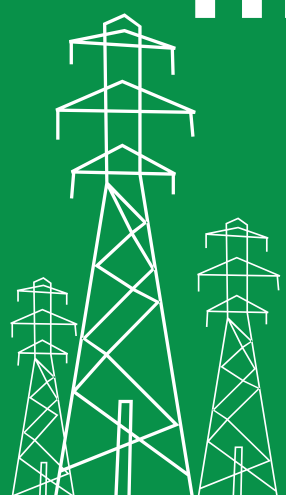




Indiabulls
POWER



HARNESSING THE ENERGIES AROUND US



Indiabulls Power Limited.
Annual Report 2009-10



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Corporate Information

BOARD OF DIRECTORS

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

BANKING AND FINANCING RELATIONSHIPS

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

REGISTERED OFFICE

E-29 First 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

1. "Indiabulls House", 448-451,
Udyog Vihar, Phase V, Gurgaon-122001
2. One Indiabulls Center
Tower 2/B,841 Senapati Bapat Marg
Elphinstone Road, Mumbai -400 013

STATUTORY AUDITORS

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

Corporate Identity

After six decades of Independence, India is bracing up for another movement of a grand scale and deep significance.

The movement for energy independence --- for a society in which uninterrupted power will no longer be a dream but a reality; for agricultural and industrial growth, for development of our country and an enhanced quality of life, to take our nation into the league of advanced nations.

At Indiabulls Power Limited, we are focusing our strategies and execution capabilities for a swift turnaround of our power projects and at the same time seeking ways and means to ensure a clean environment through harnessing renewable energy.

To help secure India's energy independence.

Staying ahead in the energy race with a...

- ⚡ Strong portfolio of power generation projects under construction
- ⚡ Secured fuel access with committed land and water
- ⚡ Long-term power off-take arrangements.
- ⚡ Strong parentage of the Indiabulls Group
- ⚡ Experienced management team with a outstanding track record of project execution
- ⚡ Strategically located in western India, the most industrially developed part of the country



Chairman's message

Dear Shareholders,

Our country has the second fastest growing economy in the world and yet there are infrastructural challenges that need to be addressed expeditiously to sustain this growth momentum. One of them is the widening gap between demand and supply in the power sector. An expanding economy has fostered increased levels of industrialization and urbanization, necessitating enhanced power consumption. Additionally, rural electrification is a priority of the Government of India, which is expected to expand demand further.

The Indian power sector has historically been starved of investment leading to inadequate capacity addition and an antiquated distribution infrastructure. As a result, India's per capita energy consumption has remained artificially low compared to other parts of the world. Over the last three Five-Year Plans (1992 to 2006), less than 50 % of the targeted additional capacity enhancement was implemented. This has resulted in an ever expanding demand-supply gap, which needs to be addressed with alacrity by capital investment from the private sector.

“The overwhelming response to the IPO is a demonstration of the trust you have placed in us. Let me assure you that at this juncture, we are on the right course to build our leadership position in the energy sector in the country.”

“Our Company is exceedingly well positioned to leverage the huge power opportunity with over 2700 MW under construction and over 4000 MW under development.”

Realizing the business potential in the power sector back in 2007, your Company began to aggressively invest in developing power projects. Today your Company is exceedingly well positioned to leverage the huge power opportunity with over 2700 MW under construction and over 4000 MW under development. 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.

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. You would be pleased to know that financial closure has been achieved for both Amravati and Nashik projects. Construction work is in full swing at both sites with contracts awarded for all major equipment and services to the best contractors in India.

IPL intends to enter into long-term power purchase agreements for 75-80% of the overall installed capacity and channelize 20-25% of the balance capacity for merchant sale. We have already entered into a long-term power purchase agreement with Maharashtra State Electricity Distribution Company Limited for the sale of 1200 MW of power, proposed to be generated at the Amravati Phase I Power Project.

As a responsible Corporate Citizen, we are also keenly looking at opportunities to extend our footprint to the generation of renewable energy. Going ahead we are confident that our asset mix will help us realize superior returns to our shareholders.

The overwhelming response to the IPO is a demonstration of the trust you have placed in us. Let me assure you that at this juncture, we are on the right course to build our leadership position in the energy sector in the country and at the same time help achieve India's vision to make power affordable to all sections of society to accelerate inclusive national growth. I hope with your encouragement and support, we would be able to enhance collective competencies to live up to the expectations of our stakeholder fraternity.

Yours sincerely,

Sameer Gehlaut
Founder and Chairman

We care for our people and the planet



“We have enforced safety standards and implemented work safety measures at all our operating locations, ensuring healthy, safe and environmentally friendly working conditions.”



SAFETY

We, at Indiabulls Power Limited., believe that Health and Safety of all our personnel is of utmost importance and takes precedence in all our business decisions.

At IPL, safety is not a regulatory compliance, but a corporate credo followed with diligence across all operations. We have enforced safety standards and implemented work safety measures at all our operating locations, ensuring healthy, safe and environmentally friendly working conditions. We are committed to ensure that all our plants will adhere to the highest safety standards with each location serviced by their own safety management department. We ensure employee involvement in maintaining a safe and healthy workplace through periodic reviews of operational procedures, safe methods of work and a safe work environment. We have developed a culture of safety through active leadership and provide appropriate training at all levels to enable employees to fulfill their health and safety obligations. Some of our safety initiatives include:

- ⚡ Defining and communicating safety policy and standards across the Company
- ⚡ Formation of Safety Committees
- ⚡ Dissemination of health and safety policies and guidelines through printed booklets, pamphlets on various safety related topics
- ⚡ Preparation of Safety Plan (Manual) for various projects and maintaining a check lists for various job activities to be carried out
- ⚡ Implementation of HSE award scheme for workers & staff
- ⚡ Issue of entry and work permits for all workers and staff
- ⚡ Conducting tool box talk before start of every shift
- ⚡ Conducting Safety Induction Training for new workers, staff & employees and visitors
- ⚡ Conducting Focused Safety audit (FSA) for various construction activities
- ⚡ Preparation of Risk Identification Report (RIR) by Line Engineers
- ⚡ Issuing Safety Corrective Action Report (SCAR) for non compliance
- ⚡ Including strict safety standards in all contracts to ensure a safe worksite

“ We have institutionalized an effective system of environment monitoring, pollution control equipment and emissions management.”





ENVIRONMENT

All power projects are required to receive statutory approvals by complying with all environmental regulations in line with the Ministry of Environment and Forests, Government of India.

Our power projects are well equipped with pollution control devices and adhere to all environmental regulations and pollution norms of the country. In addition, your Company is working closely with the community to minimize environmental hazards. We have institutionalized an effective system of environment monitoring, pollution control equipment and emissions management.

Aside from tree plantation that is being carried out within our plant boundary, we are actively involved in tree plantation initiatives in our community. Your Company is also using the latest available technology to reduce consumption of water as we fully understand the importance of this precious resource.

All power projects are subject to Central and State Environmental Laws and Regulations, which govern the discharge, emission, storage, handling and disposal of a variety of substances. IPL is subject to a Government of India requirement that within 4 yrs of plant operation, 100% of the fly ash produced through power generation activities must be gainfully utilized. We are already in the process of developing our ash utilization plan and are confident of achieving the target of 100% ash utilization well before time. We have also adopted waste management systems and maximized the available recycling opportunities.

Management Discussion and Analysis



Mr. Rajiv Rattan, Vice Chairman

ECONOMIC SCENARIO

The FY2010 saw the world emerge out of the grip of the recessionary phase which had engulfed it during the FY2009, one of the most tumultuous years for the world when the severe recession and the resultant economic crisis crippled economies of nations the world over.

No nation rich or poor had been able to escape the wrath of what the economic crisis brought in its wake in the shape of severe decline in the industrial output and growth, virtual collapse of the financial markets, bankruptcy and closure of a number of business conglomerates, large chunks of working population of the world being rendered jobless and the growth patterns of the various nations tracking a negative path, all of which shook the confidence of people completely.

While the Indian economy because of its inherent strengths and resilience did not get as badly affected as some of the other world economies, nevertheless it was impacted severely. The crisis in India as in any other part of the world, had been characterised

by a deceleration in growth, the GDP targets of the nation going awry, a sharp decline in industrial output, weakening of the business sentiment, rise in unemployment in the country and the financial markets being thrown into turmoil.

Thus what the FY2010 had inherited was a badly battered economy demanding immediate and effective measures to undo the damage it had suffered during the previous fiscal.

As if in answer to the prayers of the nation, the onset of the FY2010 saw a turnaround in its fortunes, largely as a result of the policy measures which had been taken by the government together with a liberal monetary support to help the economy recover and be able to stand on its feet.

The effectiveness and impact of these measures became evident with the fast paced recovery. The economy stabilised in the first quarter of FY2010 itself when it clocked a GDP growth of 6.1 % as against 5.8 % in the fourth quarter of the preceding financial year. It registered a strong rebound in the second quarter when the growth rose to 7.9 % and has been on an upswing ever since.

The recovery has been very encouraging as it has come about

despite a negative growth in the agricultural sector and more importantly has been the result of renewed momentum in the manufacturing and other industrial sectors.

This has given rise to hopes of attracting private investment into the country which is expected to sustain a growth of 9 to 10 % in the not too distant future.

INDUSTRY OVERVIEW

Indian power sector has historically been characterised by severe shortages. As per CEA the energy deficit and peak power deficit during the FY2010 was 10.1 % and 12.7 % respectively. A key risk to the continued growth of the Indian economy is inadequate infrastructure like power availability. Infrastructure Investment in India is on the rise, but growth may be constrained without further macro improvements. The Government of India has identified the power sector as a key sector of focus to promote sustained industrial growth by embarking on an aggressive mission 'Power for All' by 2012 backed by extensive reforms to make the power sector more attractive for private sector investment. With the share of the private sector in power sector likely to grow, your company is poised to be one of the leading private sector players in the Indian power sector.

The Ministry of Power (MoP) is the apex body responsible for the development of power industry in India. Central Electricity Authority (CEA), an agency of MoP is the nodal agency for all technical and economic aspects pertaining to Indian power sector. CEA advises the Central Government on all matters relating to the national electricity policy and formulates perspective plans for integrated development of the sector. Along with the CEA, other organisations working within the ambit of the MoP are:

- National Thermal Power Corporation (NTPC)
- NHPC Limited
- Power Finance Corporation Limited (PFC)
- Nuclear Power Corporation of India Limited (NPCIL)
- North Eastern Electric Power Corporation (NEEPC)
- Rural Electrification Corporation Limited (REC)
- Damodar Valley Corporation (DVC)
- Bhakra Beas Management Board (BBMB)
- Tehri Hydro Development Corporation Limited (THDC)
- Satluj Jal Vidyut Nigam Limited (SJVN)
- Power Grid Corporation of India Ltd (PGCIL)
- PTC India Limited (PTC)
- Bureau of Energy Efficiency (BEE)

The power industry in India derives its funds and financing from the government, some private players that have entered the market recently, World Bank, public issues and other global funds. The Power Ministry India has set up Power Finance Corporation Limited (PFC) and Rural Electrification Corporation Limited (REC) to look after the financing of the power sector in India. PFC and REC provide finance to major power projects in India for power generation, distribution and transmission of power. They also provide funding for renovation of existing power projects in India. PFC has taken up facilitating development of mega power projects that will play a crucial role in mitigating power shortages in India over the coming years.

Power is generated from various sources in India. This includes thermal power, hydropower or hydroelectricity, solar power, biogas energy, wind power etc.

Thermal Power in India is mainly generated through coal, gas and oil. In India a large percentage of thermal power is generated from coal at thermal power stations. The power generated at these thermal power stations is then distributed all over India through a network of transmission lines at regional and national levels.

Hydropower in India is endowed with rich hydropower potential. Numbers of hydro power plants have been set up across India for generation of hydro power. Various dams and reservoirs are constructed on major rivers and the kinetic energy of the flowing water is utilised to generate hydroelectricity. Majority of hydroelectric power plants in India are developed and managed by the NHPC Limited.

Wind Power in India is available in plenty as India witnesses high intensity winds in various regions due to the topographical diversity. Efforts have been made to utilise this natural resource for power generation as it is available free of cost. Huge wind energy farms have been set up in India for tapping the wind energy by using gigantic windmills and then converting the kinetic energy of the wind into electricity. The wind power advantages start with the very fact that a wind energy power plant does not require much infrastructure input and raw material.

Solar Power in India is being utilised to generate electricity on smaller scale by setting up massive solar panels and capturing the solar power using Photovoltaic and Concentrating Solar Power (CSP) technology. Solar power is utilised by the power companies to generate clean energy without relying on fossil fuels. The government through its ambitious program Jawaharlal Nehru National Solar Mission (JNNSM) has embarked on adding 20,000 MW of grid connected and 2000 MW of off-grid solar power by 2022.

Nuclear Power in India is generated at huge nuclear power stations. A nuclear power plant generates the electricity

using nuclear energy. All the nuclear power plants in India are managed by the Nuclear Power Corp of India Ltd (NPCIL).

Biogas based Power Production in India is still in nascent stage. Also the number of biogas plants in India is still very low. India being the largest domestic cattle producer has plenty of biogas fuel and thus utilisation of the fuel for mass biogas production by setting up more biogas based power plants in India would solve the power shortage problem to some extent.

According to the 17th Electric Power Survey, India's peak demand will reach approximately 152,746 MW with an energy requirement of approximately 968 billion units by FY2012.

The energy deficit in India is a consequence of slow progress in the development of additional generation capacity. The Indian economy is based on planning through successive five year plans ("Five-Year Plans") that set out targets for economic development in various sectors, including power sector. In the implementation of the last three Five-Year Plans, less than 55% of the targeted additional generation capacity was added. India added an average of approximately 20,000 MW to its energy capacity in each of the Ninth and Tenth Five-Year Plan periods.

The total capacity addition during the past 25 years between the Sixth and the Tenth Five-Year Plans was approximately 85,500 MW. A total capacity addition of 78,700 MW is planned for the Eleventh Five-Year Plan (2007-12). However as per CEA the capacity addition during the current plan is expected to be considerably less than the targeted capacity addition.

BUSINESS REVIEW

Your Company has five thermal power projects under development and four hydro power projects, with aggregate capacity of approximately 6600 MW. The thermal power projects are located in the State of Maharashtra and Chhattisgarh and the hydro power projects are located in the State of Arunachal Pradesh. The company is also evaluating other thermal power projects in various parts of the country.

Thermal Power Projects

Your Company is developing majority of projects in western region which is strategically suited given the high peak deficit in the region.

Your Company's thermal power projects are in different phases of development. During the current year, your company has made significant progress in the development and implementation of the Amravati and Nashik Power projects.

Both Amravati and Nasik Thermal Power Projects are located in the State of Maharashtra. Phase I of these projects have adequate tie up of land, water, fuel (coal linkages), finances and necessary Government clearances. Construction activities on these Projects have already commenced and the progress is in line with the estimated targets of the management.

BTG contracts for Phase I of Amravati and Nasik Thermal Power Projects have been entered into with BHEL. Civil & Structural works



Mr. Ranjit Gupta, CEO

Fresh coal linkage for Phase II at Amravati (1320 MW) and Nashik (1,320 MW) was granted in April 2010 by the Standing Linkage Committee of the Ministry of Coal, Government of India.

of BTG, Chimney Construction, Coal Handling plant, Water Treatment plant, EOT cranes, 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, GDC, Areva, Paharpur etc. The Design and Engineering, procurement of other Balance of Plant equipments / systems is proceeding in tandem with ground progress. M/s Tata Consulting Engineers have been retained as Owner's Consultants for Design and Engineering of both the projects.

Your Company recently signed long term Power Purchase Agreements for 1,200 MW with Maharashtra State Electricity Distribution Company Limited (MSEDCL) at a levelised tariff of Rs. 3.26 per unit from the Amravati Phase I Project.

Fresh coal linkage for Phase II at Amravati (1320 MW) and Nashik (1,320 MW) was granted in April 2010 by the Standing Linkage Committee of the Ministry of Coal, Government of India.

COMPETITIVE STRENGTHS

Your 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 proposed to be developed by the Company in Maharashtra and Chhattisgarh are expected to have a combined installed capacity of approximately 6,600 MW. The Company has also signed a MOU with the Government of Arunachal Pradesh for developing four hydro-power projects of an aggregate capacity of 167 MW. These hydroelectric projects are proposed to be run-of-the-river projects. 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 realise higher tariff rates.

Award of Contract for Phase-1 Amravati and Nashik Power Project to leading Contractors/ Suppliers

Your company has awarded main contract packages of Phase-1 Nashik and Amravati Power project to leading contractors / suppliers such as BHEL, Shapoorji Pallonji, L&T, Gammon, GDC, Areva etc to ensure quality in execution of the projects.

Fuel Access Security

One of the key factors in the power generation sector is the availability of high quality and cost efficient fuel in adequate amounts through the lifetime of a power plant. Towards this end, the Company has been granted coal linkages by the Ministry of Coal for Phase I and Phase II of Amravati and Nashik Power Project. The Company believes that the steps that it has taken and will continue to take to secure domestic coal for its projects, with less exposure to fuel price volatility.

The Company has entered into long-term power off-take arrangements for the Amravati Phase I Power Project

Your Company recently signed long term Power Purchase Agreements with Maharashtra State Electricity Distribution Company Limited (MSEDCL) for 1,200 MW from the Amravati Phase I Power Project.



Mr. Murali Subramanian, COO

Association with the Indiabulls Group.

The Company is a subsidiary of Indiabulls Real Estate Limited (IBREL) and a part of 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. IBREL is listed on the BSE and NSE. The Company believes that access to project execution and operating skills of IBREL and the Indiabulls Group is a competitive strength for 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 financing for its projects at an early stage in their development.

Experienced management team with a track record of project execution.

The Company has been able to attract managerial and technical talent. The Company's management team consists of personnel

who have an established track record, knowledge of the power sector and relevant experience in India. 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, National Thermal Power Company Limited, and Tata Power 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:

Capitalising on the growth of the Indian power generation sector

The power sector in India has historically been characterised by power shortages that have consistently increased over time. As per CEA the energy deficit and peak power deficit during the FY2010 was 10.1 % and 12.7 % respectively. As per the IEP Report, the Expert Committee on Power, in the XIth Plan (2007-2012), a capacity addition of 67 GW and 78 GW, assuming an 8.0 % and 9.0 % GDP growth rate, respectively, would be required by 2012 to meet the peak demand supply gap. Although recent reports indicate that the GDP growth rate is likely to be lower, the Company believes that the demand for power is likely to remain unchanged. The Company will continue to look at further opportunities to set up power projects in various locations across India.

Realisation 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:

- Liberalisation 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 recognised 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
- 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 capitalise 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 large 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 uses. 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 capitalising 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 centre, 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 also considering building generation assets based on other forms of energy sources including non-conventional and renewable energy resources.

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

The Company believes that state-run utility companies will require substantial amounts of power in order to meet their power demand and to cope adequately with power shortages in their respective states. The Company intends to utilise 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 realise higher tariff rates from time to time. The Company entered into a long-term power off-take agreement with MSEDCL in relation to the Amravati Phase I Power Project.

RISKS AND CONCERNS

1. Competition

Your Company operates in an increasingly competitive environment. This is particularly so because of the deregulation of the Indian power sector and increased private sector investment. The Electricity Act of 2003 which removed certain licensing requirements for thermal power generation companies, providing for open access to transmission and distribution networks and also facilitating additional capacity generation through captive power projects. These reforms have provided opportunities for increased private sector participation in power generation. Specifically, the open access reform enables private power generators to sell power directly to distribution companies and, ultimately to the end consumers, enhancing the financial viability of private investment in power generation. As a result, the Company may face a stiff competition from other Indian and international power companies. The Company may also have to compete with the established central and state power utilities.

2. Adverse economic developments

The Company's performance and the growth of its business is necessarily dependant on the performance of the overall Indian economy. India's economy could be adversely affected by a



general rise in interest rates, currency exchange rates, adverse conditions affecting agriculture, commodity and electricity prices or various other factors.

HUMAN RESOURCES

Your Company believes that the employees are the key to driving performance and developing competitive advantage.

The emphasis in the Company has therefore been on proper recruitment of talent and empowerment while devoting resources for their continuous development.

The recruitment process which the Company employs, focuses on recruiting people who have the right mindset for working with it and who can therefore be groomed through appropriate training programmes to achieve the pinnacle of career growth in the Company.

The basic objective has been to unlock the people potential and further developing their functional, operational and behavioral competencies so as to build a team of dedicated employees who work with passion, zeal and a sense of belongingness and play a defining role in significantly accelerating the growth and transformation of the Company thereby consolidating its position in the industrial arena as one of the top power sector companies in the country.

Toward furtherance of this objective the Company has in place two employee stock option schemes which aim at sharing the fruits of Company's growth and progress with the employees and in the process reward and nurture talent so that it gets to retain the best man power 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 every 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 from 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 third Annual Report and the Audited accounts of the Company for year ended March 31, 2010.

FINANCIAL RESULTS

	For the year ended March 31, 2010	Amount in Rupees For the year ended March 31, 2009
Profit before Tax and Depreciation	435,327,100	1,342,313,594
Less : Depreciation	3,451,435	393,922
Profit before Tax	431,875,665	1 341,919,672
Less : Provision for Tax	57,100,000	279,962,836
Add :		
Prior period tax adjustments	1,331,634	-
Deferred Tax Credit	1,135,531	-
Profit after tax and prior period tax adjustments	377,242,830	1,061,956,836
Add : balance brought forward	1,205,131,754	143,174,918
Balance carried forward	1,582,374,584	1,205,131,754

OPERATIONS REVIEW AND FUTURE BUSINESS OUTLOOK

Your Company has five thermal power projects under development and four hydro power projects, with aggregate capacity of over 6,700 MW. The thermal power projects, are located in the State of Maharashtra and Chhattisgarh and the hydro power projects are located in the State of Arunachal Pradesh. The company is also evaluating other thermal power projects in various parts of the country.

