	1,000	10,000	-	-
Hecate Power Transmission Limited	March 31, 2011	-	-	-	-
	March 31, 2010	-	-	24,500	245,000
Sinnar Power Transmission Ltd. (Formerly known as Poena Power Projects Ltd.)	March 31, 2011	-	-	50,000	500,000
	March 31, 2010	-	-	-	-
Indiabulls Realtech Limited	March 31, 2011	1,490,000	1,490,000,000	-	-
	March 31, 2010	2,759,500	2,759,500,000	-	-
Poena Power Supply Limited	March 31, 2011	202,000,000	202,000,000	-	-
	March 31, 2010	-	-	-	-
Total	March 31, 2011	203,490,000	1,692,000,000	63,000	630,000
	March 31, 2010	7,710,500	2,809,010,000	24,500	245,000

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

xii) Particulars relating to purchase and sale of Investments during the year:

(b) Details of Purchase and Sale / Redemption of Current, Non Trade, Unquoted investments during the year ended March 31, 2011:

In Mutual Funds	Type	Year ended	Purchase / Dividend Reinvestment		Redemption	
			No of units	Amount in Rupees	No of units	Amount in Rupees
Reliance Fixed Horizon Fund - XIV	Series - 4 Growth Plan	31-Mar-11	12,500,000	125,000,000	-	-
		31-Mar-10	100,000,000	1,000,000,000	-	-
		31-Mar-11	-	-	-	-
Birla Sun Life Fixed Term Plan	Series CD Growth	31-Mar-10	150,018,069	1,500,180,698	-	-
		31-Mar-11	475,826,227	4,767,540,886	475,826,227	4,767,540,886
Birla Sun Life Cash Plus	Instl. Prem. Daily Dividend - Reinvestment Plan	31-Mar-10	648,798,026	6,500,631,818	648,798,026	6,500,631,818
		31-Mar-11	4,936,113,373	49,386,307,906	4,936,113,373	49,386,307,906
Reliance Liquidity Mutual Fund	Daily Dividend	31-Mar-10	5,526,203,623	55,279,167,461	5,526,203,623	55,279,167,461
Reliance Medium Term Fund	Daily Dividend - Reinvestment Plan	31-Mar-11	43,978,467	751,833,881	43,978,467	751,833,881
Reliance Money Manager Fund	Daily Dividend - Reinvestment Plan	31-Mar-11	5,757,832	5,765,728,810	5,757,832	5,765,728,810
LIC MF Liquid Fund	Dividend - Plan	31-Mar-10	16,325,753	16,344,305,371	16,325,753	16,344,305,371
		31-Mar-11	2,274,781,236	24,977,325,445	2,274,781,236	24,977,325,445
SBI Magnum Insta Cash Fund	Daily Dividend Option	31-Mar-10	5,923,692,180	65,042,732,507	5,923,692,180	65,042,732,507
		31-Mar-11	470,531,871	7,881,549,991	470,531,871	7,881,549,991
Peerless Liquid Fund	Institutional Daily Dividend	31-Mar-11	52,004,310	520,043,099	52,004,310	520,043,099
		31-Mar-10	-	-	-	-
Peerless Liquid Fund	Super Institutional Daily Dividend	31-Mar-11	216,619,306	2,166,236,380	216,619,306	2,166,236,380
		31-Mar-10	-	-	-	-
Peerless Ultra Short Term Fund	Institutional Daily Dividend	31-Mar-11	52,299,985	523,010,313	52,299,985	523,010,313
		31-Mar-10	-	-	-	-
Peerless Ultra Short Term Fund	Super Institutional Daily Dividend	31-Mar-11	171,150,294	1,711,537,174	171,150,294	1,711,544,285
		31-Mar-10	-	-	-	-
Principal Cash Management Fund - Liquid Option-Insti. Plan	Daily Dividend Reinvestment Plan	31-Mar-11	4,999,357	50,004,564	4,999,357	50,004,564
		31-Mar-10	-	-	-	-
ICICI Prudential Liquid Super Institutional Plan	Daily Dividend	31-Mar-11	14,016,450	1,401,961,811	14,016,450	1,401,961,811
		31-Mar-10	27,496,535	2,750,261,142	27,496,535	2,750,261,142
Principal Floating Rate Fund FMP	Institutional Daily Dividend Reinvest	31-Mar-11	10,002,864	100,151,670	10,002,864	100,151,670
		31-Mar-10	-	-	-	-
Birla Sunlife Saving Fund	Institutional Daily Dividend Reinvest	31-Mar-11	-	-	-	-
		31-Mar-10	502,788,492	5,031,303,883	502,788,492	5,031,303,883
GCCD IDFC Cash Fund-Super Inst Plan C	Daily Dividend	31-Mar-11	274,963,714	2,750,324,554	274,963,714	2,750,324,554
		31-Mar-10	-	-	-	-