Thermal Power Projects

Your Company is developing majority of projects in western region which is strategically suited given the high peak deficit in the region.

Your Company's thermal power projects are in different phases of development. During the current year, your company has made significant progress in the development and implementation of the Amravati and Nashik Power projects.

Both Amravati and Nashik Thermal Power Projects are located in the State of Maharashtra. Phase I of these projects have adequate tie up of land, water, fuel (coal linkages), finances and necessary Government clearances. Construction activities on these Projects have already commenced and the progress is in line with the estimated targets of the management.

BTG contracts for Phase I of Amravati and Nashik Thermal Power Projects have been entered into with BHEL. Civil & Structural works of BTG, Chimney Construction, Coal Handling plant, Water Treatment plant, EOT cranes, 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, GDC, Areva, Paharpur etc. The Design and Engineering, procurement of other Balance of Plant equipments / systems is proceeding in tandem with ground progress. M/s Tata Consulting Engineers have been retained as Owner's Consultants for Design and Engineering of both the projects.

Your Company recently signed long term Power Purchase Agreements for 1,200 MW with Maharashtra State Electricity Distribution Company Limited (MSEDCL) at a levelised tariff of Rs. 3.26 per unit from the Amravati Phase I Project.

Fresh coal linkage for Phase II at Amravati (1,320 MW) and Nashik (1,320 MW) was granted in April 2010 by the Standing Linkage Committee of the Ministry of Coal, Government of India.

INITIAL PUBLIC OFFERING & LISTING OF THE COMPANY SHARES

During the year under review the Company came out with an Initial Public Offering of its Equity shares pursuant to which an aggregate of 339,800,000 Equity shares of the face value Rs. 10 per share were offered for subscription by the public at an offer price of Rs. 45 per share, together with a Green shoe option of upto 50,900,000 Equity shares. Subsequently pursuant to the green shoe mechanism, an aggregate of 21,052,346 fresh Equity shares were issued in the Company.

The Initial Public offering was a huge success, being oversubscribed by approximately 15.76 times and enabled the Company to raise approximately Rs. 1,623.83 crore from the market.

The shares of the Company were listed on National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited (BSE), with effect from October 30, 2009, thereby establishing the Company as a listed entity.



UTILISATION OF PROCEEDS OF THE INITIAL PUBLIC OFFERING (IPO)

A detail of the utilisation during the financial year 2009-2010, of the proceeds raised from the IPO made during the month of October 2009 is depicted in the table given below:

Particulars	Rupees in crore		
Amount received from IPO	1,623.83		
Utilisation of funds upto March 31, 2010	Planned as per prospectus	Utilised till March 31, 2010	Unutilised Balance
Funding to part finance the construction and development of the Amravati Power Project - Phase I	775.00	235.33	539.67
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**	660.00	660.00	-
General Corporate purposes	147.85	15.79	132.06
Share Issue Expenses	40.98	34.80	6.18
Total	1,623.83	945.92	677.91
Unutilised Amount			677.91
Temporary deployment of unutilised amount is as follows:			
Investments in Units of Mutual Funds		601.94	
Investment in Fixed Deposits		74.56	
Bank Balances		1.41	

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. Rajiv Rattan and Mr. Shamsher Singh Ahlawat retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer themselves for re-appointment.

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

DIVIDEND

Keeping in view the need for building up a healthy reserve base for serving the business requirements of the Company and the long term interests of the shareholders, your directors have thought it prudent to plough back the profits made by the Company, into its business.

It is felt that this would serve the twin purpose of providing the Company with a sound financial cushion, while at the same time leading to improved share valuations which would in turn result in maximisation of returns to the shareholders in the long run. No dividend has therefore been recommended for the financial year 2009-2010.

FIXED DEPOSITS

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

EMPLOYEE STOCK OPTIONS

The Company has always looked upon the employees as vital components in its growth and progress and believes in adequately rewarding them for their contribution and efforts.

It is with this objective that the Company has instituted two stock option schemes namely SPCL-IPSL Employee Stock Option Plan 2008 and Indiabulls Power Limited. Employees Stock Option Scheme – 2009, together covering 40 mn options, each option being convertible into one equity share of face value of 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 approval granted by the Ministry of Corporate Affairs, Government of India vide letter No.47/406/2010-CL-III dated May 19, 2010 under Section 212(8) of the Companies Act, 1956, copies of the Balance Sheet, Profit and Loss Account, Reports of the Board of Directors and Auditors of the subsidiaries of the Company as of March 31, 2010, have not been attached with the Balance Sheet of the Company. These documents and the related detailed information will be made available upon request by any Member of the Company interested in obtaining the same. Besides, the Annual accounts of the subsidiary companies have been kept at the registered office of the Company and that of such subsidiaries and have also been uploaded on the website of the Company. Further, as directed by the Ministry of Corporate Affairs, the financial data of the subsidiaries has been furnished under 'Detail of Subsidiary Companies' 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 Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE REPORT

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

AUDITORS & AUDITORS' REPORT

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

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

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

The information required to be disclosed under Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, is given in the Annexure to 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 are required to be set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219(1) (b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. Any member who is interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

DIRECTORS' 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 March 31, 2010 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 continuous assistance and support received from the investors, bankers, regulatory and government authorities, during the year. Your Directors also wish to place on record their deep sense of appreciation for the contributions made and committed services rendered by the employees of the Company.

For and on behalf of the Board of Directors

Place : New Delhi
Date : August 31, 2010

Sameer Gehlaut
Chairman

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

While there were no earnings in foreign exchange during the year under review, there was a foreign exchange outgo of Rs. 160,506/-, being expenses incurred on account of traveling of the Company personnel.

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, 2010'

Particulars	
a. Options Granted	20,000,000
b. Exercise price	16,200,000 options at Rs. 10 per option. 3,600,000* option at Rs. 26 per option
c. Options vested	1,980,000
d. Options exercised	1,444,200
e. The total number of Shares arising as a result of exercise of options	1,444,200
f. Options lapsed	200,000*
g. Variation in terms of options	None
h. Money realised by exercise of options	14,442,000
i. Total number of options in force	18,555,800
j. Employee wise details of options granted to;	
i. Senior Management personnel	Mr. Ranjit Gupta – 6,000,000 Mr. Murali Subramanian – 4,000,000
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. 0.206
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 recognised 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	The company has calculated employee compensation cost using the intrinsic value of stock options. This value is Nil. Had the company followed the fair value method, the employee compensation cost would have also been Nil. Hence there is no difference in employee compensation cost computed under intrinsic value and fair value method and hence no impact on profits and on EPS of the Company.
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. 9.60 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:	
i. risk free interest rate	8 %
ii. expected life	1 through 10 years
iii. expected volatility	0 %
iv. expected dividends, and	8 %
v. the price of the underlying share in market at the time of option grant	N.A.

* Initially the number of options granted under the Scheme was 20,000,000 however 200,000 options granted to one of the employees lapsed upon his resignation from the Company and are yet to be re-granted.

ANNEXURE TO THE DIRECTORS' REPORT REGARDING THE EMPLOYEE STOCK OPTIONS ISSUED UNDER INDIABULLS POWER LIMITED. 'EMPLOYEE STOCK OPTION SCHEME 2009- AS ON MARCH 31, 2010'

Particulars	
a. Options Granted	20,000,000
b. Exercise price	Rs. 14 per share
c. Options vested	NIL
d. Options exercised	NIL
e. The total number of Shares arising as a result of exercise of options	NIL
f. Options lapsed	NIL
g. Variation in terms of options	None
h. Money realised by exercise of options	N.A
i. Total number of options in force	20,000,000
j. Employee wise details of options granted to;	
i. Senior Management personnel	Mr. Ranjit Gupta – 6,000,000 Mr. Murali Subramanian – 4,000,000
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. 0.206
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 recognised 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	The company has calculated employee compensation cost using the intrinsic value of stock options. This value is Nil. Had the company followed the fair value method, the employee compensation cost would have also been Nil. Hence there is no difference in employee compensation cost computed under intrinsic value and fair value method and hence no impact on profits and on EPS of the Company.
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.	Not applicable as the options have not yet been exercised.
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:	
i. risk free interest rate	6.50 %
ii. expected life	1 through 10 years
iii. expected volatility	0 %
iv. expected dividends, and	6.50 %
v. the price of the underlying share in market at the time of option grant	Not Applicable

Report on Corporate Governance



1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company is of firm view that Corporate Governance must maintain global standard of corporate conduct as it is a systematic process whereby companies are directed and controlled to enhance wealth generating capacity for the benefit of all its stakeholders. Sound Corporate governance is based on three principles viz fairness, transparency and accountability. Business practices based on these principles and responsible corporate behavior contribute to superior long term performance of the companies.

The Corporate Governance policy of the Company encompasses the simple doctrine of integrity, accountability, transparency and fairness in whatever the Company does and what it basically aims at achieving is a complete adherence to the applicable statutes while at the same time ensuring a complete commitment to values and the highest ethical standards in every facet of its business operations

and in each of the functional areas. This in turn ensures that best in the class concept of corporate governance practices become a way of life in the Company.

In line with the nature and size of operation of the Company, the corporate governance framework in Indiabulls Power Limited. (IPL) 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 to 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 ensures appropriate mix of executive/non executive and independent directors to ensure proper governance and management. The Board members have collective experience in diverse fields like finance, banking, engineering and technology.

The Board consists of six Directors, one being an Executive and Promoter Director and the remaining five Directors being Non-Executive Directors, with three of such directors being independent directors and two being Promoter Directors. The Chairman being a Non-Executive Director, the number of Independent Directors on the Board is 50% of the Board strength at any point of time.

The detail of Directors currently on the Board of the Company is depicted in the table given below. Also depicted is the detail as to the number of directorships held by them in various companies as on March 31, 2010 and the number of their memberships and chairmanships in the board committees of various companies (including the Company), as on the said date.

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	Executive and Promoter Director	9	2	Nil
2.	Mr. Sameer Gehlaut	Non-Executive Promoter Director	3	3***	1
3.	Mr. Saurabh K Mittal	Non-Executive Promoter Director	3	3	Nil
4.	Mr. Shamsher Singh Ahlawat	Non-Executive Independent Director	4	5***	5
5.	Brig. Labh Singh Sitara	Non-Executive Independent Director	2	2	Nil
6.	Mr. Prem Prakash Mirdha	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 public limited companies, have been considered.

*** Figure inclusive of Chairmanships

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 FY2010 the Board met 24 (Twenty Four) times .The dates of the Board meetings were April 10, 2009, April 28, 2009, May 01, 2009, May 12, 2009, May 25, 2009, June 4, 2009, June 10, 2009, June 25, 2009, July 4, 2009, July 7, 2009, July 10, 2009, July 14, 2009, July 20, 2009, August 19, 2009, September 5, 2009, September 26, 2009, October 1, 2009 (two meetings), October 28, 2009, December 1, 2009, December 17, 2009, January 6, 2010, January 21, 2010 and February 13, 2010.

The last Annual General Meeting of the Company was held on September 29, 2009.

A table depicting the attendance of Directors at various board meetings and annual general meeting held during the FY2010 is given below:

Sr. no.	Name of the Director	No. of Board meetings attended during the tenure	Attendance at the last AGM
1.	Mr. Sameer Gehlaut	20	No
2.	Mr. Rajiv Rattan*	16	Yes
3.	Mr. Saurabh K Mittal	22	No
4.	Mr. Shamsher Singh Ahlawat **	10	No
5.	Brig. Labh Singh Sitara**	4	No
6.	Mr. Prem Prakash Mirdha**	6	No
7.	Mr. Aishwarya Katoch ##	11	No
8.	Mr. Karan Singh** ##	9	Yes
9.	Mr. Ranjit Gupta *##	7	No
10.	Mr. Murali Subramanian *##	5	No
11.	Mr. Virendra Kumar Goel ##	7	No
12.	Mr. Sunil Kumar ##	7	No

*Mr. Rajiv Rattan, Mr. Ranjit Gupta and Mr. Murali Subramanian were appointed on the Board w.e.f. July 1, 2009

**Mr. Shamsher Singh Ahlawat, Brig. Labh Singh Sitara, Mr. Karan Singh and Mr. Prem Prakash Mirdha were appointed on the Board w.e.f. June 10, 2009.

Mr. Virendra Kumar Goel and Mr. Sunil Kumar ceased to be the directors of the Company w.e.f. June 10, 2009 and Mr. Aishwarya Katoch, Mr. Karan Singh, Mr. Ranjit Gupta and Mr. Murali Subramanian ceased to be the directors of the Company w.e.f. September 26, 2009

(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 their compliance with the Code of Conduct. A declaration signed by the Chief Executive Officer to this effect is enclosed at the end of this Report.

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

3. COMMITTEES OF THE BOARD

The Board constituted 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 to the Audit Committee.

Terms of reference

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

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

Meetings and Attendance during the year

The Company was an unlisted entity for greater part of the FY2010, with its shares getting listed on the stock exchanges with effect from October 30, 2009. As an unlisted entity, a meeting of the Audit Committee was held during the FY2010, on June 4, 2009. Subsequent to its listing, a meeting of the Audit Committee was held on January 21, 2010 and is being/shall be followed by meetings of the Committee at such periodic intervals that a minimum of four meetings are held in a financial year, with a gap of not more than four months between two meetings.

The attendance of the members of the Committee at the meetings held during the FY2010 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	1	1
Mr. Prem Prakash Mirdha	1	1
Mr. Saurabh K Mittal	1	1

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

(B) Remuneration Committee

Composition

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

Terms of reference

The 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, 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 FY2010.

(C) Shareholders' / Investors' Grievance Committee**Composition**

While the Company was still an unlisted entity, it had constituted a Share Transfer cum Shareholders' / Investors' Grievance committee in line with the requirements of clause 49 of the Listing Agreements, which were to become applicable to it subsequent to the listing of its shares on the stock exchanges, so as to effectively service the interests and redress the grievances of the large shareholder base which the Company would come to acquire upon the public offering of its shares (as planned at such point of time). The Committee has begun to function actively subsequent to the listing of shares of the Company on the stock exchanges.

The Committee comprises of three Independent Directors as its members namely Mr. Shamsher Singh Ahlawat as the chairman and member and Mr. Prem Prakash Mirdha and Brigadier Labh Singh Sitara as the other two members.

Terms of reference

The Committee apart from being involved in implementation and close monitoring of the system for redressal of investor grievances, in collaboration with the Registrar and Share Transfer Agent of the Company, primarily carries out the function of approving, the requests for share transfers and transmissions, requests pertaining to remat of shares /sub division/ consolidation / issue of renewed and duplicate share certificates etc.

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 FY2010

During the FY2010 a total of 1637 complaints were received from the investors/shareholders, all 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. All the complaints have been redressed to the satisfaction of the complainants.

4. GENERAL BODY MEETINGS**A. Location and time of Annual General Meetings (AGMs)**

The Company was incorporated in the FY2008 whereafter two Annual General meetings of the Company were held, as per the details depicted in the below given table :

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.

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

In the AGMs of the Company for the FY2008 and FY2009 no special resolutions were passed.

C. Special Resolutions passed during the FY2010 through postal ballot

During the FY2010, no postal ballot was conducted by the Company.

5. DISCLOSURES

(i) Details of materially significant related party transactions

Details of materially significant related party transactions made during the FY2010, 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

The Company has been in existence as a listed entity only since October 30, 2009 prior to which it was a closely held unlisted entity with no exposure to/ in the capital market, in any manner whatsoever.

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

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

The Company has in place a highly effective Whistle blower policy which sets out the process and mechanism whereby employees at various levels in the organization can bring to the notice of the management any violations of the applicable laws, regulations as also any unethical or unprofessional conduct.

All such reports are taken up for consideration at appropriate intervals depending upon the gravity of the matter reported so that adequate rectifying measures can be initiated in the right earnest, at the appropriate levels.

Further, in order to encourage the employees to freely air their views and voice their concerns on various matters and to prevent any victimization of the employees, identity of the employees is kept strictly confidential.

It would be pertinent to mention here that the Audit Committee set by the Board, constitutes a vital component of the whistle blower mechanism and instances of financial misconduct, if any, are reported to the Audit committee. No employee is denied access to the Audit Committee.

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

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

6. MEANS OF COMMUNICATION

- (i) Publication of Results:** The quarterly / annual results of the Company are published in the leading newspapers viz The Financial Express/ Business Standard and Jansatta.
- (ii) News, Release, etc:** The Company has its own website www.indiabulls.com/power and all vital information relating to the Company and its performance including financial results, press releases pertaining to important developments, performance updates and corporate presentations etc. are regularly posted on the website.
- (iii) Management's Discussion and Analysis Report** has been included in the Annual Report and forms a part of the Annual Report.
- (iv) Investors' Relation:** The Company's web site contains separate dedicated sections "Investor Relations" and "News & Media" 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. Rajiv Rattan

Mr. Rajiv Rattan aged 37, has been the Whole-time Director (designated as Vice Chairman) on the Board of the Company since July 1, 2009. He is the co-founder and Vice Chairman of the Indiabulls group of companies.

Mr. Rajiv Rattan graduated with a degree in Electrical engineering from the Indian Institute of Technology, Delhi in the year 1994. He was selected by Schlumberger for its international services business in 1994, where he worked for over 5 years before he co-founded Indiabulls group of companies.

Mr. Rattan has vast work experience in the field of financial services, real estate, power and infrastructure sector businesses. He also has extensive experience in process management and task management and is involved in strategic decision making in the Company.

Mr. Rajiv Rattan is a director on the boards of a large number of companies namely Indiabulls Financial Services Limited, Indiabulls Real Estate Limited, Indiabulls Realtech Limited, Indiabulls Securities Limited, Ceres Real Estate (P) Ltd., Indian Commodity Exchange Limited, Indiabulls Life Insurance Company Limited, Indiabulls CSEB Bhayathan Power Limited, Indiabulls Electricity Distribution Private Limited, Indiabulls Mining Private Limited, Spire Constructions Private Limited, Ceres Mining Private Limited, Ceres Power Transmission Private Limited, Ceres Electricity Distribution Private Limited, Priapus Developers Private Limited, Nettle Constructions Private Limited, Ceres Energy Private Limited, Arcelormittal India Mining Private Limited, Priapus Constructions Private Limited, Priapus Land Development Private Limited.

Apart from being a director on the boards of various companies, Mr. Rattan is a member of the Shareholders Grievance Committee of Indiabulls Real Estate Limited an Indiabulls group company.

Mr. Rattan does not hold any shares in the Company

Mr. Shamsher Singh Ahlawat

Mr. Shamsher Singh Ahlawat is an independent Director on the Board of the Company since June 10, 2009. He holds a post graduate degree in history from St. Stephens College, New Delhi.

Mr. Singh started his career as a probationary officer with the State Bank of India in 1971 and retired as the Chief Manager. During his tenure with the bank Mr. Shamsher Singh worked on various assignments at the Merchant Banking and Credit division of the bank. Mr. Shamsher Singh is involved in social welfare activities including that of running a school providing free education in Jhajhar, Haryana.

Mr. Shamsher Singh is also on the Board of several other Indiabulls group companies namely Indiabulls Financial Services Limited, Indiabulls Real Estate Limited, Store One Retail India Limited and Indiabulls Constructions Limited and is a member of the Audit committee, Remuneration committee and Shareholders Grievance committee of Indiabulls Financial Services Limited, Store One Retail India Limited and Indiabulls Real Estate Limited.

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

(C) Financial Calendar 2010-2011 (tentative)*

Financial reporting for the half year ending September 30, 2010	By mid November 2010
Financial reporting for the quarter ending December 31, 2010	By mid February 2011
Financial reporting for the quarter and year ending March 31, 2011	By the end of May 2011**
Annual General Meeting for the year ending March 31, 2011	By the end of September 2011

* Except for the meetings already held

** Pursuant to Clause 41 of the Listing Agreement, Board has the option to consider publication of Audited results for the FY2011 by May 31, 2011, instead of publishing unaudited results for the fourth quarter by the mid of May 2011.

(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 FY2010.

(F) (i) Distribution of shareholding as on March 31, 2010

Sr.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	89,597	67.63	196,925,660	0.97 %
2	5,001 -	10,000	17,265	13.03	132,753,460	0.66 %
3	10,001 -	20,000	10,441	7.88	140,558,150	0.70 %
4	20,001 -	30,000	12,541	9.47	270,736,230	1.34 %
5	30,001 -	40,000	621	0.47	22,209,730	0.11 %
6	40,001 -	50,000	640	0.48	29,888,570	0.15 %
7	50,001 -	1,00,000	696	0.53	53,354,470	0.26 %
8	1,00,001 and above		674	0.51	19,366,539,190	95.81 %
TOTAL			132,475	100.00	20,212,965,460	100.00

(ii) Shareholding pattern as on March 31, 2010

Sr. no.	Category	No. of Shares	% holding
1.	Promoters	1,185,000,000	58.63
2.	Mutual Funds	3,115,768	0.15
3.	Financial Institutions/Banks	16,475,008	0.82
4.	FIIIs	226,596,613	11.21
5.	Foreign Venture Capital Investors	262,731,807	13.00
5.	Private Bodies Corporate	52,767,293	2.61
6.	Indian Public	93,886,478	4.64
7.	NRIIs	1,300,395	0.07
8.	OCBs	177,750,000	8.79
9.	Others (Clearing Members)	1,673,184	0.08
Total		2,021,296,546	100.00

(G) Dematerialization of shares and liquidity

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

As on March 31, 2010, nearly 100.00 % Equity shares of the Company representing 2,021,281,197 out of a total of 2,021,296,546 Equity shares, were held in dematerialised form with a miniscule balance of 15,349 Equity shares, constituting less than 1 % of the total outstanding Equity shares, being held in the physical segment.

(H) Listing on Stock Exchanges

The Company's shares have been listed on the following stock exchanges with effect from October 30, 2009:

National Stock Exchange of India Limited (NSE)

Bombay Stock Exchange Limited (BSE)

"Exchange Plaza", Bandra-Kurla Complex,

Phiroze Jeejeebhoy Towers,

Bandra (E), Mumbai – 400 051

Dalal Street, Mumbai – 400 001

(I) Stock Code

Bombay Stock Exchange Ltd. - 533122

National Stock Exchange of India Limited - IBPOW/EQ

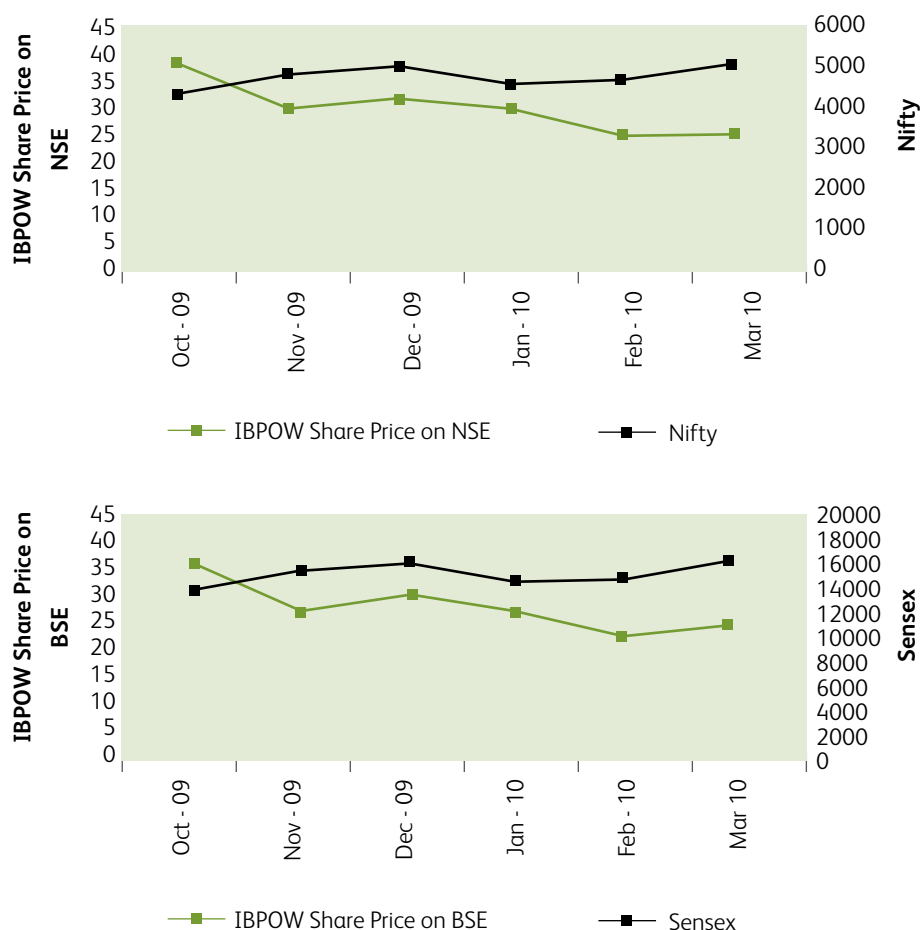
ISIN for dematerialisation - INE399K01017

(J) 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, 2010 are as under:

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2009	N.A.	N.A.	N.A.	N.A.
May 2009	N.A.	N.A.	N.A.	N.A.
June 2009	N.A.	N.A.	N.A.	N.A.
July 2009	N.A.	N.A.	N.A.	N.A.
August 2009	N.A.	N.A.	N.A.	N.A.
September 2009	N.A.	N.A.	N.A.	N.A.
October 2009	45.05	35.35	45.50	35.00
November 2009	39.15	30.60	39.25	30.60
December 2009	35.20	32.25	35.10	32.25
January 2010	39.10	31.10	39.30	31.10
February 2010	33.20	28.55	33.10	28.75
March 2010	31.25	28.70	31.20	28.65

Note: The shares of the Company got listed w.e.f. October 30, 2009.

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

Note: The shares of the Company got listed w.e.f. October 30, 2009 on NSE and BSE.

(L) Registrar and Transfer Agents

Karvy Computershare Private Limited is acting as the Registrar and Transfer Agent 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 – 500081

Phone : 040-44655000/23420815-23420825, Fax : 040-23420814

E-mail : einward.ris@karvy.com – for investors/shareholders

Contact Person : Mr. K Sreedhara Murthy, Asst.Gen.Manager

E-mail : sreedharamurthy@karvy.com

(M) 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 hand in hand to process and approve the requests received for transfer or transmission of the shares in the physical segment.

Share transfer/transmission requests are processed on the first, third and fifth Monday (if any) of every month with the RTA sending the requests which have already been scrutinised 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.

(N) Address for Correspondence

(i) Registered Office:

Indiabulls Power Limited.
E-29, First Floor,
Connaught Place, New Delhi- 110 001

(ii) Corporate Office:

(a) "Indiabulls House"

448-451, Udyog Vihar, Phase V,
Gurgaon – 122 001, Haryana

(b) One Indiabulls Center

Tower 2/B, 841 Senapati Bapat Marg
Elphinstone Road, Mumbai-400 013

8. COMPLIANCE CERTIFICATE FROM THE PRACTICING COMPANY SECRETARY

A certificate from a Practicing Company Secretary certifying the Company's compliance with the provisions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to and forms a part of this Report.

The certificate is also being forwarded to the Stock Exchanges in India where the shares 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 submitted 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 is not maintaining any office at Company's expense nor is he being reimbursed any expenses incurred by him..

(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

The Company is getting its quarterly / half yearly and annual financial results published in leading newspapers with wide circulation across the country and regularly updates the same on its public domain website.

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

(D) Unqualified financial statements

The Auditors report on the audited annual accounts of the Company does not contain any qualification and it shall be the endeavor of the Company to continue the trend by strengthening the existing accounting systems and controls as well as ensuring complete adherence to the applicable accounting standards, procedures and practices, to have unqualified financial statements.

(E) Whistle Blower Policy

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

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

**ANNUAL DECLARATION BY 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 FY2010.

Place: New Delhi

Date: August 31, 2010

Ranjit Gupta
Chief Executive Officer

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, 2010, 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, 2010 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

Sanjay Khandelwal
Proprietor

Membership No: FCS 5945
CP No. 6128

Place: New Delhi

Date: August 31, 2010

Auditors' Report to the Board of Directors of Indiabulls Power Limited. (Formerly Sophia Power Company Limited)

1. We have audited the attached Consolidated Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited), ("the Company"), and its subsidiaries (the Company and its subsidiaries constitute the "Group") as at March 31, 2010, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement 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 separate financial statements and other financial information regarding components. 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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 certain subsidiaries whose financial statements reflect total assets of Rs. 10,250,593,754 as at March 31, 2010, total revenues of Rs. 22,850,002 and net cash outflows amounting to Rs. 684,726,372 for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose report has 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 other auditors.
4. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 - (Consolidated Financial Statements), as notified by the Companies (Accounting Standards) Rules, 2006.
5. Based on our audit and on consideration of 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, 2010;
 - (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)

New Delhi, April 22, 2010

Consolidated Balance Sheet

of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010

(Amount in Rupees)

	Schedule	As at March 31, 2010	As at March 31, 2009
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	20,212,965,460	8,295,000,000
Reserves and Surplus	B	18,680,381,703	15,603,816,739
Minority Interest		7,428,602	3,422,779
(Refer Note II (6) of Schedule Q)			
Loan Funds			
Secured Loans	C	4,372,475	411,475
Unsecured Loans	D	2,002,071,233	1,796,409
		2,006,443,708	2,207,884
TOTAL		40,907,219,473	23,904,447,402
APPLICATION OF FUNDS			
Fixed Assets	E		
Gross Block		1,065,123,165	8,956,331
Less: Accumulated Depreciation / Amortisation		9,104,197	1,396,541
Net Block		1,056,018,968	7,559,790
Capital Work-in-Progress (including Capital Advances)		5,190,553,021	1,557,184,640
		6,246,571,989	1,564,744,430
Expenditure During Construction Pending Capitalisation	F	1,138,347,477	501,923,560
Investments	G	11,960,355,730	-
Goodwill on Consolidation		2,293,358	2,293,358
Deferred Tax Assets		12,602,595	35,611
(Refer Note II (14) of Schedule Q)			
Current Assets, Loans and Advances			
Cash and Bank Balances	H	7,514,835,699	11,955,077,608
Other Current Assets	I	61,425,607	128,885,304
Loans and Advances	J	14,262,958,471	9,875,090,591
		21,839,219,777	21,959,053,503
Less: Current Liabilities and Provisions			
Current Liabilities	K	183,718,142	59,141,601
Provisions	L	108,453,311	64,461,459
		292,171,453	123,603,060
Net Current Assets		21,547,048,324	21,835,450,443
TOTAL		40,907,219,473	23,904,447,402
Significant Accounting Policies and Notes to Accounts	Q		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

K. A. Katki
PartnerRajiv Rattan
Vice ChairmanShamsher Singh Ahlawat
DirectorGaurav Toshkhani
Company SecretaryPlace : New Delhi
Date : April 22, 2010Place : New Delhi
Date : April 22, 2010

Consolidated Profit & Loss Account of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) for the year ended March 31, 2010

	Schedule	For the year ended March 31, 2010	(Amount in Rupees) For the year ended March 31, 2009
INCOME			
Other Income	M	840,845,835	1,413,348,931
TOTAL		840,845,835	1,413,348,931
EXPENDITURE			
Employees Remuneration and Benefits	N	267,329,320	92,356,124
Administrative and Other Expenses	O	98,717,168	103,130,299
Interest and Finance Charges	P	32,133,577	94,111,489
Depreciation / Amortisation	E	3,514,619	430,038
TOTAL		401,694,684	290,027,950
Profit before Tax		439,151,151	1,123,320,981
Provision for Tax			
- Current Tax		70,393,123	290,719,791
- Tax Adjustment for Earlier Years		(1,331,634)	-
- Deferred Tax (Net)		(12,566,984)	(28,657)
- Fringe Benefits Tax		-	2,024,662
Net Profit After Tax Before Minority Interest		382,656,646	830,605,185
Less: Minority Interest		1,311,378	961,373
Net Profit After Tax and Minority Interest		381,345,268	829,643,812
Balance of Profit Brought Forward		968,570,827	141,620,309
Adjustment for Minority Interest		(1,969,743)	-
Adjustment on account of Brought Forward Profit/(Loss) - (net) of Indiabulls Power Services Limited and its Subsidiary Companies as at the start of April 1, 2008 (includes Brought Forward Profit of Rs. 1,554,609 of Indiabulls Power Services as at the start of April 1, 2008, pursuant to the Scheme of Amalgamation). (Refer Note II (4) of Schedule Q)		-	(2,693,294)
Balance of Profit Carried Forward		1,347,946,352	968,570,827
Earnings Per Share (Refer Note II (13) of Schedule Q)			
- Basic (Rs.)		0.21	0.50
- Diluted (Rs.)		0.20	0.49
Face value per share (Rs.)		10	10
Significant Accounting Policies and Notes to Accounts	Q		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

K. A. Katki
Partner

Place : New Delhi
Date : April 22, 2010

For and on behalf of the Board

Rajiv Rattan
Vice Chairman

Place : New Delhi
Date : April 22, 2010

Shamsher Singh Ahlawat
Director

Gaurav Toshkhani
Company Secretary

Consolidated Cash Flow Statement of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) for the year ended March 31, 2010

(Amount in Rupees)

	For the year ended March 31, 2010	For the year ended March 31, 2009
A Cash Flow From Operating Activities		
Profit Before Tax	439,151,151	1,123,320,981
Adjustment for :		
Depreciation / Amortisation	3,514,619	430,038
Interest Expenses	32,133,577	88,223,442
Provision for Gratuity	7,025,351	642,161
Provision for Compensated Absences	4,576,569	3,658,268
Provision for Superannuation Benefits	31,638,976	5,873,697
Sundry Balances Written Off	500,000	-
Profit / (Loss) on Sale of Investments - Trade	(10,298)	(13,314)
Balances Written Back	(895,202)	-
Dividend on Units of Mutual Funds - Non Trade	(327,643,426)	(544,170,205)
Interest Income on Fixed Deposits	(402,946,513)	(346,707,567)
Interest income on Inter Corporate Deposits	(108,284,920)	(481,842,941)
Operating Loss before Working Capital Changes	(321,240,116)	(150,585,440)
Adjustments for:		
(Increase)/Decrease in Advances recoverable in Cash or in Kind or for Value to be Received / Loan to Employee / Security Deposits / Prepaid Expenses	(1,796,711,095)	(5,836,444,685)
Transfer of Employee Benefits from Others	-	51,763,711
Increase/(Decrease) in Sundry Creditors and Other Liabilities	111,792,639	50,211,756
Cash Used in Operations	(2,006,158,572)	(5,885,054,658)
Direct Taxes Paid	(93,425,033)	(302,590,682)
Net Cash Used in Operating Activities	(2,099,583,605)	(6,187,645,340)
B Cash Flow From Investing Activities		
Purchase of Fixed Assets (including Capital Advances)	(4,689,535,215)	(1,565,214,381)
Expenditure During Construction Pending Capitalisation	(631,519,035)	(465,957,326)
Investment in Equity Shares of Subsidiary Companies	-	(130,000)
Sale of Investment in Equity Shares of Subsidiary Company	245,000	500,000
Share Application Money Pending Allotment	(70,000,000)	-
Investments in mutual funds - Long term	(11,935,755,730)	-
Loans / Inter Corporate Deposits (given) / received back - Net	(2,500,000,000)	10,444,500,000
Fixed Deposit (placed) / matured with bank	(968,519,987)	(6,259,011,000)
Interest Received on Fixed Deposits	482,811,517	218,928,821
Interest Received on Loans / Inter Corporate Deposits given	98,625,482	481,842,941
Dividend on Units of Mutual Funds - Non Trade	327,643,426	544,170,205
Net Cash Generated From/(Used in) Investing Activities	(19,886,004,541)	3,399,629,260

Consolidated Cash Flow Statement of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) for the year ended March 31, 2010 (Contd.)

(Amount in Rupees)

	For the year ended March 31, 2010	For the year ended March 31, 2009
C Cash Flow From Financing Activities		
Proceeds from issue of Equity Shares	16,252,797,570	-
Issue of Shares to Minority by Subsidiary Company	490,000	-
Share Issue Expenses	(351,849,125)	-
Secured Loans taken	4,234,965	411,475
Repayment of secured Loan	(273,965)	-
Inter Corporate Deposits taken	2,000,000,000	4,745,500,000
Inter Corporate Deposits repaid	-	(4,745,500,000)
Interest Expenses	(31,858,753)	(86,427,034)
Net Cash Generated From/(Used in) Financing Activities	17,873,540,692	(86,015,559)
D Net (Decrease) in Cash and Cash Equivalents (A+B+C)	(4,112,047,454)	(2,874,031,639)
E Unrealised Exchange Difference on Translation of balances denominated in Foreign Currency	(1,272,114,442)	1,227,734,662
F Cash and Cash Equivalents as at the beginning of the year	5,696,066,608	5,425,728,134
G Cash and Cash equivalents received pursuant to 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 (Refer Note II(4) of Schedule Q).	-	1,916,635,451
H Cash and Cash Equivalents as at the end of the year (D+E+F+G)	311,904,712	5,696,066,608

Note :

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

- Cash and Cash Equivalents as at the year end includes :**

Cash and Bank balances (Refer Schedule H)	7,514,835,699	11,955,077,608
Add: Current investments in Units of Mutual Funds considered temporary deployment of funds (Refer Schedule G)	24,600,000	-
	7,539,435,699	11,955,077,608
Less: In fixed deposit accounts having maturity of more than 3 months	7,227,530,987	6,259,011,000
Cash and Cash Equivalents as restated	311,904,712	5,696,066,608

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

K. A. Katki
PartnerRajiv Rattan
Vice ChairmanShamsher Singh Ahlawat
DirectorGaurav Toshkhani
Company SecretaryPlace : New Delhi
Date : April 22, 2010Place : New Delhi
Date : April 22, 2010

Schedules forming part of Consolidated Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010

(Amount in Rupees)

	As at March 31, 2010	As at March 31, 2009
SCHEDULE A		
Share Capital		
Authorised:		
5,000,000,000 (Previous Year 1,198,000,000) Equity Shares of Rs. 10 each	50,000,000,000	11,980,000,000
Issued, Subscribed and Paid up: (Refer Note II (5) of Schedule Q)		
Equity Share Capital		
2,021,296,546 (Previous Year 82,950,000) Equity Shares of Rs.10 each fully paid up	20,212,965,460	8,295,000,000
- Of the above:		
(i) 1,185,000,000 (Previous Year 592,500,000) Equity Shares of Rs. 10 each are held by the Holding Company - Indiabulls Real Estate Limited and its nominees.		
(ii) Nil (Previous Year 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 (Refer Note II (4) to Schedule Q)		
(iii) 829,500,000 (Previous Year Nil) 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	20,212,965,460	8,295,000,000
SCHEDULE B		
Reserves And Surplus		
Securities Premium Account (Refer Note II (5) of Schedule Q)		
Balance as per last Balance Sheet	13,407,511,250	13,407,511,250
Add : Additions during year	12,629,832,110	-
	26,037,343,360	13,407,511,250
Less : Issue of Bonus Shares	(8,295,000,000)	-
Share Issue Expenses - IPO	(365,528,229)	-
	17,376,815,131	13,407,511,250
Foreign Currency Translation Reserve		
Balance as per last Balance Sheet	1,227,734,662	-
Add / (Less): Exchange Rate Fluctuation during the year	(1,272,114,442)	1,227,734,662
	(44,379,780)	1,227,734,662
Surplus As per Profit and Loss Account	1,347,946,352	968,570,827
As Per Balance Sheet	18,680,381,703	15,603,816,739

Schedules forming part of Consolidated Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

	As at March 31, 2010	As at March 31, 2009
(Amount in Rupees)		
SCHEDULE C		
Secured Loans		
From Bank		
Vehicle Loan*	4,372,475	411,475
(Secured against hypothecation of vehicle)		
As Per Balance Sheet	4,372,475	411,475
* Amount Repayable within one year Rs. 1,512,352 (Previous Year 150,625)		
SCHEDULE D		
Unsecured Loans		
Short Term Loans - Others	2,000,000,000	-
Add :- Interest accrued and Due	2,071,233	1,796,409
As Per Balance Sheet	2,002,071,233	1,796,409

Schedules

forming part of Consolidated Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

SCHEDULE E Fixed Assets

Particulars	Gross Block At Cost				Accumulated Depreciation / Amortisation			Net Block	
	As at April 1, 2009	Additions during the year	Adjustments/ Sales during the year	As at March 31, 2010	As at April 1, 2009	Provided during the year *	Adjustments during the year	As at March 31, 2010	As at March 31, 2009
A. Tangible Assets									
Land	107,700	987,111,801	-	987,219,501	-	3,273,767	-	983,945,734	107,700
Building	-	1,172,748	-	1,172,748	-	9,217	-	1,163,531	-
Plant & Machinery	1,086,820	2,613,572	-	3,700,392	31,645	72,879	-	3,595,868	1,055,175
Office Equipment	2,597,771	1,891,992	72,190	4,417,573	323,405	282,380	4,086	3,815,874	2,274,366
Computers	1,628,957	3,377,047	-	5,006,004	209,809	377,440	-	4,418,755	1,419,148
Furniture and Fixtures	1,157,964	5,210,927	63,774	6,305,117	551,556	594,616	18,352	5,177,297	606,408
Vehicles**	1,433,631	50,255,677	-	51,689,308	116,631	2,365,810	-	49,206,867	1,317,000
TOTAL (A)	8,012,843	1,051,633,764	135,964	1,059,510,643	1,233,046	6,976,109	22,438	1,051,323,926	6,779,797
B. Intangible Assets									
Software	943,488	4,669,034	-	5,612,522	163,495	753,985	-	4,695,042	779,993
TOTAL (B)	943,488	4,669,034	-	5,612,522	163,495	753,985	-	4,695,042	779,993
TOTAL (A+B)	8,956,331	1,056,302,798	135,964	1,065,123,165	1,396,541	7,730,094	22,438	1,056,018,968	7,559,790
C. Capital Work-in-Progress (including Capital Advances)								5,190,553,021	1,557,184,640
TOTAL (C)								5,190,553,021	1,557,184,640
GRAND TOTAL (A+B+C)	8,956,331	1,056,302,798	135,964	1,065,123,165	1,396,541	7,730,094	22,438	6,246,571,989	1,564,744,430
Previous Year	926,590	8,049,741	20,000	8,956,331	36,305	1,360,973	737	1,564,744,430	

* Note: Depreciation aggregating Rs. 4,215,475 (Previous Year Rs. 930,935) on assets directly related to the Project has been transferred to Expenditure During Construction Pending Capitalisation and depreciation aggregating to Rs. 3,514,619 (Previous year Rs. 430,038) being depreciation on other fixed assets has been debited to the Profit & Loss Account (Refer Schedule F).