Significant Accounting Policies and Notes of

Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

xii) Particulars relating to purchase and sale of Investments during the year: (Contd.)

(b) Details of Purchase and Sale / Redemption of Current, Non Trade, Unquoted investments during the year ended March 31, 2011:

In Mutual Funds	Type	Year ended	Purchase / Dividend Reinvestment		Redemption	
			No of units	Amount in Rupees	No of units	Amount in Rupees
GFCD IDFC Money Manager Fund-TP-Super Institutional Plan C	Daily Dividend	31-Mar-11	275,120,075	2,751,613,433	275,120,075	2,751,613,433
		31-Mar-10	-	-	-	-
HDFC Liquid Fund -	Premium Plus Plan - Dividend Option	31-Mar-11	66,900,000	669,000,000	66,900,000	669,160,560
		31-Mar-10	-	-	-	-
HDFC Liquid Fund Premium Plan	Daily Reinvestment	31-Mar-11	285,298,595	3,497,703,710	285,298,595	3,497,703,710
		31-Mar-10	-	-	-	-
UTI Fixed Maturity Plan	Yearly FMP Series	31-Mar-11	150,000,000	1,500,000,000	-	-
		31-Mar-10	-	-	-	-
ICICI Prudential Fixed Maturity Plan	Series - 52 - 13 Months Plan - A Cumulative	31-Mar-11	200,017,537	2,000,175,370	-	-
		31-Mar-10	-	-	-	-
ICICI Prudential Ultra Short Term Plan	Super Premium Daily Dividend	31-Mar-11	70,023,885	701,709,347	70,023,885	701,709,347
		31-Mar-10	100,007,261	1,002,172,765	100,007,261	1,002,172,765
LIC MF Liquid Fund	Growth Plan	31-Mar-11	-	-	1,126,720	19,009,464
		31-Mar-10	1,126,720	19,000,000	-	-
LIC MF Savings Plus Fund	Daily Dividend Plan	31-Mar-11	300,644,151	3,006,441,514	300,644,151	3,006,441,514
		31-Mar-10	2,674,306,191	26,743,061,914	2,674,306,191	26,743,061,914
SBI-Magnum Insta Cash Fund	Cash Option	31-Mar-11	43,637,834	950,000,000	-	-
		31-Mar-10	-	-	-	-
Axis Liquid Fund	Institutional Daily Dividend Reinvestment	31-Mar-11	1,500,302	1,500,301,898	1,500,302	1,500,301,898
		31-Mar-10	-	-	-	-
Taurus Liquid Fund	Institutional Daily Dividend Reinvestment	31-Mar-11	10,001	10,000,801	10,001	10,001,201
		31-Mar-10	-	-	-	-
Taurus Liquid Fund	Super Institutional Daily Dividend Reinvestment	31-Mar-11	1,560,775	1,560,792,214	1,560,775	1,560,792,214
		31-Mar-10	-	-	-	-
UTI Liquid Cash Plan Institutional	Daily Income Option-Re-Investment	31-Mar-11	30,074,321	30,659,137,239	30,074,321	30,659,137,239
		31-Mar-10	-	-	-	-
UTI Treasury Advantage Fund	Daily Dividend Option - Re-Investment	31-Mar-11	145,389	145,420,060	145,389	145,420,060
		31-Mar-10	-	-	-	-
Profit / loss on redemption of units of mutual funds		31-Mar-11	-	177,535	-	-
		31-Mar-10	-	-	-	-
TOTAL		31-Mar-11	10,046,482,147	147,579,020,354	9,991,471,033	146,523,020,354
		31-Mar-10	16,064,758,854	185,464,826,810	15,463,596,528	179,445,470,742

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

- xiii)** Pursuant to Accounting Standard 22 (AS 22) – Accounting for Taxes on Income, as notified under the Companies (Accounting Standards) Rules, 2006, as amended, the Company has debited an amount of Rs. 2,330,356 (Previous Year: Credit : Rs. 1,135,531) as deferred tax charge (Net) to the Profit and Loss Account for the year ended March 31, 2011. The breakup of Deferred Tax Liabilities (Net) into major components as at March 31, 2011 is given below:

	(Amount in Rupees)	
	As at March 31, 2011	As at March 31, 2010
Deferred Tax Assets		
Arising on account of timing differences due to:		
Preliminary Expenses	1,245	3,826
Provision for Compensated Absences	1,645,005	1,521,537
Provision for Gratuity	1,829,745	2,093,974
Total (A)	3,475,995	3,619,337
Deferred Tax Liabilities		
Arising on account of timing differences due to:		
Depreciation / Amortisation	4,670,820	2,483,806
Total (B)	4,670,820	2,483,806
Deferred Tax (Liabilities) / Assets (Net) (A-B)	(1,194,825)	1,135,531

- xiv)** Disclosures pursuant to Part II of Schedule VI of the Companies Act, 1956, to the extent applicable:
- Managerial Remuneration under Section 198 of the Companies Act, 1956 (included under Employees Remuneration and Benefits): Rs. Nil (Previous Year: Rs. Nil).
 - Expenditure incurred in foreign currency:

	(Amount in Rupees)	
Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
Travelling expenses	355,658	160,506

- xv)** Expenditure during construction period pending capitalisation includes expenditure incurred during the year aggregating Rs. 1,352,572,731 (Previous Year: Rs. 649,925,995), relating to the setting up of the Amravati Project – Phase I.

- xvi)** Employee Remuneration and Benefits:

Employees remuneration and benefits charged to the Profit and Loss Account and accumulated as Expenditure During Construction Pending Capitalisation is arrived at after allocating an amount of Rs. 13,777,991 (Previous Year: Rs. Nil) to the Holding Company – Indiabulls Real Estate Limited, Rs. 26,400,715 (Previous Year: Rs. Nil) to Indiabulls CSEB Bhaiyathan Power Limited and Rs. 16,747,340 (Previous Year: Rs. Nil) to Poena Power Development Limited being cost of employees on deputation transferred to the respective companies.

Further, employee remuneration and benefits includes cost of employees on deputation apportioned by the subsidiary company – Elena Power And Infrastructure Limited on specific job basis amounting to Rs. 9,008,523 (Previous Year: Rs. Nil).

- xvii)** 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 segments (business and/or geographical) in accordance with Accounting Standard 17 – '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.

- xviii)** During the year, the Company has provided loans aggregating to Rs. 522,873,000 (Previous Year: Rs. Nil) to the "Indiabulls Employees' Welfare Trust" (Trust) (Refer Note II (v) of Schedule S) for purchase of equity shares, of

Significant Accounting Policies and Notes of Indiabulls Power Limited. forming part of the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended March 31, 2011 (Contd.)

which Rs. Nil (excluding Rs. 8,145,396 being interest accrued but not due) (Previous Year: Rs. Nil) was outstanding as at March 31, 2011. The said loan was granted for the purpose to be utilised by the Trust towards the purchase of shares of Settlor entities in terms of the Trust Deed from the open market.