**Vehicle having original cost Rs. 5,169,379 (Previous Year Rs. 630,717) is hypothecated to banks against loan taken.

Schedules forming part of Consolidated Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

	Opening Balance as at April 1, 2009	Additions During the Year	Transfer During the Year to Capital Work-in-Progress	(Amount in Rupees) Closing Balance as at March 31, 2010
SCHEDULE F				
Expenditure During Construction Pending Capitalisation & (Refer Note II (15) of Schedule Q)				
Salaries and Wages	77,374,917	97,111,852	-	174,486,769
Staff Welfare Expenses	414,827	478,357	-	893,184
Recruitment and Training Expenses	2,844,722	200,026	-	3,044,748
Repair and Maintenance Expenses				
- Vehicle	1,109,627	2,385,717	-	3,495,344
- Others	1,844,889	2,568,646	-	4,413,535
Site Lease Rent Expenses	914,660	2,436,566	-	3,351,226
Legal and Professional Charges	57,274,448	80,989,763	-	138,264,211
Communication Expenses	1,047,256	1,939,411	-	2,986,667
Rates and Taxes	4,001,950	4,843,383	-	8,845,333
Bank Guarantee Charges	12,453,542	51,308,058	-	63,761,600
Travelling and Conveyance Expenses	24,649,000	43,729,818	-	68,378,818
Power Transmission Charges	3,079,738	-	-	3,079,738
Development Cost	235,919,160	-	(235,919,160)	-
Soil Investigation Charges	3,071,390	-	-	3,071,390
Processing fees	17,517,000	-	-	17,517,000
Financing Charges	42,265,105	495,007,443	-	537,272,548
Miscellaneous Site Expenses	15,210,394	95,817,414	(10,688,852)	100,338,956
Depreciation/Amortisation	930,935	4,215,475	-	5,146,410
	501,923,560	883,031,929	(246,608,012)	1,138,347,477

Schedules forming part of Consolidated Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

(Amount in Rupees)

	As at March 31, 2010	As at March 31, 2009
SCHEDULE G		
Investments		
i) Long Term (At Cost)		
Non Trade, Unquoted - in Units of Mutual Fund		
- In 320,000,000 (Previous Year Nil) Units of UTI Mutual Fund - Fixed Maturity Plan at NAV of Rs. 10	3,200,000,000	-
- In 473,539,432 (Previous Year Nil) Units of ICICI Prudential - Fixed Maturity Plan at NAV of Rs. 10	4,735,394,320	-
- In 300,036,141 (Previous Year Nil) Units of Birla Sunlife Fixed Term Plan - Fixed Maturity Plan at NAV of Rs. 10	3,000,361,410	-
- In 100,000,000 (Previous Year Nil) Units of Reliance Fixed Horizon Fund - Fixed Maturity Plan at NAV of Rs. 10	1,000,000,000	-
TOTAL (i)	11,935,755,730	-
ii) Current Investments (lower of cost and fair value)		
in Units of Mutual Funds - Non Trade, Un-quoted		
- In 1,458,807 Units (Previous Year Nil) of LIC MF Saving Plus Fund - Daily Dividend at NAV of Rs. 16.8631 per Unit (Previous Year Nil per Unit)	24,600,000	-
TOTAL (ii)	24,600,000	-
	11,960,355,730	-
Aggregate Value of Un-Quoted Investments	11,960,355,730	-
Aggregate Book Value of Quoted Investments	-	-
Aggregate Market Value of Quoted Investments	-	-
SCHEDULE H		
Cash and Bank Balances		
Cash On Hand	1,360,082	123,817
Balances with Scheduled Banks :		
On Current Accounts	62,600,326	351,963,743
On Fixed Deposit Accounts (Refer Note II (9) of Schedule Q)	2,705,523,513	6,259,011,000
Balances with Non Scheduled Banks :		
On Current Accounts	223,344,304	5,343,979,048
On Fixed Deposit Accounts	4,522,007,474	-
As Per Balance Sheet	7,514,835,699	11,955,077,608

Schedules forming part of Consolidated Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

	As at March 31, 2010	As at March 31, 2009
(Amount in Rupees)		
SCHEDULE I		
Other Current Assets		
(Unsecured, Considered Good, Unless Otherwise Stated)		
Interest Accrued on		
- Fixed Deposits (Refer Note II (10) of Schedule Q)	49,020,300	128,885,304
- Inter Corporate Deposits - Fellow Subsidiary	9,659,438	-
Due from Customer	2,745,869	-
As Per Balance Sheet	61,425,607	128,885,304
SCHEDULE J		
Loans and Advances		
(Unsecured, Considered Good, Unless Otherwise Stated)		
Advances recoverable in cash or in kind or for value to be received	7,467,747,392	5,815,579,491
Inter Corporate Deposits - Fellow Subsidiary Company	6,500,000,000	4,000,000,000
Share Application Money Pending Allotment	70,000,000	-
Loan to Employees	1,749,400	150,000
Security Deposits	186,986,631	48,285,743
Advance Income Tax / Tax Deducted At Source (Net of Provision of Income Tax Rs. 354,767,620)	35,328,256	10,959,909
Advance Fringe Benefit Tax (Net of Provision for Fringe Benefit Tax Rs. 68,023)	49,448	15,141
Prepaid Expenses	1,097,344	100,307
As Per Balance Sheet	14,262,958,471	9,875,090,591
SCHEDULE K		
Current Liabilities		
Sundry Creditors (Refer Note II (21) of Schedule Q)		
(a) Due to Micro and Small Enterprises	-	-
(b) Due to Others	69,446,200	25,626,186
Other Liabilities	114,271,942	33,515,415
As Per Balance Sheet	183,718,142	59,141,601
SCHEDULE L		
Provisions		
Provision for Income Tax [Net of Advance Tax of Rs. 6,589,232 (Previous Year Rs. Nil)]	1,182,861	1,012,838
Provision for Fringe Benefits Tax [Net of Advance Fringe Benefits Tax Rs. 10,267 (Previous Year Rs. 1,752,009)]	92,024	222,936
Provision for Gratuity	9,180,550	1,487,148
Provision for Compensated Absences	8,944,650	4,324,287
Provision for Superannuation	89,053,226	57,414,250
As Per Balance Sheet	108,453,311	64,461,459

Schedules forming part of Consolidated Profit and Loss Account of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) for the year ended March 31, 2010

(Amount in Rupees)

	As at March 31, 2010	As at March 31, 2009
SCHEDULE M		
Other Income		
Interest on Inter Corporate Deposits - Gross		
- From Ultimate Holding Company [Tax Deducted at Source - Rs. Nil (Previous Year Rs. 104,627,661)]	-	461,843,509
- From Fellow Subsidiaries [Tax Deducted at Source - Rs. 21,673,919 (Previous Year Rs. 3,122,759)]	101,446,561	13,780,849
- From Others [Tax Deducted at Source - Rs. 683,835 (Previous Year Rs. 1,409,130)]	6,838,359	6,218,583
Dividend on Units of Mutual Funds - Non Trade	327,643,426	544,170,205
Interest on Fixed Deposits - Gross [Tax Deducted at Source - Rs. 43,981,549 (Previous Year Rs. 65,204,835)]	402,946,513	346,707,567
Interest on Refund of Bid Deposit - Gross [Tax Deducted at Source - Rs. Nil (Previous Year Rs. 9,203,337)]	-	40,614,904
Excess Provisions Written Back	895,202	-
Miscellaneous Income	1,065,476	-
Profit on Sale of Investments - Trade	10,298	13,314
As Per Profit and Loss Account	840,845,835	1,413,348,931
SCHEDULE N		
Employees Remuneration and Benefits		
Salaries and Wages	223,342,408	81,490,091
Contribution to Provident Fund and Other funds	228,597	35,613
Provision for gratuity, Compensated absences and Superannuation expenses	43,059,633	10,174,126
Recruitment and Training Expenses	45,892	418,247
Staff Welfare Expenses	652,790	238,047
As Per Profit and Loss Account	267,329,320	92,356,124

Schedules forming part of Consolidated Profit and Loss Account of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) for the year ended March 31, 2010 (Contd.)

	As at March 31, 2010	As at March 31, 2009
SCHEDULE O		
Administrative and Other Expenses		
Rates and Taxes	3,040,197	14,644,984
Legal and Professional Charges	8,840,388	11,968,944
Rent Expenses	660,000	440,000
Travelling and Conveyance Expenses	32,716,739	13,892,408
Printing and Stationery	1,980,606	1,208,596
Repairs and Maintenance Expenses:		
- Vehicle	2,347,877	489,515
- Others	9,756,622	1,554,924
Communication Expenses	2,013,203	1,241,514
Security Expenses	2,166,065	746,257
Tender Expenses	6,208,250	15,620,009
Business Promotion Expenses	14,692,741	2,664,818
Advertisement Expenses	451,062	642,908
Donations	221,100	2,152,001
Auditors' Remuneration - Audit Fees	10,205,565	3,230,749
Postage And Courier Expenses	800,138	112,525
Conference Expenses	-	193,099
Membership And Subscription	187,665	1,508,336
Sundry Balances written off	500,000	-
Preliminary Expenses	-	30,262,137
Loss on Sale of Assets	72,018	-
Miscellaneous Expenses	1,856,932	556,575
As Per Profit and Loss Account	98,717,168	103,130,299
SCHEDULE P		
Interest and Finance Charges		
Interest to Banks :		
- On refund of IPO share application money	24,657,534	-
- On Vehicle Loans	16,509	-
- Others	-	3,164,384
Interest on Inter Corporate Deposits	3,793,972	85,048,860
Interest on Income Tax	1,337,798	-
Bank Charges	2,327,764	5,898,245
As Per Profit and Loss Account	32,133,577	94,111,489

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010

SCHEDULE Q

I. Significant Accounting Policies:

i. Basis of Consolidation and Preparation

The consolidated financial statements are prepared in accordance with Accounting Standard 21 (AS 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 (AS 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*

S. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Name of Auditor	Date of Incorporation
1	Airmid Power Limited	March 31, 2010	100%	India	Sharma Goel & Co.	February 25, 2008
2	Albasta Power Limited (100% Subsidiary of Elena Power and Infrastructure Limited)*	March 31, 2010	100%	India	Sharma Goel & Co.	April 25, 2008
3	Albina Power Limited	March 31, 2010	100%	India	Mehrotra Seth & Associates	February 26, 2008
4	Angina Power Limited	March 31, 2010	100%	India	Sharma Goel & Co.	April 24, 2008
5	Apesh Power Limited	March 31, 2010	100%	India	Mehrotra Seth & Associates	April 25, 2008
6	Aravali Properties Limited	March 31, 2010	100%	India	Sharma Goel & Co.	July 21, 2006
7	Ashkit Power Limited	March 31, 2010	100%	India	Bengani A & Co.	April 24, 2008

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

iv. Companies included in consolidation* (Contd.)

S. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Name of Auditor	Date of Incorporation
8	Bracond Limited	March 31, 2010	100 %	Cyprus	Alliott Partellas Kiliaris Ltd	August 12, 2008
9	Chloris Power Limited	March 31, 2010	100 %	India	Sharma Goel & Co.	April 24, 2008
10	Citra Thermal Power And Infrastructure Limited	March 31, 2010	100 %	India	Bengani A & Co.	September 28, 2007
11	Corus Power Limited	March 31, 2010	100 %	India	Sharma Goel & Co.	April 24, 2008
12	Devona Thermal Power And Infrastructure Limited	March 31, 2010	74 %	India	Sharma Goel & Co.	September 25, 2007
13	Diana Energy Limited	March 31, 2010	74 %	India	Sharma Goel & Co.	September 25, 2007
14	Diana Power Limited	March 31, 2010	100 %	India	Bengani A & Co.	September 13, 2007
15	Elena Power And Infrastructure Limited (formerly Elena Power Limited)	March 31, 2010	100 %	India	Deloitte Haskins & Sells	April 24, 2008
16	Fama Power Company Limited	March 31, 2010	100 %	India	Bengani A & Co.	October 8, 2007
17	Fornax Power Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	April 24, 2008
18	Genoformus Limited (100 % Subsidiary of Bracond Limited)*	March 31, 2010	100 %	Cyprus	Alliott Partellas Kiliaris Ltd	August 26, 2008
19	Galactic Ventures Limited (100 % Subsidiary of Albasta Power Limited, a 100 % subsidiary of Elena Power and Infrastructure Limited)*	March 31, 2010	100 %	Mauritius	Horwath (Mauritius)	December 18, 2008
20	Hecate Electric Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	July 4, 2008
21	Hecate Energy Private Limited (formerly Hecate Energy Limited)	March 31, 2010	100 %	India	D. Verma & Associates	June 19, 2008
22	Hecate Energy Trading Limited	March 31, 2010	100 %	India	D. Verma & Associates	June 13, 2008
23	Hecate Hydro Electric Power Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	June 11, 2008
24	Hecate Power And Energy Resources Limited	March 31, 2010	100 %	India	D. Verma & Associates	June 10, 2008
25	Hecate Power Company Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	June 10, 2008

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

iv. Companies included in consolidation* (Contd.)

S. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Name of Auditor	Date of Incorporation
26	Hecate Power Development Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	July 4, 2008
27	Hecate Power Distributors Limited	March 31, 2010	100 %	India	D. Verma & Associates	June 10, 2008
28	Hecate Power Generation Limited	March 31, 2010	100 %	India	D. Verma & Associates	June 10, 2008
29	Hecate Power Limited	March 31, 2010	100 %	India	D. Verma & Associates	June 10, 2008
30	Hecate Power Management Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	July 4, 2008
31	Hecate Power Projects Limited	March 31, 2010	100 %	India	A. Chandak & Co.	June 19, 2008
32	Hecate Power Services Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	June 10, 2008
33	Hecate Power Solutions Limited	March 31, 2010	100 %	India	A. Chandak & Co.	July 10, 2008
34	Hecate Power Supply Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	July 7, 2008
35	Hecate Power Systems Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	July 7, 2008
36	Hecate Power Transmission Limited	March 31, 2010	51 %	India	Mehrotra Seth & Associates	July 4, 2008
37	Hecate Power Utility Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	July 8, 2008
38	Hecate Powergen Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	July 8, 2008
39	Hecate Thermal Power And Infrastructure Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	June 10, 2008
40	Indiabulls CSEB Bhaiyathan Power Limited (formerly Indiabulls Bhaiyathan Power Limited)	March 31, 2010	100 %	India	Deloitte Haskins & Sells	May 19, 2008
41	Indiabulls Electric Company Limited	March 31, 2010	100 %	India	Sharma Goel & Co	August 5, 2008
42	Indiabulls Electric Energy Limited	March 31, 2010	100 %	India	A. Chandak & Co.	August 5, 2008
43	Indiabulls Electric Limited	March 31, 2010	100 %	India	A. Chandak & Co.	July 4, 2008
44	Indiabulls Electric Power Limited	March 31, 2010	100 %	India	A. Chandak & Co.	August 5, 2008
45	Indiabulls Electricity Company Limited	March 31, 2010	100 %	India	Bengani A & Co.	September 13, 2007
46	Indiabulls Electricity Generation Limited	March 31, 2010	100 %	India	Bengani A & Co.	August 5, 2008

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

iv. Companies included in consolidation* (Contd.)

S. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Name of Auditor	Date of Incorporation
47	Indiabulls Hydro Electric Power Limited	March 31, 2010	100 %	India	Bengani A & Co.	September 13, 2007
48	Indiabulls Hydro Energy Limited	March 31, 2010	100 %	India	Bengani A & Co.	September 13, 2007
49	Indiabulls Hydro Power Limited	March 31, 2010	100 %	India	Bengani A & Co.	September 13, 2007
50	Indiabulls Hydro Power Projects Limited	March 31, 2010	100 %	India	Bengani A & Co.	September 13, 2007
51	Indiabulls Power Development Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	July 2, 2008
52	Indiabulls Power Distribution Limited	March 31, 2010	100 %	India	Bengani A & Co.	September 5, 2007
53	Indiabulls Power Generation Company Limited	March 31, 2010	100 %	India	Sharma Goel & Co	June 27, 2008
54	Indiabulls Power Generation Limited	March 31, 2010	74 %	India	Sharma Goel & Co	September 5, 2007
55	Indiabulls Power Infrastructure Limited (formerly Indiabulls Thermal Power and Infrastructure Limited)	March 31, 2010	100 %	India	Bengani A & Co.	September 13, 2007
56	Indiabulls Power Management Limited	March 31, 2010	100 %	India	A. Chandak & Co.	July 2, 2008
57	Indiabulls Power Projects Development Limited	March 31, 2010	100 %	India	A. Chandak & Co.	July 2, 2008
58	Indiabulls Power Projects Limited	March 31, 2010	100 %	India	Bengani A & Co.	September 13, 2007
59	Indiabulls Power Solutions Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	June 27, 2008
60	Indiabulls Power Supply Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	June 27, 2008
61	Indiabulls Power Systems Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	July 2, 2008
62	Indiabulls Power Trading Limited	March 31, 2010	100 %	India	Sharma Goel & Co.	September 5, 2007
63	Indiabulls Power Transmission Limited	March 31, 2010	51 %	India	A. Chandak & Co.	June 27, 2008
64	Indiabulls Power Utility Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	June 27, 2008
65	Indiabulls Powergen Limited	March 31, 2010	100 %	India	A. Chandak & Co.	June 27, 2008
66	Indiabulls Realtech Limited	March 31, 2010	100 %	India	Deloitte Haskins & Sells	January 3, 2007

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

iv. Companies included in consolidation* (Contd.)

S. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Name of Auditor	Date of Incorporation
67	Indiabulls Thermal Energy Limited	March 31, 2010	100 %	India	Bengani A & Co.	September 13, 2007
68	Indiabulls Thermal Power Limited	March 31, 2010	100 %	India	Bengani A & Co.	September 13, 2007
69	Indiabulls Thermal Power Management Limited	March 31, 2010	100 %	India	Bengani A & Co.	August 5, 2008
70	Indiabulls Thermal Power Projects Limited	March 31, 2010	100 %	India	Bengani A & Co.	August 6, 2008
71	Indiabulls Thermal Projects Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	August 7, 2008
72	Kaya Hydropower Projects Limited	March 31, 2010	100 %	India	Bengani A & Co.	December 4, 2007
73	Lenus Power Limited	March 31, 2010	100 %	India	Bengani A & Co.	February 28, 2008
74	Lucina Power And Infrastructure Limited (formerly Aravali Land Development Limited)	March 31, 2010	100 %	India	Bengani A & Co.	August 2, 2006
75	Mabon Power Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	February 25, 2008
76	Mariana Power Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	April 24, 2008
77	Pachi Hydropower Projects Limited	March 31, 2010	100 %	India	Sharma Goel & Co.	December 4, 2007
78	Papu Hydropower Projects Limited	March 31, 2010	100 %	India	Sharma Goel & Co.	December 4, 2007
79	Poana Power Systems Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	July 4, 2008
80	Poena Hydro Power Projects Limited	March 31, 2010	100 %	India	D. Verma & Associates	June 19, 2008
81	Poena Power Company Limited	March 31, 2010	100 %	India	A. Chandak & Co.	June 20, 2008
82	Poena Power Development Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	July 4, 2008
83	Poena Power Distributors Limited	March 31, 2010	100 %	India	D. Verma & Associates	June 19, 2008
84	Poena Power Generation Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	June 24, 2008
85	Poena Power Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	June 10, 2008
86	Poena Power Management Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	July 9, 2008
87	Poena Power Projects Limited	March 31, 2010	100 %	India	D. Verma & Associates	June 27, 2008
88	Poena Power Services Limited	March 31, 2010	100 %	India	Mehrotra Seth & Associates	June 19, 2008

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

iv. Companies included in consolidation* (Contd.)

S. No.	Name of the Company	Year ended included in Consolidation	Proportion of Ownership Interest	Country of Incorporation	Name of Auditor	Date of Incorporation
89	Poena Power Solutions Limited	March 31, 2010	100%	India	Mehrotra Seth & Associates	July 8, 2008
90	Poena Power Supply Limited	March 31, 2010	100%	India	Mehrotra Seth & Associates	July 9, 2008
91	Poena Power Trading Limited	March 31, 2010	100%	India	Mehrotra Seth & Associates	June 19, 2008
92	Poena Power Transmission Limited	March 31, 2010	100%	India	Mehrotra Seth & Associates	July 8, 2008
93	Poena Power Utility Limited	March 31, 2010	100%	India	Mehrotra Seth & Associates	July 8, 2008
94	Poena Thermal Power Limited	March 31, 2010	100%	India	Mehrotra Seth & Associates	June 19, 2008
95	Renemark Limited (100% Subsidiary of Bracond Limited)*	March 31, 2010	100%	Cyprus	Alliott Partellas Kiliaris Ltd	August 23, 2008
96	Selene Power Company Limited	March 31, 2010	100%	India	Mehrotra Seth & Associates	October 8, 2007
97	Sentia Thermal Power And Infrastructure Limited	March 31, 2010	100%	India	Sharma Goel & Co.	October 8, 2007
98	Sepla Hydropower Projects Limited	March 31, 2010	100%	India	Sharma Goel & Co.	December 4, 2007
99	Sepset Thermal Power And Infrastructure Limited	March 31, 2010	100%	India	Sharma Goel & Co.	October 8, 2007
100	Serida Power Limited	March 31, 2010	100%	India	Sharma Goel & Co.	February 27, 2008
101	Tharang Warang Hydropower Projects Limited	March 31, 2010	100%	India	Sharma Goel & Co.	December 4, 2007
102	Triton Energy Limited	March 31, 2010	100%	India	Sharma Goel & Co.	October 9, 2007
103	Varali Power Limited	March 31, 2010	100%	India	Sharma Goel & Co.	May 8, 2008
104	Zeus Energy Limited	March 31, 2010	100%	India	Sharma Goel & Co.	December 18, 2007

* 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. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

v. 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.

vi. 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 / materialised.

vii. Revenue Recognition

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.

viii. 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 or construction, including incidental expenses related to such acquisition or construction.

ix. Depreciation/Amortisation

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 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.