- xix)** The Company considers its investment in subsidiaries as strategic and long term in nature and accordingly, in the view of the Management, any decline in value of such long-term investments in subsidiaries is considered as temporary in nature and hence no provision is considered necessary.
- xx)** As per the best estimate of the Management, no provision is required to be made as per Accounting Standard (AS) 29 - Provisions, Contingent Liabilities and Contingent Assets as notified under the Companies (Accounting Standards) Rules, 2006, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.
- xxi)** In respect of amounts as mentioned under Section 205C of the Companies Act, 1956, there were no dues required to be credited to the Investor Education and Protection Fund as at March 31, 2011.
- xxii)** In the opinion of the Board of Directors, all current assets, loans and advances appearing in the Balance Sheet as at March 31, 2011 have a value on realisation in the ordinary course of the Company's business at least equal to the amount at which they are stated in the Balance Sheet.
- xxiii)** 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.

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

The above information and that given in Schedule L - "Current Liabilities" regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

- xxiv)** The Company has not entered into any derivative instruments during the year. Foreign currency exposure not hedged as at March 31, 2011 pertaining to Inter-Corporate Deposits (ICD) given to wholly owned foreign subsidiary company of Rs. 893,000,000 (US Dollars 20 million) (Previous Year: Rs. 902,800,000) (US Dollars 20 million). Interest receivable on the above ICD not hedged as at March 31, 2011 Rs. 41,837,601 (US Dollars 937,012) (Previous Year: Rs. 33,460,313 (US Dollars 741,256)).
- xxv)** Borrowing costs, including Financing charges and Interest During Construction, aggregating to Rs. 1,172,329,750 (including Rs. 698,457,937 for the year; Previous Year: Rs. 473,871,813) have been accumulated under Expenditure During Construction Pending Capitalisation, to be capitalised to Fixed Assets on completion of construction of the Project.
- xxvi)** As the company has not commenced production, additional information pursuant to paragraphs 3 and 4 of Part II of Schedule VI to the Companies Act, 1956 are not applicable to the Company.
- xxvii)** Previous Year's figures have been regrouped / re-arranged to confirm to current year's groupings and classifications.

For and on behalf of the Board

Rajiv Rattan
Vice Chairman

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

Place : New Delhi
Date: April 25, 2011

Statement Pursuant to Section 212 (1)(e) of the Companies Act, 1956 , relating to Company's interest in Subsidiary Companies for the financial Year 2010-11

Name of the Subsidiary Company	Financial year / period ending of the Subsidiary Companies	Date from which they became Subsidiary Companies	Holding Company's interest Number of shares held (Equity Shares of Rs. 10 each stated otherwise)	Extent of Holding	The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company			
					a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts	
					i) For the Financial Year ended 31st March 2011	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	i) For the Financial Year ended 31st March 2011	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries
Airmid Power Limited	31-Mar-11	25-Feb-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(465,650)	(2,710,591)	NIL	NIL
Albina Power Limited	31-Mar-11	26-Feb-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	4,152	(123,140)	NIL	NIL
Amravati Power Transmission Company Limited (formerly Poena Power Transmission Limited)	31-Mar-11	8-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	442,424	(17,318)	NIL	NIL
Angina Power Limited	31-Mar-11	24-Apr-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(44,909)	(17,538)	NIL	NIL
Apesh Power Limited	31-Mar-11	25-Apr-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,282	(17,538)	NIL	NIL
Aravali Properties Limited	31-Mar-11	21-Jul-06	50,000 Equity shares of Rs. 10 each fully paid up	100%	(52,655)	(3,827,794)	NIL	NIL
Ashkit Power Limited	31-Mar-11	24-Apr-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(8,632)	(459,241)	NIL	NIL
Bracond Limited	31-Mar-11	12-Aug-08	100,000,000 Equity shares of USD 1 each fully paid up	100%	12,626,913	17,634,374	NIL	NIL
Chloris Power Limited	31-Mar-11	24-Apr-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(34,910)	(17,514)	NIL	NIL
Citra Thermal Power And Infrastructure Limited	31-Mar-11	28-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(13,596)	(1,984,378)	NIL	NIL
Corus Power Limited	31-Mar-11	24-Apr-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(34,909)	(17,550)	NIL	NIL
Devona Thermal Power and Infrastructure Limited	31-Mar-11	25-Sep-07	37,000 Equity shares of Rs. 10 each fully paid up	74%	(42,455)	(6,484,111)	NIL	NIL
Diana Energy Limited	31-Mar-11	25-Sep-07	370,000 Equity shares of Rs. 10 each fully paid up	74%	12,139	(2,504,401)	NIL	NIL
Diana Power Limited	31-Mar-11	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(250)	(231,764)	NIL	NIL

Statement Pursuant to Section 212 (1)(e) of the Companies Act, 1956 , relating to Company's interest in Subsidiary Companies for the financial Year 2010-11 (Contd.)

The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding company									
Name of the Subsidiary Company	Financial year / period ending of the Subsidiary Companies	Date from which they became Subsidiary Companies	Holding Company's interest Number of shares held (Equity Shares of Rs. 10 each stated otherwise)	Extent of Holding	a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts		(Amount in Rupees)
					i) For the Financial Year ended 31st March 2011	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	i) For the Financial Year ended 31st March 2011	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	
Elena Power And Infrastructure Limited	31-Mar-11	24-Apr-08	5,000,000 Equity shares of Rs. 10 each fully paid up	100%	8,745,314	18,804,475	NIL	NIL	NIL
Fama Power Company Limited	31-Mar-11	8-Oct-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(9,674)	(945,992)	NIL	NIL	NIL
Fornax Power Limited	31-Mar-11	24-Apr-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,105	(23,915)	NIL	NIL	NIL
Genoformus Limited	31-Mar-11	26-Aug-08			(10,505,872)	72,777,363	NIL	NIL	NIL
Hecate Electric Limited	31-Mar-11	4-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,281	(17,480)	NIL	NIL	NIL
Hecate Energy Private Limited	31-Mar-11	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,476	(15,627)	NIL	NIL	NIL
Hecate Energy Trading Limited	31-Mar-11	13-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,021	(16,336)	NIL	NIL	NIL
Hecate Hydro Electric Power Limited	31-Mar-11	11-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	581	(17,230)	NIL	NIL	NIL
Hecate Power and Energy Resources Limited	31-Mar-11	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,030	(16,331)	NIL	NIL	NIL
Hecate Power Company Limited	31-Mar-11	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(94,641)	(17,013)	NIL	NIL	NIL
Hecate Power Development Limited	31-Mar-11	4-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,982	(17,562)	NIL	NIL	NIL
Hecate Power Distributors Limited	31-Mar-11	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,521	(16,336)	NIL	NIL	NIL
Hecate Power Generation Limited	31-Mar-11	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,021	(16,647)	NIL	NIL	NIL
Hecate Power Limited	31-Mar-11	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,422	(16,336)	NIL	NIL	NIL
Hecate Power Management Limited	31-Mar-11	4-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,235	(18,903)	NIL	NIL	NIL
Hecate Power Projects Limited	31-Mar-11	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(12,836)	(524,036)	NIL	NIL	NIL

Statement Pursuant to Section 212 (1)(e) of the Companies Act, 1956 , relating to Company's interest in Subsidiary Companies for the financial Year 2010-11 (Contd.)