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

x. Expenditure During Construction Pending Capitalisation

Any expenditure directly/indirectly related and attributable to 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 allocation, to be capitalised on completion of construction of the respective power projects and commencement of commercial operations.

xi. 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 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 if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

xii. Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of such asset. 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.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

xiii. Investments

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

xiv. 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 amortised 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.

xv. 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 (compensated absences) and gratuity for its employees, the liability for which is determined on the basis of actuarial valuation, conducted, by an independent actuary at the end of the 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 certain Directors 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 Profit and Loss account as income or expenses / recognised in Expenditure During Construction, pending capitalisation, as applicable.

xvi. 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 crystallise.

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.

xvii. Fringe Benefits Tax

Fringe Benefits Tax has been calculated in accordance with the provisions of the Income Tax Act, 1961 and the Guidance Note on Fringe Benefits Tax issued by the Institute of Chartered Accountants of India. Pursuant to the enactment of the Finance Act, 2009, Fringe Benefits tax stands abolished w.e.f. April 01, 2009.

xviii. Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year.

xix. Leases

In case of assets taken on operating lease, the lease rentals are charged to the profit and loss account in accordance with Accounting Standard 19 - Leases, as

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

notified by the Companies (Accounting Standards) Rules, 2006, as amended. Site lease rent in respect of assets under operating lease is recognised under Expenditure During Construction, pending capitalisation.

xx. 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 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 can not 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.

xxi. Preliminary expenses

Preliminary expenses are adjusted (net of tax) 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.

xxii. 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.

xxiii. Deferred Employee Stock Compensation Costs

Deferred Employee Stock Compensation Costs are recognised in accordance with the Guidance Note on "Accounting for Employee Share Based Payments" issued by the Institute of Chartered Accountants of India, which establishes financial accounting and reporting principles for employee share based payment plans. The Company has elected to apply the intrinsic value method of accounting. Accordingly, employee stock compensation costs are measured by the difference between the estimated intrinsic

value of the company's shares on stock options on 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 is measured on the basis of an independent valuation performed in respect of stock options granted.

II. Notes to Accounts:

i. Overview

Indiabulls Power Limited. (formerly Sophia Power Company 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 year, the authorised capital was increased to Rs. 50,000,000,000 (Rupees Five Thousand Crore) divided into 5,000,000,000 equity shares of face value Rs. 10 each. The main business activities of the Company include 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 (Rajiv Rattan, Sameer Gehlaut 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. 55.67 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

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

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 respect of the foreign equity participation in the Amravati Phase I Power Project, in Additional Amravati Industrial Area, Taluka Amravati, District Amravati, Maharashtra.

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.'

ii. Projects under development

i. Amravati Thermal Power Project

The Company is in process of setting up a thermal power project at Amravati ("Amravati Project") in the State of Maharashtra in two phases with an ultimate capacity of 2670 MW ("The Project"). Amravati Phase I power project will have five units of 270 MW each, with combined capacity of 1350 MW.

ii. Nashik Thermal Power Project

The Company's subsidiary Indiabulls Realtech Limited is in the process of setting up a thermal power project at Nashik ("Nashik Project") in the State of Maharashtra. The Nashik project will have five units of 270 MW each, with combined capacity of 1,350 MW.

iii. Bhaiyathan Thermal Power Project

The Company's subsidiary Indiabulls CSEB Bhaiyathan Power Limited (formerly Indiabulls 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.

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 Companies, is developing four medium sized hydro power projects of 60 MW, 30 MW, 46 MW and 31 MW in the state of Arunachal Pradesh. These hydro-power projects are proposed to be located on various tributaries of the Kameng River in the East Kameng district. The Company has entered into various MoUs with the Government of Arunachal Pradesh in relation to these hydro-power projects.

iii. Contingent liability not provided for in respect of

- Estimated amount of Contracts remaining to be executed on Capital Account and not provided for

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

- (Net of Advances) Rs. 79,183,402,904 (Previous Year Rs. 53,178,003,378).
- Guarantee provided on behalf of Papu Hydropower Projects Limited, a wholly owned subsidiary company, in respect of vehicle loan of Rs. 478,000 (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. 750,501,000) of the Company and partly by way of corporate guarantee of Rs. 600,000,000 (Previous Year Rs. 250,000,000) of the Holding Company i.e. Indiabulls Real Estate Limited.
 - Commitment Bank Guarantees of Rs. 388,833,000 (Previous Year: Rs. Nil) 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. 194,416,500 (Previous Year: Rs. Nil).
 - Guarantee provided on behalf of Indiabulls Realtech Limited, a wholly owned subsidiary, towards Commitment Bank Guarantees of Rs. 397,283,700 (Previous Year: Rs. Nil) 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. 198,641,850 (Previous Year: Rs. Nil) and partly by way of corporate guarantee of Rs. 198,641,850 (Previous Year: Rs. Nil) of the Company.
 - Guarantee provided for Rs. 1,642,005 (Previous Year Rs. Nil) to 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. Nil).
 - Guarantee provided on behalf of Hecate Power Transmission Limited, a subsidiary company for Rs. 99,315,000 (Previous Year Rs. Nil) to Rajasthan Rajya Vidyut Prasaran Nigam Limited, partly secured by way of pledge of fixed deposits of Rs. 31,950,000 (Previous Year Rs. Nil) and partly by way of corporate guarantee of Rs. 69,520,500 (Previous Year Rs. Nil) of the Company.
 - Guarantee provided for Rs. 145,815,000 (Previous Year Rs. Nil) 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. Nil).
 - Guarantee provided for Rs. 196,000,000 (Previous Year Rs. Nil) 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. 59,900,000 (Previous Year Rs. Nil).
 - Guarantee provided for Rs. 4,200,000,000 (Previous Year Rs. Nil) 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. 1,100,000,000 (Previous Year Rs. Nil) and partly by way of corporate undertaking of Rs. 2,400,000,000 (Previous Year Rs. Nil) of the Holding Company i.e. Indiabulls Real Estate Limited.
- iv. Scheme of Amalgamation of Indiabulls Power Services Limited with the Company**
- In accordance with Sections 391-394 of the Companies Act, 1956, and pursuant to the approval of the Board of Directors in their meeting held on March 27, 2008 and the sanction of the Hon'ble High Court of Delhi to the Scheme of Amalgamation ("the Scheme") dated September 1, 2008, and upon coming into effect of the Scheme on December 3, 2008 and with effect from the Appointed date on April 1, 2008, IPSL was amalgamated with the Company and was dissolved without undergoing the process of winding up.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

Terms of the Scheme of Amalgamation

As per the Scheme, with effect from Appointed date on April 1, 2008:

- All business activities of IPSL carried out on or after the Appointed Date were deemed to have been carried out by IPSL on behalf of the Company on a going concern basis and consequently, all profits and losses of IPSL and related taxes paid, were deemed to be the profits, losses and taxes of the Company. The Scheme were accordingly been given effect from the Appointed date i.e. April 1, 2008, when the Court Order sanctioning the Scheme was filed by the Company, with the Registrar of Companies, Delhi & Haryana on December 3, 2008 ("Effective date").
- The authorised share capital of the Company was increased to Rs. 11,980,000,000 divided into 1,198,000,000 equity shares of face value of Rs. 10 per share.

- The Company has issued and allotted 197,500,000 shares of face value of Rs. 10 each amounting to Rs. 1,975,000,000 to the equity shareholders of IPSL, in share exchange ratio of one fully paid Equity Shares of Rs. 10 each of Company for every one fully paid Equity shares of Rs. 10 each held by the Equity Shareholders of the IPSL.
- The Scheme of Amalgamation was accounted for under the Pooling of Interest method as sanctioned by the Hon'ble High Court of Delhi, and in accordance with Accounting Standard -14 (AS-14) – Accounting for Amalgamations, notified under the Companies (Accounting Standards) Rules, 2006, as amended. Accordingly, all assets, liabilities and reserves of the erstwhile IPSL were recorded in the Company's books of account at their book value as at the start of the Appointed, as set out below:

(Amount in Rupees)

Particulars	As at the start of April 1, 2008
Fixed Assets (net of accumulated depreciation)	782,585
Expenditure Pending Allocation/Capitalisation	8,842,748
Investments	251,140,000
Current Assets	1,718,348,967
Less: - Liabilities acquired	2,559,691
Less: - Accumulated Reserve taken over	
Surplus as per Profit and Loss Account	1,554,609
Net Assets as on April 1, 2008	1,975,000,000
Less:- Value of Equity Shares issued to equity shareholders of Indiabulls Power Services Limited	1,975,000,000

- All incomes and expenses from the Appointed Date relating to IPSL were incorporated in the accounts of the Company.
- The surplus in the Profit and Loss Account of IPSL amounting to Rs. 1,554,609, as on the start of the Appointed Date were transferred and credited to Profit and Loss Account of the Company.
- All tax assets and liabilities of IPSL as on the start of the Appointed Date were incorporated in the books of accounts of the Company.
- All the erstwhile property, rights and powers of IPSL were transferred without further act or deed to the Company.

- All the Licenses, permits, quotas, approvals, permissions, incentives, loans, subsidies, concessions, grants, claims, leases, tenancy rights, special status and other benefits or privileges of IPSL were transferred in favour of the Company.
- All the suits, actions and proceedings now pending by or against IPSL, to be pursued by the Company.
- All contracts, deeds, bonds, agreements, MOUs, bids, tenders, bidding rights, expressions of interest, approvals, development rights (whether vested or potential and whether under agreements or otherwise), letters of intent,

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

arrangements, any municipal / regulatory approvals / sanctions and other Instruments (including all tenancies, leases, licenses and all other assurances in favour of IPSL, were without any further act, instrument or deed, be in full force and effect against or in favour of Company.

- All the employees of the IPSL in service on the effective date were become the employees of the Company.
- Pursuant to the Scheme and with effect from the Appointed Date i.e. April 1, 2008 and effective from the Effective date, Indiabulls Power Services Limited Employee Stock Options Scheme ("IPSL ESOS") was terminated and in lieu, in terms of Clause 14(c) of the Scheme, the SPCL – IPSL Employees Stock Option Plan 2008 ("SPCL – IPSL ESOP, 2008") was created 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 and taking into account the share exchange ratio i.e. one equity share of face value Rs. 10 each of the Company for every one equity share of face value Rs. 10 each of IPSL. All the option holders under the IPSL ESOS on the Effective date were granted the new options under SPCL – IPSL ESOP, 2008 in lieu of their cancelled options under IPSL ESOS. No compensation expense was recognised on

granting of options on Effective Date as SPCL – IPSL ESOP, 2008 was treated as continuation of IPSL ESOS and all such options have been treated outstanding from their respective date of grant under IPSL ESOS. No adjustment was required in respect of the number and exercise price of options (Also refer Note II (7) (2) of Schedule Q).

v. Changes in capital structure during the year from April 01, 2009 to March 31, 2010

During the financial year, on July 04, 2009, the company issued 829,500,000 Bonus Equity Shares of Rs. 10 each to the Promoter – IBREL and other share holders as at that date.

During the financial year, on October 30, 2009 the Company completed listing of its equity shares on the Stock Exchange, Mumbai and the National Stock Exchange of India by way of an Initial Public Offering (IPO) consisting of 360,852,346 (including Green Shoe Option 21,052,346) Equity Shares of Rs. 10 each at a premium of Rs. 35 per share.

On January 6, 2010 the Company has issued 1,444,200 Equity Shares of Rs. 10 each, at a premium of Rs. Nil per share as per terms of the SPCL – IPSL Employees Stock Option Plan 2008.

As a consequence of the above, as at March 31, 2010, the Issued, Subscribed and Paid-up Equity Share Capital of Face Value Rs. 10 stands at Rs. 20,212,965,460

(Amount in Rupees)

The utilisation of proceeds of issue of shares by way of IPO as referred to above, is as under:

Particulars	Year ended March 31, 2010	
Gross proceeds of Issue raised through IPO*	16,238,355,570	
Less: Utilisation of proceeds		
Funding to part finance the construction and development of the Amravati Power Project - Phase I	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**	6,600,000,000	
General Corporate purposes*	157,947,581	
Share Issue Expenses*	347,986,635	9,459,267,343
Balance amount being temporary utilisation of proceeds:		6,779,088,227

The above balance amount aggregating to Rs.6,779,088,227 has been temporarily deployed in Mutual Fund investments, Fixed Deposits and Bank Balances aggregating 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 Green shoe option to the initial public offering of the Company of which Rs.11,841,944 is intended to be utilised towards meeting the expenses related to the issue of shares comprised in the Green shoe option amount and the balance Rs. 935,513,626 is intended to be utilised for General Corporate purposes.

** Includes Share application money of Rs.4,349,364,000

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

vi. **Minority Interest as at March 31, 2010 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) 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.
- d) 24,500 (Previous Year: Nil) Equity Shares of Rs. 10 each fully paid up issued by a subsidiary company, Hecate Power Transmission Limited.
- e) 49,000 (Previous Year: Nil) Equity Shares of Rs. 10 each fully paid up issued by a subsidiary company, Indiabulls Power Transmission Limited.
- f) Proportionate share in the movement in Reserves and Surplus of the above mentioned Subsidiary Companies, during the year ended March 31, 2010.

vii. **Employees Stock Options Schemes :**

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

Indiabulls Real Estate Limited Employees Stock Options Scheme – 2006:

During the year ended March 31, 2007, IBREL established Indiabulls Real Estate Limited Employees Stock Options Scheme ("IBREL ESOS-I" or "Plan-I"). Under Plan-I, IBREL had issued 9,000,000 equity settled options to eligible employees 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 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. 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.

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

During the year ended March 31, 2009 IBREL established 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 Merton Option Pricing 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. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (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.

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-II.

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

Particulars	IBREL ESOS-I	IBREL ESOS-II
Number of options outstanding as at April 1, 2009	8,100,000	2,000,000
Number of options granted during the year	--	--
Number of options forfeited/canceled during the year	--	--
Number of options vested during the year	900,000	200,000
Number of options exercised during the year	424,000	--
Number of options expired during the year	--	--
Number of options outstanding as at March 31, 2010	7,676,000	2,000,000
Out of the outstanding options number of options exercisable as at March 31, 2010	1,376,000	200,000
Exercise Price (Rs. Per option)	60	110.50
Remaining Contractual Life (Months)	94	112

II Stock Option Schemes of the company:

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. 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

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

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 respectively, on January 10, 2008 and September 15, 2008 respectively.

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.

IPL had established the Indiabulls Power Limited Employees' Stock Option Scheme – 2009 ("IPL-ESOP– 2009") during the financial year ended March 31, 2010. IPL had issued 20,000,000 equity settled options at an exercise price of Rs. 14 per option under the IPL-ESOP– 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-ESOP– 2009.

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

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

Had the Company followed the fair value method of accounting, there would have been no impact on the Profit after taxes and on the Basic and Diluted Earnings per share of the Company for the period, as the fair value of the options is Rs. Nil for Plan SPCL – IPSL ESOP, 2008 and IPL ESOP 2009.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

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

	SPCL – IPSL ESOP, 2008	IPL ESOP 2009
Total Options under the Scheme	20,000,000	20,000,000
Outstanding at the beginning of the year (Nos.)	20,000,000	Nil
Options surrendered / lapsed during the year	200,000	Nil
Options granted during the year (Nos.)	Nil	20,000,000
Exercise price for options granted on January 10, 2008	Rs. 10 per option	NA
Exercise price for options granted on September 15, 2008	Rs. 26 per option	NA
Exercise price for options granted on July 4, 2009	NA	Rs. 14 per option
Options vested during the year (Nos.)	1,980,000	Nil
Exercised during the year (Nos.)	1,444,200	NA
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.)	18,355,800	20,000,000
Out of the above exercisable at year end (Nos.)	2,135,800	Nil
Options which are yet to be granted (Nos.)	200,000	Nil
Weighted average remaining contractual life (Months)	96	117

viii. 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. 46,780 (Previous Year: Rs. 29,702) 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, 2010. 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, as applicable.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

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, 2010:

(Amount in Rupees)

Particulars	Year ended	Gratuity	Compensated Absences	Superannuation Benefits
Reconciliation of liability recognized in the Balance sheet:				
Present Value of commitments	March 31, 2010	9,180,550	8,944,650	89,053,226
	March 31, 2009	1,487,148**	4,324,287	57,414,250**
Fair value of plan assets	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Net liability in the Balance sheet	March 31, 2010	9,180,550	8,944,650	89,053,226
	March 31, 2009	1,487,148**	4,324,287	57,414,250**
Movement in net liability recognized in the Balance sheet:				
Net liability as at the beginning of the year	March 31, 2010	1,487,148	4,324,287	57,414,250
	March 31, 2009	250,619*	188,148*	-
Net amount recognized as expenses in the Profit and Loss account / in Expenditure During Construction Pending Capitalization **	March 31, 2010	7,693,402	4,620,363	31,638,976
	March 31, 2009	1,236,529**	4,136,139	57,414,250**
Contribution during the year	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Net liability as at the end of the year	March 31, 2010	9,180,550	8,944,650	89,053,226
	March 31, 2009	1,487,148**	4,324,287	57,414,250**
Expenses recognized in the Profit and Loss account / in Expenditure During Construction Pending Capitalization:				
Current service cost	March 31, 2010	3,445,547	3,061,162	9,594,828
	March 31, 2009	1,011,086**	2,283,159	57,414,250**
Past Service Cost	March 31, 2010	3,016,387	-	-
	March 31, 2009	-	-	-
Interest Cost	March 31, 2010	180,570	469,202	4,451,396
	March 31, 2009	14,834	10,512	-
Actuarial (gains) / losses	March 31, 2010	1,050,898	1,089,999	17,592,752
	March 31, 2009	210,609	1,842,468	-
Expenses charged / (reversal) to the Profit and Loss account / to Expenditure During Construction Pending Capitalization	March 31, 2010	7,693,402	4,620,363	89,234,489
	March 31, 2009	1,236,529**	4,136,139	57,414,250**
Return on Plan assets:				
Expected return on Plan assets	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Actuarial (gains) / losses	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

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, 2010: (Contd.)

(Amount in Rupees)

Particulars	Year ended	Gratuity	Compensated Absences	Superannuation Benefits
Actual return on plan assets	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Reconciliation of defined-benefit commitments:				
Commitments as at the beginning of the year	March 31, 2010	1,487,148	4,324,287	57,414,250
	March 31, 2009	250,619*	188,148*	-
Current service cost	March 31, 2010	3,445,547	3,061,162	9,594,828
	March 31, 2009	1,011,086**	2,283,159	57,414,250**
Past Service Cost	March 31, 2010	3,016,387	-	-
	March 31, 2009	-	-	-
Interest cost	March 31, 2010	180,570	469,202	4,451,396
	March 31, 2009	14,834	10,512	-
Paid benefits	March 31, 2010	-	-	-
	March 31, 2009	-	-	-
Actuarial (gains) / losses	March 31, 2010	1,050,898	1,089,999	17,592,752
	March 31, 2009	210,609	1,842,468	-
Commitments as at the end of the year	March 31, 2010	9,180,550	8,944,650	89,053,226
	March 31, 2009	1,487,148**	4,324,287	57,414,250**
Reconciliation of Plan assets:				
Plan assets as at the beginning of the year	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Expected return on plan assets	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Contributions during the year	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Paid benefits	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Actuarial (gains) / losses	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Plan assets as at the end of the year	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA

* Pursuant to the Scheme of Amalgamation of Indiabulls Power Services Limited ('IPSL') with the Company, liability as at the start of April 1, 2008, in respect of Gratuity and compensated absences in IPSL aggregating Rs. 250,619 and Rs.188,148 respectively, has been transferred to the Company.

** includes liability as at August 1, 2008 transferred from Indiabulls Financial Services Limited for Gratuity Rs. 223,158 and for Superannuation Benefits Rs. 51,540,553

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (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, 2010	March 31, 2009
Discount rate	7.50 %	7.50 %
Expected return on plan assets	NA	NA
Expected rate of salary increase	5.00 %	5.00 %

(b) Demographic Assumptions

	March 31, 2010	March 31, 2009
Retirement Age	60 Years	60 Years
Mortality Table	LIC (1994-96)	LIC (1994-96) Duly Modified
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. 5,362,838, Rs. 2,616,777 and Rs. 18,316,528 respectively.

As this is the third 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 four years have not been furnished.

ix. Balances with Scheduled Banks in fixed deposit accounts include:

- Rs. 400,000,000 (Previous Year: Rs. 750,501,000) pledged against Performance Bank Guarantee issued to Chhattisgarh State Electricity Board, on behalf of Indiabulls CSEB Bhayathan Power Limited (formerly Indiabulls Bhayathan Power Limited), a subsidiary company.
- Rs. 198,641,850 (Previous year Nil) pledged against commitment Bank Guarantee issued to

subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for the Nasik project, on behalf of Indiabulls Realtech Limited, a wholly owned subsidiary.