Name of the Subsidiary Company	Financial year / period ending of the Subsidiary Companies	Date from which they became Subsidiary Companies	Holding Company's interest Number of shares held (Equity Shares of Rs. 10 each stated otherwise)	Extent of Holding	The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company			
					a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts	
					i) For the Financial Year ended 31st March 2011	ii) For the previous financial years Companies since they become Holding Company's subsidiaries	i) For the Financial Year ended 31st March 2011	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries
Hecate Power Services Limited	31-Mar-11	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,561	(26,617)	NIL	NIL
Hecate Power Solutions Limited	31-Mar-11	10-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(12,530)	(520,499)	NIL	NIL
Hecate Power Supply Limited	31-Mar-11	7-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,281	(17,087)	NIL	NIL
Hecate Power Systems Limited	31-Mar-11	7-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	5,635	(18,184)	NIL	NIL
Hecate Power Transmission Limited	31-Mar-11	4-Jul-08	25,500 Equity shares of Rs. 10 each fully paid up	51%	(262,713)	(249,270)	NIL	NIL
Hecate Power Utility Limited	31-Mar-11	8-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(125,668)	(19,578)	NIL	NIL
Hecate Powergen Limited	31-Mar-11	8-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,281	(17,618)	NIL	NIL
Hecate Thermal Power and Infrastructure Limited	31-Mar-11	10-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(95,574)	(19,295)	NIL	NIL
Indiabulls CSEB Bhaiyathan Power Limited	31-Mar-11	19-May-08	74,000 Equity shares of Rs. 10 each fully paid up	100%	36,916	(691,570)	NIL	NIL
Indiabulls Electric Company Limited	31-Mar-11	5-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(46,176)	(183,858)	NIL	NIL
Indiabulls Electric Energy Limited	31-Mar-11	5-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(2,102)	(184,719)	NIL	NIL
Indiabulls Electric Limited	31-Mar-11	4-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(556)	(183,910)	NIL	NIL
Indiabulls Electric Power Limited	31-Mar-11	5-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(1,602)	(184,338)	NIL	NIL
Indiabulls Electricity Company Limited	31-Mar-11	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(10,550)	(289,127)	NIL	NIL
Indiabulls Electricity Generation Limited	31-Mar-11	5-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	596	(186,910)	NIL	NIL

Statement Pursuant to Section 212 (1)(e) of the Companies Act, 1956, relating to Company's interest in Subsidiary Companies for the financial Year 2010-11 (Contd.)

(Amount in Rupees)									
The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company									
Name of the Subsidiary Company	Financial year / period ending of the Subsidiary Companies	Date from which they became Subsidiary Companies	Holding Company's interest Number of shares held (Equity Shares of Rs. 10 each stated otherwise)	Extent of Holding	a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts		
					i) For the Financial Year ended 31st March 2011	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	i) For the Financial Year ended 31st March 2011	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	
Indiabulls Hydro Electric Power Limited	31-Mar-11	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(10,970)	(1,188,302)	NIL	NIL	NIL
Indiabulls Hydro Energy Limited	31-Mar-11	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(10,970)	(2,188,303)	NIL	NIL	NIL
Indiabulls Hydro Power Limited	31-Mar-11	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	4,213	(163,804)	NIL	NIL	NIL
Indiabulls Hydro Power Projects Limited	31-Mar-11	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	3,033	(158,957)	NIL	NIL	NIL
Indiabulls Power Development Limited	31-Mar-11	2-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(50,722)	(123,161)	NIL	NIL	NIL
Indiabulls Power Distribution Limited	31-Mar-11	5-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(5,703)	(359,103)	NIL	NIL	NIL
Indiabulls Power Generation Company Limited	31-Mar-11	27-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(40,741)	(122,047)	NIL	NIL	NIL
Indiabulls Power Generation Limited	31-Mar-11	5-Sep-07	370,000 Equity shares of Rs. 10 each fully paid up	74%	(146,743)	14,838,973	NIL	NIL	NIL
Indiabulls Power Infrastructure Limited	31-Mar-11	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(13,870)	(4,529,417)	NIL	NIL	NIL
Indiabulls Power Management Limited	31-Mar-11	2-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(556)	(183,921)	NIL	NIL	NIL
Indiabulls Power Projects Development Limited	31-Mar-11	2-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(602)	(184,070)	NIL	NIL	NIL
Indiabulls Power Projects Limited	31-Mar-11	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	1,376	(194,087)	NIL	NIL	NIL
Indiabulls Power Solutions Limited	31-Mar-11	27-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	3,450	(122,571)	NIL	NIL	NIL
Indiabulls Power Supply Limited	31-Mar-11	27-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	3,450	(122,571)	NIL	NIL	NIL
Indiabulls Power Systems Limited	31-Mar-11	2-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	3,450	(122,571)	NIL	NIL	NIL
Indiabulls Power Trading Limited	31-Mar-11	5-Sep-07	1,750,000 Equity shares of Rs. 10 each fully paid up	100%	613,735	1,449,325	NIL	NIL	NIL

Statement Pursuant to Section 212 (1)(e) of the Companies Act, 1956 , relating to Company's interest in Subsidiary Companies for the financial Year 2010-11 (Contd.)

(Amount in Rupees)									
The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company									
Name of the Subsidiary Company	Financial year / period ending of the Subsidiary Companies	Date from which they became Subsidiary Companies	Holding Company's interest Number of shares held (Equity Shares of Rs. 10 each stated otherwise)	Extent of Holding	a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts		
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Indiabulls Power Transmission Limited	31-Mar-11	27-Jun-08	51,000 Equity shares of Rs. 10 each fully paid up	51%	12,578	(63,537)	NIL	NIL	NIL
Indiabulls Power Utility Limited	31-Mar-11	27-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	3,450	(122,511)	NIL	NIL	NIL
Indiabulls Powergen Limited	31-Mar-11	27-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(1,102)	(184,560)	NIL	NIL	NIL
Indiabulls Realtech Limited	31-Mar-11	3-Jan-07	4,299,500 Equity shares of Rs. 10 each fully paid up	100%	(556,127)	(3,028,921)	NIL	NIL	NIL
Indiabulls Thermal Energy Limited	31-Mar-11	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	1,606	(189,304)	NIL	NIL	NIL
Indiabulls Thermal Power Limited	31-Mar-11	13-Sep-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	3,108	(187,222)	NIL	NIL	NIL
Indiabulls Thermal Power Management Limited	31-Mar-11	5-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	4	(183,338)	NIL	NIL	NIL
Indiabulls Thermal Power Projects Limited	31-Mar-11	6-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	4	(183,358)	NIL	NIL	NIL
Indiabulls Thermal Projects Limited	31-Mar-11	7-Aug-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(2,056)	(183,225)	NIL	NIL	NIL
Indiabulls Water Supply And Waste Management Services Limited	31-Mar-11	27-May-06			(14,000)	(829,882)	NIL	NIL	NIL
Kaya Hydropower Projects Limited	31-Mar-11	4-Dec-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(11,100)	(159,346)	NIL	NIL	NIL
Lenus Power Limited	31-Mar-11	28-Feb-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	2,274	(188,620)	NIL	NIL	NIL
Lucina Power And Infrastructure Limited	31-Mar-11	2-Aug-06	50,000 Equity shares of Rs. 10 each fully paid up	100%	16,759	(1,044,936)	NIL	NIL	NIL
Mabon Power Limited	31-Mar-11	25-Feb-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	5,393	(85,816)	NIL	NIL	NIL
Mariana Power Limited	31-Mar-11	24-Apr-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,682	(17,550)	NIL	NIL	NIL
Pachi Hydropower Projects Limited	31-Mar-11	4-Dec-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(57,309)	(314,818)	NIL	NIL	NIL

Statement Pursuant to Section 212 (1)(e) of the Companies Act, 1956, relating to Company's interest in Subsidiary Companies for the financial Year 2010-11 (Contd.)