- Rs. 194,416,500 (Previous year Rs. Nil) pledged against commitment Bank Guarantee issued to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for the company's Amravati project.
- Rs. 492,602 (Previous year Rs. Nil) pledged against Bank Guarantee issued to Governor of Maharashtra through Public Works Department, Amravati for availing ROW for laying water pipe line.
- Rs. 31,950,000 (Previous year Rs. Nil) pledged against Bank Guarantee issued to Rajasthan Rajya Vidyut Prasaran Nigam Limited on behalf of Hecate Power Transmission Limited, a subsidiary company.
- Rs. 15,570,500 (Previous Year Rs. Nil) pledged against Bank Guarantee issued to Bombay Stock Exchange Limited for initial public offer.
- Rs. 59,900,000 (Previous Year Rs. Nil) pledged against Bank Guarantee issued to UCM Coal Company Limited for Bidding for Development and Operation of Chendipada Coal Block.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

- h) Rs. 1,100,000,000 (Previous Year Rs. Nil) pledged against Bank Guarantee issued to Maharashtra State Electricity Distribution Company Limited for Bidding for supply of power on long term basis.
- i) Rs. 10,000 (Previous Year Rs. 10,000) pledged with Sales Tax / VAT department of Chhatisgarh State Indiabulls CSEB Bhaiyathan Power Limited (formerly Indiabulls Bhaiyathan Power Limited), a subsidiary company.
- x. Other Current Assets includes interest accrued of Rs. 38,651,037 (Previous year Rs. 32,825,938) on fixed deposits pledged with banks.

xi. Goodwill:

During the year ended March 31, 2008, IPSL 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 (formerly Aravali Properties Private Limited)	100 %
Citra Thermal Power and Infrastructure Limited	100 %
Devona Thermal Power and Infrastructure Limited	100 %
Diana Energy Limited	100 %
Diana Power Limited (formerly Indiabulls Power Limited)	100 %
Fama Power Company Limited	100 %
Indiabulls Electricity Company Limited	100 %
Indiabulls Energy Limited	100 %
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 (formerly Indiabulls Thermal 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 (formerly Aravali Land Development Private 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 %

As a result of the above, as at the March 31, 2010, Goodwill on consolidation, was Rs. 2,293,358 (Previous Year Rs. 2,293,358).

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

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

- xii. 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
I.	Holding Company	Indiabulls Real Estate Limited
II.	Subsidiaries of Holding Company*	
	Name of Fellow Subsidiary Companies	
	Airmid Aviation Services Private Limited	
	Albasta Properties Limited	
	Aurora Builders And Developers Limited	
	Chloris Properties Limited	
	Fornax Properties Limited	
	Hecate Power And Land Development Limited	
	Indiabulls Constructions Limited	
	Indiabulls Energy Limited (from April 29, 2008)	
	Indiabulls Estate Limited	
	Indiabulls Infrastructure Development Limited	
	Indiabulls Power Services Limited (till March 31, 2008)	
	Indiabulls Wholesale Services Limited	
	Lucina Infrastructure Limited	
	Mabon Properties Limited	
	Selene Constructions Limited	
	Selene Estate Limited	
	Varali Infrastructure Limited	
	*with whom transactions have been entered during the year	

III. Key Management Personnel

Name	Designation
Mr. Sameer Gehlaut	Director and Chairman of the Company and Director of the Holding Company
Mr. Rajiv Rattan	Whole time Director and Vice Chairman of the Company and Director of Holding Company
Mr. Saurabh K. Mittal	Director of the Company and Director of the Holding Company
Mr. Narendra Gehlaut	Joint Managing Director of Holding Company
Mr. Vipul D. Bansal	Joint Managing Director of Holding Company
Mr. Virendra Kumar Goel	Whole time Director (upto June 9, 2009)
Mr. Sunil Kumar	Director (upto June 9, 2009)

*Whole Time Director of the Company with effect from July 1, 2009.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

IV. Summary of Significant Transactions with Related Parties for the year ended March 31, 2010:

(Amount in Rupees)

Nature of Transactions	Year ended	Holding Company	Fellow Subsidiaries	Key Management Personnel	Total
Finance					
Issue of Share Capital – Bonus Share	March 31, 2010	5,925,000,000	-	-	5,925,000,000
	March 31, 2009	1,975,000,000	-	-	1,975,000,000
Sale of Investment in Equity Shares of Subsidiary Company	March 31, 2010	-	-	-	-
	March 31, 2009	500,000	-	-	500,000
Loan Taken / Inter Corporate Deposit Received*	March 31, 2010	-	-	-	-
	March 31, 2009	-	605,500,000	-	605,500,000
Loans Given / Inter Corporate Deposits Placed transferred from IPSL pursuant to Scheme of Amalgamation	March 31, 2010	-	-	-	-
	March 31, 2009	-	2,500,000	-	2,500,000
Loans Given / Inter Corporate Deposits Placed*	March 31, 2010	-	15,800,000,000	-	15,800,000,000
	March 31, 2009	14,238,500,000	6,373,948,000	-	20,612,448,000
Expenses					
Interest on Loan Taken / Inter Corporate Deposit Received	March 31, 2010	-	-	-	-
	March 31, 2009	-	2,071,847	-	2,071,847
Traveling Expenses	March 31, 2010	-	52,391,435	-	52,391,435
	March 31, 2009	-	14,532,926	-	14,532,926
Reimbursement of General expenses received	March 31, 2010	318,290	26,635	-	344,925
	March 31, 2009	-	23,008	-	23,008
Reimbursement of General expenses made	March 31, 2010	57,586,846	-	-	57,586,846
	March 31, 2009	760,755	5,544,964	-	6,305,719
Advance / Security Deposit to Vendor	March 31, 2010	-	2,025,000,000	-	2,025,000,000
	March 31, 2009	-	-	-	-
Remuneration	March 31, 2010	-	-	87,302,944	87,302,944
	March 31, 2009	-	-	34,392,207	34,392,207
Income					
Interest on Loans Given / Inter Corporate Deposits Placed	March 31, 2010	-	101,446,562	-	101,446,562
	March 31, 2009	461,843,509	9,441,930	-	471,285,439
Lease Premium	March 31, 2010	-	-	-	-
	March 31, 2009	500,000,000	-	-	500,000,000
Corporate Guarantee/ Corporate Undertaking given on behalf of Company by	March 31, 2010	2,750,000,000	-	-	2,750,000,000
	March 31, 2009	250,000,000	-	-	250,000,000

*Maximum amount outstanding at any time during the year.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

V. Outstanding balances as at March 31, 2010

(Amount in Rupees)

Nature of Transactions	Year Ended	Holding Company	Fellow Subsidiaries	Total
Traveling Expenses Payable	March 31, 2010	-	9,608,390	9,608,390
	March 31, 2009	-	6,183,049	6,183,049
Reimbursement of General Expenses	March 31, 2010	-	-	-
	March 31, 2009	-	5,544,964	5,544,964
Lease Premium	March 31, 2010	-	-	-
	March 31, 2009	500,000,000	-	500,000,000
Corporate Guarantee/ Corporate Undertaking given on behalf of Company by	March 31, 2010	3,000,000,000	-	3,000,000,000
	March 31, 2009	250,000,000	-	250,000,000
Inter Corporate Deposit Placed	March 31, 2010	-	6,500,000,000	6,500,000,000
	March 31, 2009	-	4,000,000,000	4,000,000,000
Interest accrued on Inter Corporate Deposit Placed	March 31, 2010	-	9,221,917	9,221,917
	March 31, 2009	-	-	-
Advance / Security Deposit to Vendors	March 31, 2010	-	2,025,000,000	2,025,000,000
	March 31, 2009	-	-	-

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. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VI Statement of Material Transactions

a) In respect to Share Capital, Loan Taken / Inter Corporate Deposit Received (Maximum Outstanding Balances) and interest thereon, 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	Loan Taken / Inter Corporate Deposit Received*	Loans Given / Inter Corporate Deposits Placed*	Interest on Loan Taken / Inter Corporate Deposit Received	Interest Income from Inter Corporate Deposit	Reimbursement of General Expenses Received	Reimbursement of General expenses Made	
Holding Company									
	March 31, 2010	5,925,000,000	-	-	-	-	318,290	57,586,846	
Fellow Subsidiaries	March 31, 2009	1,975,000,000	-	14,238,500,000	-	461,843,509	-	760,755	
Aurora Builders and Developers Limited	March 31, 2010	-	-	-	-	-	-	-	
	March 31, 2009	-	-	-	-	-	800	-	
Indiabulls Energy Limited (from April 29, 2008)	March 31, 2010	-	-	-	-	-	-	-	
	March 31, 2009	-	-	48,000	-	-	16,700	-	
Indiabulls Infrastructure Development Limited	March 31, 2010	-	-	-	-	-	-	-	
	March 31, 2009	-	605,500,000	-	2,071,847	-	-	-	
Indiabulls Wholesale Services Limited	March 31, 2010	-	-	-	-	-	-	-	
	March 31, 2009	-	-	221,550,000	-	651,751	-	-	
Lucina Infrastructure Limited	March 31, 2010	-	-	-	-	-	-	-	
	March 31, 2009	-	-	1,149,800,000	-	5,805,906	-	-	
Mabon Properties Limited	March 31, 2010	-	-	-	-	-	-	-	
	March 31, 2009	-	-	1,000,050,000	-	2,959,056	-	-	
Chloris Properties Limited	March 31, 2010	-	-	-	-	-	-	-	
	March 31, 2009	-	-	2,500,000	-	25,217	5,508	-	
Indiabulls Estate Limited	March 31, 2010	-	-	-	-	-	-	-	
	March 31, 2009	-	-	-	-	-	-	3,660,408	
Selene Construction Limited	March 31, 2010	-	-	-	-	-	-	-	
	March 31, 2009	-	-	-	-	-	-	1,170,497	
Selene Estate Limited	March 31, 2010	-	-	-	-	-	-	-	
	March 31, 2009	-	-	-	-	-	-	714,059	
Airmid Aviation Services Private Limited	March 31, 2010	-	-	-	-	-	26,635	-	
	March 31, 2009	-	-	-	-	-	-	-	

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VI Statement of Material Transactions (Contd.)

- a) In respect to Share Capital, Loan Taken / Inter Corporate Deposit Received (Maximum Outstanding Balances) and interest thereon, Loans Given / Inter Corporate Deposits Placed (Maximum Outstanding Balances) and interest thereon, Reimbursement of General Expenses Received and Reimbursement of General expenses made

Name	Year Ended	Issue of Share Capital	Loan Taken / Inter Corporate Deposit Received*	Loans Given / Inter Corporate Deposits Placed*	Interest on Loan Taken / Inter Corporate Deposit Received	Interest Income from Inter Corporate Deposit	Reimbursement of General Expenses (Amount in Rupees)	
							Reimbursement of General Expenses Received	Reimbursement of General expenses Made
Fornax Properties Limited	March 31, 2010	-	-	6,500,000,000	-	7,863,014	-	-
	March 31, 2009	-	-	-	-	-	-	-
Varali Infrastructure Limited	March 31, 2010	-	-	800,000,000	-	131,507	-	-
	March 31, 2009	-	-	-	-	-	-	-
Hecate Power And Land Development Limited	March 31, 2010	-	-	2,000,000,000	-	1,150,685	-	-
	March 31, 2009	-	-	-	-	-	-	-
Albasta Properties Limited	March 31, 2010	-	-	2,500,000,000	-	1,232,877	-	-
	March 31, 2009	-	-	-	-	-	-	-
Indiabulls Constructions Limited	March 31, 2010	-	-	4,000,000,000	-	91,068,480	-	-
	March 31, 2009	-	-	4,000,000,000	-	-	-	-
TOTAL	March 31, 2010	5,925,000,000	-	15,800,000,000	-	101,446,562	344,925	57,586,846
	March 31, 2009	1,975,000,000	605,500,000	20,612,448,000	2,071,847	471,285,439	23,008	6,305,719

* Maximum amount outstanding at any time during the year.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VI Statement of Material Transactions

- b) In respect to Sale of Investment In Equity Shares of Subsidiary Company, Traveling Expenses, Advance / Security Deposit to Vendor, Remuneration, lease premium and Corporate Guarantee Taken

		(Amount in Rupees)					
Name	Year Ended	Sale of Investment In Equity Shares of Subsidiary Company	Traveling Expenses	Advance / Security Deposit to Vendor	Remuneration	Lease Premium	Corporate Guarantee / Corporate Undertaking given on behalf of Company by
Holding Company							
Indiabulls Real Estate Limited	March 31, 2010	-	-	-	-	-	2,750,000,000
	March 31, 2009	500,000	-	-	-	500,000,000	250,000,000
Fellow Subsidiary Company							
Airmid Aviation Services Private Limited	March 31, 2010	-	52,391,435	2,025,000,000	-	-	-
	March 31, 2009	-	14,532,926	-	-	-	-
Key Management Personnel							
Rajiv Rattan	March 31, 2010	-	-	-	87,302,944	-	-
	March 31, 2009	-	-	-	34,392,207	-	-
TOTAL	March 31, 2010	-	52,391,435	2,025,000,000	87,302,944	-	2,750,000,000
	March 31, 2009	500,000	14,532,926	-	34,392,207	500,000,000	250,000,000

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VI Statement of Material Transactions

c) Outstanding Balance as at the end of Year

Name	Year Ended	(Amount in Rupees)						
		Inter Corporate Deposit Placed	Interest on Inter Corporate Deposit Placed	Traveling Expenses Payable	Corporate Guarantee / Corporate Undertaking given on behalf of Company by	Lease Premium	General expenses	Advance / Security Deposit to Vendor
Holding Company								
Indiabulls Real Estate Limited	March 31, 2010	-	-	-	3,000,000,000	-	-	-
	March 31, 2009	-	-	-	250,000,000	500,000,000	-	-
Fellow Subsidiary Company								
Indiabulls Constructions Limited	March 31, 2010	-	-	-	-	-	-	-
	March 31, 2009	4,000,000,000	-	-	-	-	-	-
Fornax Properties Limited	March 31, 2010	2,000,000,000	7,076,712	-	-	-	-	-
	March 31, 2009	-	-	-	-	-	-	-
Hecate Power and Land Development Limited	March 31, 2010	2,000,000,000	1,035,616	-	-	-	-	-
	March 31, 2009	-	-	-	-	-	-	-
Airmid Aviation Services Private Limited	March 31, 2010	-	-	9,608,390	-	-	-	2,025,000,000
	March 31, 2009	-	-	6,183,049	-	-	-	-
Indiabulls Estate Limited	March 31, 2010	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	-	-	3,660,408	-
Selene Construction Limited	March 31, 2010	-	-	-	-	-	1,170,497	-
	March 31, 2009	-	-	-	-	-	-	-
Albasta Properties Limited	March 31, 2010	2,500,000,000	1,109,589	-	-	-	-	-
	March 31, 2009	-	-	-	-	-	-	-
Selene Estate Limited	March 31, 2010	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	-	-	714,059	-
TOTAL	March 31, 2010	6,500,000,000	9,221,917	9,608,390	3,000,000,000	-	-	2,025,000,000
	March 31, 2009	4,000,000,000	-	6,183,049	250,000,000	500,000,000	5,544,964	-

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VI Statement of Material Transactions

- d) Loan Given to/ Inter Corporate Deposit Placed with the Companies acquired pursuant to Scheme of Amalgamation of Indiabulls Power Services Limited with Sophia Power Company Limited w.e.f. April 1, 2008 as approved by the Hon' able High Court of Delhi. (Refer Note II (4) of Schedule Q)

(Amount in Rupees)	
Name of Companies	As on April 01, 2008
Chloris Properties Limited	2,500,000

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

xiii. Earnings Per Share (EPS)

The basic earnings per share is computed by dividing the net profit/ (loss) attributable to equity shareholders, 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 the conversion of all dilutive potential equity shares. The dilutive potential equity shares

are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are considered as converted to equity shares at the beginning of the year, unless they have been issued 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, 2010	For the Year ended March 31, 2009
Profit After Tax (Rs.)	382,656,646	830,605,185
Less: Share of Minority	1,311,378	961,373
Profit available for Equity Shareholders (Rs.)	381,345,268	829,643,812
Weighted average number of Shares used in computing Basic earnings per share (Number of Shares)	1,812,014,444	1,659,000,000
Add: Potential number of Equity shares that could arise on exercise of Employees Stock option plans ("ESOP") of the company	20,806,440	21,875,394
Weighted average number of Shares used in computing Diluted earnings per share (Number of Shares)	1,832,820,884	1,680,875,394
Nominal Value per Equity Share	10	10
Basic Earnings Per Share	0.21	0.50
Diluted Earnings Per Share	0.20	0.49

xiv. Deferred Tax:

In compliance with 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. 12,566,984 (Previous Year Rs. 28,657) as deferred tax credit (Net) to the Profit and Loss Account for the year ended March 31, 2010.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

The breakup of Deferred Tax Assets (Net) into major components as at March 31, 2010 is given below:

	As at March 31, 2010	As at March 31, 2009
Deferred Tax Assets		
Arising on account of timing differences due to:		
Preliminary Expenses	41,244	29,464
Depreciation	-	6,147
Provision for Superannuation	10,449,466	-
Provision for Compensated Absences	1,928,333	-
Provision for Gratuity	2,758,748	-
TOTAL (A)	15,177,791	35,611
Deferred Tax Liabilities		
Arising on account of timing differences due to:		
Depreciation / Amortisation	2,575,196	-
TOTAL (B)	2,575,196	-
Deferred Tax Assets (Net) (A – B)	12,602,595	35,611

xv. Expenditure During Construction Pending Capitalisation includes expenses of Rs. 883,031,929 (Previous Year Rs. 475,055,454) 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. 495,007,443 (Previous Year Rs. 42,265,105) incurred during the year.

xvi. The group's activities during the year involved setting up of its power project in India. Considering the nature of Company's business and operation and based on the information available with the management, 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, other than those already provided in the financial statements.

xvii. 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.

xviii. In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2010 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.

xix. 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, 2010.

xx. The Group has not entered into any derivative instruments during the year. Foreign currency exposures not hedged as at March 31, 2010, of Rs. 9,926,227,444 (US\$ 219,898,703) (Previous Year Rs. 11,154,007,596) (US\$ 218,919,535).

xxi. 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.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of the Audited Consolidated Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

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

The above information 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.

- xxii. Previous year's figures have been audited by the other auditor and have been relied upon accordingly. Prior year adjustments arising out of the current years audit have been made and disclosed accordingly. Where required, 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 22, 2010

Auditors' Report to the Members of Indiabulls Power Limited. (Formerly Sophia Power Company Limited)

1. We have audited the attached Balance Sheet of INDIABULLS POWER LIMITED. (FORMERLY SOPHIA POWER COMPANY LIMITED) ("the Company") as at 31st March, 2010, 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 31st March, 2010;
 - (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 31st March, 2010 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2010 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)

New Delhi, April 22, 2010

Annexure to the Auditors' Report (Referred to in paragraph 3 of our report of even date) of Indiabulls Power Limited. (Formerly Sophia Power Company Limited)

- (i) Having regard to the nature of the Company's business / activities / result, clauses (x), (xiii), (xix) and (xx) 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. 9,592,412,200/- to nine parties during the year. At the year-end, the outstanding balances of such loans aggregated Rs. 8,094,417,474/- (six parties) and the maximum amount involved during the year was Rs. 8,094,417,474/- (nine parties).
 - (b) The rate of interest and other terms and conditions of such loans 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 respect of loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us.
 - (e) The Company has taken loans aggregating Rs. 3,020,000,000/- from one party during the year. At the year-end, the outstanding balance of such loans taken aggregated Rs. Nil and the maximum amount involved during the year was Rs. 3,020,000,000 (one party).
 - (f) The rate of interest and other terms and conditions of such loans are, in our opinion, *prima facie* not prejudicial to the interests of the Company.
 - (g) The payments of principal amounts and interest in respect of such loans are regular/as per stipulations.
- (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 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 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) of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) (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 31st March, 2010, 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 and Sales Tax.
- (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 31st March, 2010 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 31st March, 2010 on account of any dispute.
- (xi) In our opinion and according to the information and explanations given to us, the Company has no dues to banks, financial institutions and debenture holders.
- (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 Company has not availed of any term loans during the year.
- (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) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no 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)

New Delhi, April 22, 2010

Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010

		(Amount in Rupees)	
	Schedule	As at March 31, 2010	As at March 31, 2009
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	20,212,965,460	8,295,000,000
Reserves and Surplus	B	18,994,406,831	14,767,213,614
TOTAL		39,207,372,291	23,062,213,614
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	C	1,050,137,829	4,894,085
Less: Accumulated Depreciation / Amortisation		7,889,857	841,468
Net Block		1,042,247,972	4,052,617
Capital Work-in-Progress (including Capital Advances)		2,011,653,140	956,103,800
		3,053,901,112	960,156,417
Expenditure During Construction Pending Capitalisation	D	794,086,999	144,161,004
Investments	E	13,438,841,620	4,610,720,552
Deferred Tax Assets (Net)		1,135,531	-
(Refer Note II(xiv) of Schedule Q)			
Current Assets, Loans and Advances			
Sundry Debtors	F	992,700	-
Cash and Bank Balances	G	2,707,328,096	6,466,878,480
Other Current Assets	H	82,688,418	234,702,488
Loans and Advances	I	19,329,257,491	10,779,113,916
		22,120,266,705	17,480,694,884
Less: Current Liabilities and Provisions			
Current Liabilities	J	189,975,322	70,499,503
Provisions	K	10,884,354	63,019,740
		200,859,676	133,519,243
Net Current Assets		21,919,407,029	17,347,175,641
TOTAL		39,207,372,291	23,062,213,614
Significant Accounting Policies and Notes to Accounts	Q		

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 : New Delhi
Date : April 22, 2010

Place : New Delhi
Date : April 22, 2010

Profit and Loss Account of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) for the year ended March 31, 2010