(Amount in Rupees)									
The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding company									
Name of the Subsidiary Company	Financial year / period ending of the Subsidiary Companies	Date from which they became Subsidiary Companies	Holding Company's interest Number of shares held (Equity Shares of Rs. 10 each stated otherwise)	Extent of Holding	a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts		
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Papu Hydropower Projects Limited	31-Mar-11	4-Dec-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(75,820)	(434,706)	NIL	NIL	NIL
Poana Power Systems Limited	31-Mar-11	4-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(990,765)	(18,280)	NIL	NIL	NIL
Poana Hydro Power Projects Limited	31-Mar-11	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	2,281	(17,085)	NIL	NIL	NIL
Poana Power Company Limited	31-Mar-11	20-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(3,160)	(306,857)	NIL	NIL	NIL
Poana Power Development Limited	31-Mar-11	4-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(514,136)	(17,180)	NIL	NIL	NIL
Poana Power Distributors Limited	31-Mar-11	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,581	(17,085)	NIL	NIL	NIL
Poana Power Generation Limited	31-Mar-11	24-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,535	(18,668)	NIL	NIL	NIL
Poana Power Limited	31-Mar-11	10-Jun-08	37,000 Equity shares of Rs. 10 each fully paid up	74%	(31,077)	(13,680)	NIL	NIL	NIL
Poana Power Management Limited	31-Mar-11	9-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,328	(17,001)	NIL	NIL	NIL
Poana Power Services Limited	31-Mar-11	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,982	(17,625)	NIL	NIL	NIL
Poana Power Solutions Limited	31-Mar-11	8-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	8,531	(17,318)	NIL	NIL	NIL
Poana Power Supply Limited	31-Mar-11	9-Jul-08	202,500,000 Equity shares of Rs. 1 each fully paid up	100%	9,734,311	(17,600)	NIL	NIL	NIL
Poana Power Trading Limited	31-Mar-11	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,281	(17,091)	NIL	NIL	NIL
Poana Power Utility Limited	31-Mar-11	8-Jul-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,282	(17,526)	NIL	NIL	NIL
Poana Thermal Power Limited	31-Mar-11	19-Jun-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	9,021	(16,970)	NIL	NIL	NIL
Renemark Limited	31-Mar-11	23-Aug-08			(11,506,676)	(36,331,066)	NIL	NIL	NIL

Statement Pursuant to Section 212 (1)(e) of the Companies Act, 1956 , relating to Company's interest in Subsidiary Companies for the financial Year 2010-11 (Contd.)

(Amount in Rupees)									
The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company									
Name of the Subsidiary Company	Financial year / period ending of the Subsidiary Companies	Date from which they became Subsidiary Companies	Holding Company's interest Number of shares held (Equity Shares of Rs. 10 each stated otherwise)	Extent of Holding	a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts		
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Selene Power Company Limited	31-Mar-11	8-Oct-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	6,269	(82,602)	NIL	NIL	NIL
Sentia Thermal Power and Infrastructure Limited	31-Mar-11	8-Oct-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(52,831)	(444,049)	NIL	NIL	NIL
Sepla Hydropower Projects Limited	31-Mar-11	4-Dec-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(57,280)	(206,493)	NIL	NIL	NIL
Sepset Thermal Power and Infrastructure Limited	31-Mar-11	8-Oct-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(50,308)	(325,654)	NIL	NIL	NIL
Serida Power Limited	31-Mar-11	27-Feb-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(44,868)	(225,387)	NIL	NIL	NIL
Sinnar Power Transmission Company Limited (formerly Poena Power Projects Limited)	31-Mar-11	27-Jun-08			518,922	(16,892)	NIL	NIL	NIL
Tharang Warang Hydropower Projects Limited	31-Mar-11	4-Dec-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(57,300)	(204,149)	NIL	NIL	NIL
Triton Energy Limited	31-Mar-11	9-Oct-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(46,911)	(318,923)	NIL	NIL	NIL
Varali Power Limited	31-Mar-11	8-May-08	50,000 Equity shares of Rs. 10 each fully paid up	100%	(164,480)	(255,620)	NIL	NIL	NIL
Zeus Energy Limited	31-Mar-11	18-Dec-07	50,000 Equity shares of Rs. 10 each fully paid up	100%	(61,569)	(926,117)	NIL	NIL	NIL

For and on behalf of the Board

Rajiv Rattan
Vice Chairman

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

Place : New Delhi
Date: April 25, 2011

Registered Office

1A, Hamilton House,
1st Floor, Connaught Place,
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