	Schedule	(Amount in Rupees) For the year ended March 31, 2010	For the year ended March 31, 2009
INCOME			
Revenue from Operations	L	8,000,000	-
Other Income	M	700,240,775	1,470,152,623
TOTAL		708,240,775	1,470,152,623
EXPENDITURE			
Employees Remuneration and Benefits	N	162,429,294	84,564,451
Administrative and Other expenses	O	81,226,135	38,025,541
Interest and Finance Charges	P	29,258,246	5,249,037
Depreciation / Amortisation	C	3,451,435	393,922
TOTAL		276,365,110	128,232,951
Profit Before Tax		431,875,665	1,341,919,672
Provision for Taxation:			
- Current Tax		57,100,000	278,659,195
- Tax Adjustment in respect of earlier years		(1,331,634)	-
- Deferred Tax Credit (Net)		(1,135,531)	-
- Fringe Benefits Tax		-	1,303,641
Profit After Tax		377,242,830	1,061,956,836
Balance of Profit Brought Forward		1,205,131,754	141,620,309
Add: Transferred from Indiabulls Power Services Limited [as per 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 at New Delhi (Refer Note II (iv) of Schedule Q)]		-	1,554,609
Balance of Profit Carried Forward		1,582,374,584	1,205,131,754
Earnings Per Share - EPS Basic & Diluted (Refer Note II (xi) of Schedule Q)			
Basic EPS (Re.)		0.208	0.640
Diluted EPS (Re.)		0.206	0.632
Face Value per equity share (Rs.)		10.00	10.00
Significant Accounting Policies and Notes to Accounts	Q		

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 : New Delhi
Date : April 22, 2010

Place : New Delhi
Date : April 22, 2010

Cash Flow Statement of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) for the year ended March 31, 2010

(Amount in Rupees)

	For the year ended March 31, 2010	For the year ended March 31, 2009
A Cash Flow From Operating Activities		
Profit Before Tax	431,875,665	1,341,919,672
Adjustment for :		
Depreciation / Amortisation	3,451,435	393,922
Interest Expenses	29,258,246	5,249,037
Provision for Gratuity	5,024,073	642,161
Provision for Compensated Absences	3,351,925	3,658,268
Provision for Superannuation Benefits	-	5,873,697
Sundry Balances Written Off	500,000	-
Balances Written Back	(895,202)	-
Dividend on Units of Mutual Funds - Non Trade	(292,277,694)	(538,554,753)
Interest Income on Fixed Deposits	(388,487,096)	(263,873,169)
Interest income on Inter Corporate Deposits	(18,580,783)	(627,109,797)
Operating Loss before Working Capital Changes	(226,779,431)	(71,800,962)
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	(2,439,786,023)	(35,121,799)
(Increase) / Decrease in Sundry debtors	(992,700)	-
Transfer of Employee Benefits from Others	-	51,763,711
Transfer of Employee Benefits to Subsidiary Company	(60,830,024)	-
Increase / (Decrease) in Sundry Creditors and Other Liabilities	106,873,180	62,758,487
Cash Generated From / (Used in) Operations	(2,621,514,998)	7,599,437
Direct Taxes Paid	(64,318,793)	(287,905,714)
Net Cash Used in Operating Activities	(2,685,833,791)	(280,306,277)
B Cash Flow From Investing Activities		
Purchase of Fixed Assets (including Capital Advances)	(2,100,793,084)	(960,178,995)
Expenditure During Construction Pending Capitalisation	(646,066,987)	(128,947,273)
Investment in Equity Shares of Subsidiary Companies	(2,809,010,000)	(4,360,080,550)
Share Application Money pending allotment - in Subsidiary Company	(4,349,364,000)	-
Sale of Investment in Equity Shares in Subsidiary Company	245,000	500,000
Investments in Mutual Funds - Long term	(6,000,356,068)	-
Loans / Inter Corporate Deposits (given) / received back - Net	(1,753,067,800)	3,749,857,708
Fixed Deposit (placed) / matured with bank	3,471,487,487	(6,160,501,000)
Interest Received on Fixed Deposits	468,347,577	136,328,656
Interest Received on Loans / Inter Corporate Deposits given	90,734,370	521,058,381
Dividend on Units of Mutual Funds - Non Trade	292,277,694	538,554,753
Net Cash Used in Investing Activities	(13,335,565,811)	(6,663,408,320)

Cash Flow Statement of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) for the year ended March 31, 2010 (Contd.)

	(Amount in Rupees)	
	For the year ended March 31, 2010	For the year ended March 31, 2009
C Cash Flow From Financing Activities		
Proceeds from issue of Equity Shares	16,252,797,570	-
Share issue expense	(351,849,125)	-
Interest Expenses	(29,258,246)	(5,249,037)
Net Cash Generated From/(Used in) Financing Activities	15,871,690,199	(5,249,037)
D Net Decrease in Cash and Cash equivalents (A+B+C)	(149,709,403)	(6,948,963,634)
E Unrealised Exchange Difference on Translation of balances denominated in Foreign Currency	(119,353,494)	154,570,610
F Cash and Cash Equivalents as at the beginning of the Year	306,377,480	5,425,728,134
G Cash and Cash Equivalents received pursuant to 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 (Refer Note II (iv) of Schedule Q)	-	1,675,042,370
H Cash and Cash Equivalents as at the end of the year (D+E+F+G)	37,314,583	306,377,480

Note :

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

2 Cash and Cash Equivalents as at the year end includes :

Cash and Bank balances (Refer Schedule G)	2,707,328,096	6,466,878,480
Add: Current investments in Units of Mutual Funds considered temporary deployment of funds (Refer Schedule E)	19,000,000	-
	2,726,328,096	6,466,878,480
Less: In fixed deposit accounts having maturity of more than 3 months	2,689,013,513	6,160,501,000
Cash and Cash Equivalents as restated	37,314,583	306,377,480

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 : New Delhi
Date : April 22, 2010

Place : New Delhi
Date : April 22, 2010

Schedules forming part of Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010

(Amount in Rupees)

	As at March 31, 2010	As at March 31, 2009
SCHEDULE A		
Share Capital		
Authorised:		
5,000,000,000 (Previous Year 1,198,000,000) Equity Shares of Rs. 10 each	50,000,000,000	11,980,000,000
Issued, subscribed and paid up: (Refer Note No II (v) of Schedule Q)		
Equity Share Capital		
2,021,296,546 Equity Shares (Previous Year 829,500,000) of Rs 10 each fully paid up	20,212,965,460	8,295,000,000
Of the above, 1,185,000,000 (Previous Year 592,500,000) Equity Shares of Rs. 10 each are held by the Holding Company - Indiabulls Real Estate Limited and its nominees		
Nil (Previous Year 197,500,000) Equity Shares of Rs 10 each fully paid up were allotted to eligible shareholders pursuant to 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)		
Of the above, 829,500,000 (Previous Year Nil) 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	20,212,965,460	8,295,000,000
SCHEDULE B		
Reserves And Surplus		
Securities Premium Account (Refer Note No II (v) of Schedule Q)		
Balance as per Last Balance Sheet	13,407,511,250	13,407,511,250
Add: Additions during year	12,629,832,110	-
	26,037,343,360	13,407,511,250
Less : Issue of Bonus Shares	(8,295,000,000)	-
Share Issue Expenses - IPO	(365,528,229)	-
	17,376,815,131	13,407,511,250
Foreign Currency Translation Reserve		
Balance as per Last Balance Sheet	154,570,610	-
Add /(Less): Exchange Rate Fluctuation during the year	(119,353,494)	154,570,610
	35,217,116	154,570,610
Surplus as per Profit and Loss Account	1,582,374,584	1,205,131,754
As Per Balance Sheet	18,994,406,831	14,767,213,614

Schedules forming part of Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

Particulars	Gross Block At Cost				Accumulated Depreciation / Amortisation			Net Block	
	As at April 1, 2009	Additions during the Year	Adjustments/ Sales during the Year	As at March 31, 2010	As at April 1, 2009	Provided during the Year*	Adjustments during the Year	As at March 31, 2010	As at March 31, 2009
A. Tangible Assets									
Land	-	987,111,800	-	987,111,800	-	3,273,767	-	983,838,033	-
Building	-	1,172,748	-	1,172,748	-	9,217	-	1,163,531	-
Plant & Machinery	70,540	1,562,160	-	1,632,700	3,389	14,224	-	1,615,087	67,151
Office Equipments	1,528,843	1,302,918	-	2,831,761	200,515	136,526	-	2,494,720	1,328,328
Computers	1,450,314	3,377,047	-	4,827,361	192,435	349,114	-	4,285,812	1,257,879
Furniture and Fixtures	229,036	3,204,107	-	3,433,143	215,344	328,915	-	2,888,884	13,692
Vehicles	671,864	43,368,930	-	44,040,794	66,290	2,209,970	-	41,764,534	605,574
TOTAL (A)	3,950,597	1,041,099,710	-	1,045,050,307	677,973	6,321,733	-	1,038,050,601	3,272,624
B. Intangible Assets									
Software	943,488	4,144,034	-	5,087,522	163,495	726,656	-	4,197,371	779,993
TOTAL (B)	943,488	4,144,034	-	5,087,522	163,495	726,656	-	4,197,371	779,993
TOTAL (A+B)	4,894,085	1,045,243,744	-	1,050,137,829	841,468	7,048,389	-	1,042,247,972	4,052,617
C. Capital Work-in-Progress (including Capital Advances)									
								2,011,653,140	956,103,800
TOTAL (C)								2,011,653,140	956,103,800
GRAND TOTAL (A+B+C)	4,894,085	1,045,243,744	-	1,050,137,829	841,468	7,048,389	-	3,053,901,112	960,156,417
Previous Year	-	4,914,085	20,000	4,894,085	-	842,205	737	960,156,417	

* Note: Depreciation aggregating Rs. 3,596,954 (Previous Year Rs. 411,978) on assets directly related to the Project has been transferred to Expenditure During Construction Pending Capitalisation and depreciation aggregating to Rs. 3,451,435 (Previous year Rs. 393,922) being depreciation on other fixed assets has been debited to the Profit & Loss Account.

Schedules forming part of Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

	Opening Balance as at April 1, 2009	Additions During the Year	(Amount in Rupees) Closing Balance as at March 31, 2010
SCHEDULE D			
Expenditure During Construction Pending Capitalisation			
(Refer Note II(xvi) of Schedule Q)			
Salaries and Wages	51,007,359	67,666,278	118,673,637
Staff Welfare Expenses	146,846	276,610	423,456
Recruitment and Training Expenses	1,803,763	152,179	1,955,942
Repair and Maintenance Expenses			
- Vehicle	431,968	1,263,440	1,695,408
- Others	671,082	2,257,527	2,928,609
Site Lease Rent Expenses	260,502	1,657,547	1,918,049
Legal and Professional Charges	30,673,156	40,742,359	71,415,515
Communication Expenses	468,884	1,307,873	1,776,757
Rates and Taxes	3,946,908	93,483	4,040,391
Bank Guarantee Charges	281,003	17,847,327	18,128,330
Travelling and Conveyance Expenses	5,252,161	39,601,133	44,853,294
Power Transmission Charges	1,837,038	-	1,837,038
Soil Investigation Charges	3,071,390	-	3,071,390
Financing Charges	42,265,105	431,606,708	473,871,813
Miscellaneous Site Expenses	1,631,861	41,856,577	43,488,438
Depreciation/Amortisation	411,978	3,596,954	4,008,932
	144,161,004	649,925,995	794,086,999

	As at March 31, 2010	As at March 31, 2009
SCHEDULE E		
Investments		
(Refer Note No II (xiii) of Schedule Q)		
i) Long Term (At Cost) 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

Schedules forming part of Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2010	As at March 31, 2009
74,000 (Previous Year 74,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls CSEB Bhaiyathan Power Limited (formerly Indiabulls 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
2,809,500 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Realtech Limited*	2,760,000,000	500,000
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
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Diana Power Limited (formerly Indiabulls 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

Schedules forming part of Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2010	As at March 31, 2009
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 Sepila 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
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 50,000) Equity Shares of Face Value of Rs. 10 each in Elena Power and Infrastructure Limited (formerly Elena Power Limited)	50,000,000	500,000
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

Schedules forming part of Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2010	As at March 31, 2009
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
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Power Limited	500,000	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 (formerly Hecate Energy 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
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

Schedules forming part of Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2010	As at March 31, 2009
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 50,000) Equity Shares of Face Value of Rs. 10 each in Indiabulls Power Transmission Limited	510,000	500,000
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
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Power Projects Limited	500,000	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
25,500 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Hecate Power Transmission Limited	255,000	500,000
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
50,000 (Previous Year 50,000) Equity Shares of Face Value of Rs. 10 each in Poena Power Supply Limited	500,000	500,000

Schedules forming part of Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2010	As at March 31, 2009
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 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
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
	7,209,485,552	4,400,720,552
*Acquired pursuant to Scheme of Amalgamation of Indiabulls Power Services Limited with Indiabulls Power Limited. (formerly Sophia Power Company Limited) w.e.f April 1, 2008 as approved by the Hon'ble High Court of Delhi (Refer Note No II (iv) of Schedule Q)		

Schedules forming part of Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

(Amount in Rupees)

	As at March 31, 2010	As at March 31, 2009
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
*Acquired pursuant to Scheme of Amalgamation of Indiabulls Power Services Limited with Indiabulls Power Limited. (formerly Sophia Power Company Limited) w.e.f April 1, 2008 as approved by the Hon'ble High Court of Delhi (Refer Note No II (iv) of Schedule Q)		
c) Non Trade, Unquoted - in Units of Mutual Fund		
- In 150,000,000 (Previous Year Nil) Units of UTI Mutual Fund - Fixed Maturity Plan at NAV of Rs. 10	1,500,000,000	-
- In 100,000,000 (Previous Year Nil) Units of Reliance Fixed Horizon Fund at NAV of Rs. 10	1,000,000,000	-
- In 200,017,537 (Previous Year Nil) Units of ICICI Prudential - Fixed Maturity Plan at NAV of Rs. 10	2,000,175,370	-
- In 150,018,069 (Previous Year Nil) Units of Birla Sunlife Fixed Term Plan at NAV of Rs. 10	1,500,180,698	-
TOTAL (i) = (a + b + c)	13,419,841,620	4,610,720,552
ii) Current Investments (lower of cost and fair value)		
in Units of Mutual Funds - Non Trade, Un-quoted		
In 1,126,720 Units (Previous Year Nil) of LIC MF Saving Plus Fund - Daily Dividend at NAV of Rs. 16.8631 per Unit (Previous Year Nil per Unit)	19,000,000	-
As Per Balance Sheet TOTAL (i + ii)	13,438,841,620	4,610,720,552
Aggregate Market Value of Quoted Investments	-	-
Aggregate Book Value of Quoted Investments	-	-
Aggregate Book Value of Un-Quoted Investments	13,438,841,620	4,610,720,552
SCHEDULE F		
Sundry Debtors		
(Unsecured, considered good, Unless otherwise stated)		
Outstanding for a period exceeding six months	-	-
Other Debts		
[Amount due from Subsidiary Company - Albasta Power Limited, Rs. 992,700 (Previous Year Rs. Nil). Maximum amount outstanding at any time during the year Rs. 1,000,000 (Previous Year Rs. Nil)]	992,700	-
As Per Balance Sheet	992,700	-
SCHEDULE G		
Cash and Bank Balances		
Cash On Hand	1,007,205	4,316
Balances with Scheduled Banks :		
In Current Accounts	17,307,378	306,373,164
In Fixed Deposit Accounts (Refer Note II (viii) of Schedule Q)	2,689,013,513	6,160,501,000
As Per Balance Sheet	2,707,328,096	6,466,878,480

Schedules forming part of Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

	(Amount in Rupees)	
	As at March 31, 2010	As at March 31, 2009
SCHEDULE H		
Other Current Assets		
(Unsecured, Considered Good, Unless Otherwise Stated)		
Accrued Interest on Fixed Deposit Accounts (Refer Note II (ix) of Schedule Q)	48,790,590	128,651,071
Accrued Interest on Inter Corporate Deposits - From Subsidiary Companies :		
- Bracond Limited [Maximum Amount Outstanding at any time during the Year Rs. 33,460,313 (Previous Year Rs. 21,140,633)]	33,460,313	21,140,633
- Citra Thermal Power and Infrastructure Limited [Maximum Amount Outstanding at any time during the Year Rs. 18,196 (Previous Year Rs. 18,196)]	-	18,196
- Devona Thermal Power and Infrastructure Limited [Maximum Amount Outstanding at any time during the Year Rs. 311,082 (Previous Year Rs. 222,538)]	311,082	222,538
- Indiabulls CSEB Bhaiyathan Power Limited (formerly Indiabulls Bhaiyathan Power Limited) [Maximum Amount Outstanding at any time during the Year Rs. 84,663,953 (Previous Year Rs. 84,663,953)]	-	84,663,953
- Zeus Energy Limited [Maximum Amount Outstanding at any time during the Year Rs. 6,097 (Previous Year Rs. 6,097)]	-	6,097
- Indiabulls Power Generation Limited [Maximum Amount Outstanding at any time during the year Rs. 118,356 (Previous Year Rs. Nil)]	118,356	-
- Hecate Power Transmission Limited [Maximum Amount Outstanding at any time during the Year Rs. 8,077 (Previous Year Rs. Nil)]	8,077	-
	33,897,828	106,051,417
As Per Balance Sheet	82,688,418	234,702,488

Schedules forming part of Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

	As at March 31, 2010	(Amount in Rupees) As at March 31, 2009
SCHEDULE I		
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. 2,164,031 (Previous Year Rs. 2,084,031)]	2,164,031	2,084,031
Aravali Properties Limited [Maximum Balance Outstanding at any time during the Year Rs. 4,180,500 (Previous Year Rs. 4,180,500)]	3,325,500	4,180,500
Citra Thermal Power and Infrastructure Limited [Maximum Balance Outstanding at any time during the Year Rs. 1,484,074 (Previous Year Rs. 1,409,074)]	1,484,074	1,409,074
Devona Thermal Power and Infrastructure Limited [Maximum Balance Outstanding at any time during the Year Rs. 7,961,802 (Previous Year Rs. 8,329,000)]	7,961,802	7,311,802
Elena Power and Infrastructure Limited [Maximum Balance Outstanding at any time during the Year Rs. 9,433,578,000 (Previous Year Rs. 4,850,126,000)]	7,744,078,000	4,000,000,000
Fama Power Company Limited [Maximum Balance Outstanding at any time during the Year Rs. 470,000 (Previous Year Rs. 750,000)]	470,000	470,000
Indiabulls CSEB Bhaiyathan Power Limited (formerly Indiabulls Bhaiyathan Power Limited) [Maximum Balance Outstanding at any time during the Year Rs. 5,672,242,932 (Previous Year Rs. 5,117,451,732)]	2,740,964,932	5,117,451,732
Indiabulls Electricity Company Limited [Maximum Balance Outstanding at any time during the Year Rs. 1,042,000 (Previous Year Rs. 1,250,000)]	1,042,000	962,000
Indiabulls Hydro Electric Power Limited [Maximum Balance Outstanding at any time during the Year Rs. 692,500 (Previous Year Rs. 2,017,000)]	692,500	667,500
Indiabulls Hydro Energy Limited [Maximum Balance Outstanding at any time during the Year Rs. 1,687,000 (Previous Year Rs. 2,017,000)]	1,687,000	1,657,000
Indiabulls Power Infrastructure Limited [Maximum Balance Outstanding at any time during the Year Rs. 4,064,054 (Previous Year Rs. 7,284,054)]	4,064,054	4,034,054
Indiabulls Realtech Limited [Maximum Balance Outstanding at any time during the Year Rs. 1,742,799,542 (Previous Year Rs. 1,002,641,514)]	1,000,490,542	507,693,542
Kaya Hydropower Projects Limited [Maximum Balance Outstanding at any time during the Year Rs. 8,782,929 (Previous Year Rs. 5,941,829)]	8,782,929	5,941,829
Lucina Power and Infrastructure Limited [Maximum Balance Outstanding at any time during the Year Rs. 1,650,000 (Previous Year Rs. 3,336,000)]	800,000	1,645,000
Pachi Hydropower Projects Limited [Maximum Balance Outstanding at any time during the Year Rs. 20,903,335 (Previous Year Rs. 18,064,835)]	20,903,335	18,064,835

Schedules forming part of Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

	As at March 31, 2010	(Amount in Rupees) As at March 31, 2009
Papu Hydropower Projects Limited [Maximum Balance Outstanding at any time during the Year Rs. 15,996,210 (Previous Year Rs. 15,821,210)]	15,996,210	15,821,210
Sepla Hydropower Projects Limited [Maximum Balance Outstanding at any time during the Year Rs. 7,422,923 (Previous Year Rs. 6,717,923)]	7,422,923	6,717,923
Tharang Warang Hydropower Projects Limited [Maximum Balance Outstanding at any time during the Year Rs. 8,082,139 (Previous Year Rs. 5,482,139)]	8,082,139	5,482,139
Zeus Energy Limited [Maximum Balance Outstanding at any time during the Year Rs. 399,000 (Previous Year Rs. 50,549,000)]	399,000	349,000
Hecate Power Projects Limited [Maximum Balance Outstanding at any time during the Year Rs. 500,000 (Previous Year Rs. Nil)]	50,000	-
Hecate Power Transmission Limited [Maximum Balance Outstanding at any time during the Year Rs. 750,000 (Previous Year Rs. Nil)]	300,000	-
Hecate Power Solutions Limited [Maximum Balance Outstanding at any time during the Year Rs. 500,000 (Previous Year Rs. Nil)]	50,000	-
Indiabulls Power Generation Limited [Maximum Balance Outstanding at any time during the Year Rs. 200,000,000 (Previous Year Rs. 3,810,000)]	-	-
Diana Energy Limited [Maximum Balance Outstanding at any time during the Year Rs. 500,000 (Previous Year Rs. 67,173)]	-	-
Hecate Power Utility Limited [Maximum Balance Outstanding at any time during the Year Rs. 720,000,000 (Previous Year Rs. Nil)]	-	-
Hecate Power Generation Limited [Maximum Balance Outstanding at any time during the Year Rs. 1,625,000 (Previous Year Rs. Nil)]	-	-
Bracond Limited [Maximum Balance Outstanding at any time during the Year Rs. 1,019,000,000 (Previous Year Rs. 1,019,000,000)]	902,800,000	1,019,000,000
	12,474,010,971	10,720,943,171
Others		
Advances recoverable in cash or in kind or for value to be received	2,301,833,896	4,045,129
Loan to Employees	1,749,400	150,000
Security Deposits	185,476,231	46,204,549
Prepaid Expenses	725,361	99,187
Share Application Money Pending Allotment (Refer Note II(v) of Schedule Q)	4,349,364,000	-
Advance Income Tax / Tax Deducted At Source (Net of Provision for Tax Rs. 336,917,150 (Previous Year Rs. 279,825,987))	16,063,325	7,671,880
Advance Fringe Benefits Tax	34,307	-
As Per Balance Sheet	19,329,257,491	10,779,113,916

Schedules forming part of Balance Sheet of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) as at March 31, 2010 (Contd.)

(Amount in Rupees)

	As at March 31, 2010	As at March 31, 2009
SCHEDULE J		
Current Liabilities		
Sundry Creditors		
(a) Dues to Micro and Small Enterprises (Refer Note II(xxiii) of Schedule Q)	-	-
(b) Dues to Others	62,938,369	15,000,878
Earnest Money Deposits from Subsidiary Company	50,000,000	50,000,000
Other Current Liabilities	77,036,953	5,498,625
As Per Balance Sheet	189,975,322	70,499,503
SCHEDULE K		
Provisions		
Provision for Fringe Benefits Tax [(Net of Advance Fringe Benefits Tax Rs. Nil (Previous Year Rs. 1,234,682)]	-	124,675
Provision for Gratuity (Refer Note II (xx) of Schedule Q)	6,303,827	1,298,812
Provision for Compensated Absences (Refer Note II (xx) of Schedule Q)	4,580,527	4,182,003
Provision for Superannuation Benefits (Refer Note II (xx) of Schedule Q)	-	57,414,250
As Per Balance Sheet	10,884,354	63,019,740

Schedules forming part of Profit and Loss Account of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) for the year ended March 31, 2010

	(Amount in Rupees)	
	For the year ended March 31, 2010	For the year ended March 31, 2009
SCHEDULE L		
Revenue from Operations		
Other Operating Income	8,000,000	-
[Tax Deducted at Source Rs. 882,400 (Previous Year Rs. Nil)]		
As Per Profit and Loss Account	8,000,000	-
SCHEDULE M		
Other Income		
Interest on Inter Corporate Deposits - Gross	18,580,783	627,109,797
[Tax Deducted at Source Rs. 338,418 (Previous Year Rs. 137,564,738)]		
Dividend on Units of Mutual Funds - Non Trade (Current Investments)	292,277,694	538,554,753
Interest on Fixed Deposits - Gross	388,487,096	263,873,169
[Tax Deducted at Source Rs. 43,595,727 (Previous Year Rs. 59,309,382)]		
Interest on Refund of Bid Deposit - Gross	-	40,614,904
[Tax Deducted at Source Rs. Nil (Previous Year Rs. 9,203,337)]		
Balances Written Back	895,202	-
As Per Profit and Loss Account	700,240,775	1,470,152,623
SCHEDULE N		
Employees Remuneration and Benefits		
Salaries and Wages	153,131,211	73,737,235
Contribution to Provident Fund and Other funds	8,603,354	10,209,739
[Including Provision for Gratuity, Compensated Absences and Superannuation Benefits Rs. 8,557,261 (Previous Year Rs. 10,174,126)] (Refer Note II (xx) of Schedule Q)		
Recruitment and Training Expenses	45,892	418,247
Staff Welfare Expenses	648,837	199,230
As Per Profit and Loss Account	162,429,294	84,564,451

Schedules forming part of Profit and Loss Account of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) for the year ended March 31, 2010 (Contd.)

(Amount in Rupees)

	As at March 31, 2010	As at March 31, 2009
SCHEDULE O		
Administrative and Other Expenses		
Rent Expenses	580,000	-
Rates and Taxes	341,126	262,403
Legal and Professional Charges	7,300,491	8,684,696
Travelling and Conveyance	32,364,714	13,423,264
Printing and Stationery	1,900,133	1,177,547
Repairs and Maintenance		
- Vehicle	2,202,724	489,515
- Others	9,430,325	1,515,689
Communication Expenses	1,537,971	1,185,467
Security Expenses	2,166,065	746,257
Tender Expenses	2,498,250	2,878,009
Business Promotion	14,692,741	2,620,206
Donations	221,100	1,752,001
Auditors' Remuneration		
- As Auditors	2,206,000	956,429
Postage And Courier	800,138	110,651
Conference Expenses	-	193,099
Membership And Subscription	187,665	1,508,336
Sundry Balances Written Off	500,000	-
Miscellaneous Expenses	2,296,692	521,972
As Per Profit and Loss Account	81,226,135	38,025,541
SCHEDULE P		
Interest and Finance Charges		
Interest to Banks		
- On refund of IPO share application money	24,657,534	-
- Others	-	3,164,384
Interest on Income Tax	1,333,933	-
Interest on Inter Corporate Deposits	1,492,603	2,074,455
Bank Charges	1,774,176	10,198
As Per Profit and Loss Account	29,258,246	5,249,037

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010

SCHEDULE Q

I. Significant Accounting Policies

i. 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.

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 / materialised.

iii. Revenue Recognition

Income from project management / technical consultancy is recognised as per the terms of the agreement on the basis of services rendered.

Interest income from deposits and others is recognised on an accrual basis. Dividend income is recognised when the right to receive the dividend is 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 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 or construction, including incidental expenses related to such acquisition or construction.

v. Depreciation/Amortisation

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 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.

Intangible assets are amortised over the expected useful life from the date the assets are available for use, as mentioned below :

Description of asset	Estimated useful life
Software	Four years

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 allocation, 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 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.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

viii. Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of such asset. 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.

ix. Investments

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

x. Foreign Currency Translation

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 amortised 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 profit and loss account.

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 (compensated absences) and gratuity for its employees, the liability for which is determined on the basis of actuarial valuation, conducted by an independent actuary at the end of the 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 certain Directors 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 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 crystallise.

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. Fringe Benefits Tax

Fringe Benefits Tax has been calculated in accordance with the provisions of the Income Tax Act, 1961 and the Guidance Note on Fringe Benefits Tax issued by the Institute of Chartered Accountants of India. Pursuant to the enactment of the Finance Act, 2009, Fringe Benefits Tax stands abolished w.e.f. April 01, 2009.

xiv. Earnings Per Share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year.

xv. Leases

In case of assets taken on operating lease, the lease rentals are charged to the profit and loss account in accordance with Accounting Standard 19 - Leases, as

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

notified by the Companies (Accounting Standards) Rules, 2006, as amended. Site lease rent in respect of assets under operating lease is recognised under Expenditure During Construction Pending Capitalisation.

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 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 can not 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.

xvii. 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.

xviii. Deferred Employee Stock Compensation Costs

Deferred Employee Stock Compensation Costs are recognised in accordance with the Guidance Note on "Accounting for Employee Share Based Payments" issued by the Institute of Chartered Accountants of India, which establishes financial accounting and reporting principles for employee share based payment plans. The Company has elected to apply the intrinsic value method of accounting. Accordingly, employee stock compensation costs are measured by the difference between the estimated intrinsic value of the company's shares on stock options on 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 is measured on the basis of an independent valuation performed in respect of stock options granted.

II. Notes to Accounts:

i. Overview

Indiabulls Power Limited. (formerly Sophia Power Company 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 year, the authorised capital was increased to Rs. 50,000,000,000 (Rupees Five Thousand Crores) divided into 5,000,000,000 equity shares of face value Rs. 10 each. The main business activities of the Company include 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 (Rajiv Rattan, Sameer Gehlaut 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. 55.67 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 respect of the foreign equity participation in the Amravati Phase I Power Project, in Additional Amravati Industrial Area, Taluka Amravati, District Amravati, Maharashtra.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

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.'

ii. Project under Development

The Company is in process of setting up a thermal power project at Amravati ("Amravati Project") in the State of Maharashtra in two phases with an ultimate capacity of 2,670 MW ("The Project"). During the year, development of the Amravati Phase I Power Project has commenced, which will have five units of 270 MW each, with a combined capacity of 1,350 MW.

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. 51,150,614,716 (Previous Year Rs. 538,691,365) – advances made there against Rs. 2,005,651,922 (Previous Year Rs. 1,274,620).

Guarantee provided on behalf of Papu Hydropower Projects Limited, a wholly owned subsidiary company, in respect of vehicle loan of Rs. 478,000 (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 Bhayathan Power Limited (formerly Indiabulls Bhayathan Power Limited), a wholly owned subsidiary company, secured partly by pledge of Fixed deposits of Rs. 400,000,000 (Previous Year Rs. 750,501,000) of the Company.
- Commitment Bank Guarantees of Rs. 388,833,000 (Previous Year: Rs. Nil) 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. 194,416,500 (Previous Year Rs. Nil).

- Guarantee provided on behalf of Indiabulls Realtech Limited, a wholly owned subsidiary, towards Commitment Bank Guarantees of Rs. 397,283,700 (Previous Year Rs. Nil) issued to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for the Nasik Thermal Power Project, partly secured by way of pledge of fixed deposits of Rs. 198,641,850 (Previous Year Rs. Nil) and partly by way of corporate guarantee of Rs. 198,641,850 (Previous Year Rs. Nil) of the Company.
- Guarantee provided for Rs. 1,642,005 (Previous Year Rs. Nil) to 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. Nil).
- Guarantee provided on behalf of Hecate Power Transmission Limited, a subsidiary company for Rs. 99,315,000 (Previous Year Rs. Nil) to Rajasthan Rajya Vidyut Prasaran Nigam Limited, partly secured by way of pledge of fixed deposits of Rs. 31,950,000 (Previous Year Rs. Nil) and partly by way of corporate guarantee of Rs. 69,520,500 (Previous Year Rs. Nil) of the Company.
- Guarantee provided for Rs. 145,815,000 (Previous Year Rs. Nil) 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. Nil).
- Guarantee provided for Rs. 196,000,000 (Previous Year Rs. Nil) 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. 59,900,000 (Previous Year Rs. Nil).
- Guarantee provided for Rs. 4,200,000,000 (Previous Year Rs. Nil) 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. 1,100,000,000 (Previous Year Rs. Nil) and partly by way of corporate undertaking of Rs. 2,400,000,000 (Previous Year Rs. Nil) of the Holding Company i.e. Indiabulls Real Estate Limited.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

iv. Scheme of Amalgamation of Indiabulls Power Services Limited with the Company

In accordance with Sections 391-394 of the Companies Act, 1956, and pursuant to the approval of the Board of Directors in their meeting held on March 27, 2008 and the sanction of the Hon'ble High Court of Delhi to the Scheme of Amalgamation ("the Scheme") dated September 1, 2008, and upon coming into effect of the Scheme on December 3, 2008 and with effect from the Appointed date on April 1, 2008, IPSL was amalgamated with the Company and was dissolved without undergoing the process of winding up.

Terms of the Scheme of Amalgamation

As per the Scheme, with effect from Appointed date on April 1, 2008:

- All business activities of IPSL carried out on or after the Appointed Date were deemed to have been carried out by IPSL on behalf of the Company on a going concern basis and consequently, all profits and losses of IPSL and related taxes paid, were deemed to be the profits, losses and taxes of the Company. The Scheme were accordingly been given effect from the Appointed date i.e. April 1, 2008, when the Court Order sanctioning the Scheme was filed by the

Company, with the Registrar of Companies, Delhi & Haryana on December 3, 2008 ("Effective date").

- The authorised share capital of the Company was increased to Rs. 11,980,000,000 divided into 1,198,000,000 equity shares of face value of Rs. 10 per share.
- The Company has issued and allotted 197,500,000 shares of face value of Rs. 10 each amounting to Rs. 1,975,000,000 to the equity shareholders of IPSL, in share exchange ratio of one fully paid Equity Shares of Rs 10 each of Company for every one fully paid Equity shares of Rs 10 each held by the Equity Shareholders of the IPSL.
- The Scheme of Amalgamation was accounted for under the Pooling of Interest method as sanctioned by the Hon'ble High Court of Delhi, and in accordance with Accounting Standard -14 (AS-14) – Accounting for Amalgamations, notified under the Companies (Accounting Standards) Rules, 2006, as amended. Accordingly, all assets, liabilities and reserves of the erstwhile IPSL were recorded in the Company's books of account at their book value as at the start of the Appointed, as set out below:

(Amount in Rupees)

Particulars

As at the start of April 1, 2008

Fixed Assets (net of accumulated depreciation)	782,585
Expenditure Pending Allocation/Capitalisation	8,842,748
Investments	251,140,000
Current Assets	1,718,348,967
Less: Liabilities acquired	2,559,691
Less: Accumulated Reserve taken over -	
Surplus as per Profit and Loss Account	1,554,609
Net Assets as on April 1, 2008	1,975,000,000
Less:- Value of Equity Shares issued to equity shareholders of Indiabulls Power Services Limited	1,975,000,000

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

- All incomes and expenses from the Appointed Date relating to IPSL were incorporated in the accounts of the Company.
- The surplus in the Profit and Loss Account of IPSL amounting to Rs. 1,554,609, as on the start of the Appointed Date were transferred and credited to Profit and Loss Account of the Company.
- All tax assets and liabilities of IPSL as on the start of the Appointed Date were incorporated in the books of accounts of the Company.
- All the erstwhile property, rights and powers of IPSL were transferred without further act or deed to the Company.
- All the Licenses, permits, quotas, approvals, permissions, incentives, loans, subsidies, concessions, grants, claims, leases, tenancy rights, special status and other benefits or privileges of IPSL were transferred in favour of the Company.
- All the suits, actions and proceedings now pending by or against IPSL, to be pursued by the Company. All contracts, deeds, bonds, agreements, MOUs, bids, tenders, bidding rights, expressions of interest, approvals, development rights (whether vested or potential and whether under agreements or otherwise), letters of intent, arrangements, any municipal / regulatory approvals / sanctions and other Instruments (including all tenancies, leases, licenses and all other assurances in favour of IPSL), were without any further act, instrument or deed, be in full force and effect against or in favour of Company.
- All the employees of the IPSL in service on the effective date were become the employees of the Company.
- Pursuant to the Scheme and with effect from the Appointed Date i.e. April 1, 2008 and effective from the Effective date, Indiabulls Power Services Limited Employee Stock Options Scheme ("IPSL ESOS") was terminated and in lieu, in terms of Clause 14(c) of the Scheme, the SPCL – IPSL Employees Stock Option Plan 2008 ("SPCL – IPSL ESOP, 2008") was created 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 and taking into account the share exchange ratio i.e. one equity share of face value Rs. 10 each of the Company for every one equity share of face value Rs. 10 each of IPSL. All the option holders under the IPSL ESOS on the Effective date were granted the new options under SPCL – IPSL ESOP, 2008 in lieu of their cancelled options under IPSL ESOS. No compensation expense was recognised on granting of options on Effective Date as SPCL – IPSL ESOP, 2008 was treated as continuation of IPSL ESOS and all such options have been treated outstanding from their respective date of grant under IPSL ESOS. No adjustment was required in respect of the number and exercise price of options (Also refer Note II (vi) (2) of Schedule Q).

v. Changes in capital structure during the year from April 01, 2009 to March 31, 2010

During the financial year, on July 04, 2009, the company issued 829,500,000 Bonus Equity Shares of Rs. 10 each to the Promoter – IBREL and other share holders as at that date.

During the financial year, on October 30, 2009 the Company completed listing of its equity shares on the Stock Exchange, Mumbai and the National Stock Exchange of India by way of an Initial Public Offering (IPO) consisting of 360,852,346 (including Green Shoe Option 21,052,346) Equity Shares of Rs. 10 each at a premium of Rs. 35 per share.

On January 6, 2010 the Company has issued 1,444,200 Equity Shares of Rs. 10 each, at a premium of Rs.Nil per share as per terms of the SPCL – IPSL Employees Stock Option Plan 2008.

As a consequence of the above, as at March 31, 2010, the Issued, Subscribed and Paid-up Equity Share Capital of Face Value Rs. 10 stands at Rs. 20,212,965,460

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

(Amount in Rupees)

The utilisation of proceeds of issue of shares by way of IPO as referred to above, is as under:

Particulars	Year ended March 31, 2010
Gross proceeds of Issue raised through IPO*	16,238,355,570
Less: Utilisation of proceeds	
Funding to part finance the construction and development of the Amravati Power Project - Phase I	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 Nasik Power Project**	6,600,000,000
General Corporate purposes*	157,947,581
Share Issue Expenses*	347,986,635
Balance amount being temporary utilisation of proceeds:	9,459,267,343
	6,779,088,227

The above balance amount aggregating to Rs. 6,779,088,227 has been temporarily deployed in Mutual Fund investments, Fixed Deposits and Bank Balances aggregating 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 Green shoe option to the Initial Public Offering of the Company of which Rs. 11,841,944 is intended to be utilised towards meeting the expenses related to the issue of shares comprised in the Green shoe option amount and the balance amount of Rs. 935,513,626 is intended to be utilised for General Corporate purposes.

** Includes Share application money pending allotment of Rs. 4,349,364,000.

vi. Employees Stock Options Schemes

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

Indiabulls Real Estate Limited Employees Stock Options Scheme – 2006:

During the year ended March 31, 2007, IBREL established Indiabulls Real Estate Limited Employees Stock Options Scheme ("IBREL ESOS-I" or "Plan-I"). Under Plan-I, IBREL had issued 9,000,000 equity settled options to eligible employees 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 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. 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.

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

During the year ended March 31, 2009 IBREL established 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

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

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 Merton Option Pricing 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.

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-II.

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

Particulars	IBREL ESOS-I	IBREL ESOS-II
Number of options outstanding as at April 1, 2009	8,100,000	2,000,000
Number of options granted during the year	-	-
Number of options forfeited/canceled during the year	-	-
Number of options vested during the year	900,000	200,000
Number of options exercised during the year	424,000	-
Number of options expired during the year	-	-
Number of options outstanding as at March 31, 2010	7,676,000	2,000,000
Out of the outstanding options number of options exercisable as at March 31, 2010	1,376,000	200,000
Exercise Price (Rs. per option)	60	110.50
Remaining Contractual Life (Months)	94	112

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

2. Employees Stock Option Plans of the Company:

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. 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.

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.

IPL had established the Indiabulls Power Limited Employees' Stock Option Scheme – 2009 ("IPL-ESOP– 2009") during the financial year ended March 31, 2010. IPL had issued 20,000,000 equity settled options at an exercise price of Rs. 14 per option under the IPL-ESOP– 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-ESOP– 2009.

The Fair values of the options under the plan SPCL – IPSL ESOP 2008 and IPL ESOP 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.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

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

Had the Company followed the fair value method of accounting, there would have been no impact on the Profit after taxes and on the Basic and Diluted Earnings per share of the Company for the period, as the fair value of the options is Rs Nil for Plan SPCL – IPSL ESOP, 2008 and IPL ESOP 2009.

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

	SPCL – IPSL ESOP, 2008	IPL ESOP 2009
Total Options under the Scheme	20,000,000	20,000,000
Outstanding at the beginning of the year (Nos.)	20,000,000	Nil
Options surrendered / lapsed during the year	200,000	Nil
Options granted during the year (Nos.)	Nil	20,000,000
Exercise price for options granted on January 10, 2008	Rs. 10 per option	NA
Exercise price for options granted on September 15, 2008	Rs. 26 per option	NA
Exercise price for options granted on July 4, 2009	NA	Rs 14 per option
Options vested during the year (Nos.)	1,980,000	Nil
Exercised during the year (Nos.)	1,444,200	NA
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.)	18,355,800	20,000,000
Out of the above exercisable at year end (Nos.)	2,135,800	Nil
Options which are yet to be granted (Nos.)	200,000	Nil
Weighted average remaining contractual life (Months)	96	117

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 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. 40,648 (Previous Year: Rs. 26,837) 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, 2010. 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, 2010:

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

Disclosures in respect of Gratuity, Compensated Absences and Superannuation Benefits

(Amount in Rupees)

Particulars	Year ended	Gratuity	Compensated Absences	Superannuation Benefits
Reconciliation of liability recognised in the Balance sheet:				
Present Value of commitments	March 31, 2010	6,303,827	4,580,527	-
	March 31, 2009	1,298,812**	4,182,003	57,414,250**
Fair value of plan assets	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Net liability in the Balance sheet	March 31, 2010	6,303,827	4,580,527	-
	March 31, 2009	1,298,812**	4,182,003	57,414,250**
Movement in net liability recognised in the Balance sheet:				
Net liability as at the beginning of the year	March 31, 2010	1,298,812	4,182,003	57,414,250
	March 31, 2009	250,619*	188,148*	
Net amount recognised as expenses in the Profit and Loss account / in Expenditure During Construction Pending Capitalisation	March 31, 2010	5,370,980	3,267,070	181,263
	March 31, 2009	1,048,193**	3,993,855	57,414,250**
Amount Transferred to Subsidiary Company	March 31, 2010	(365,965)	(2,868,546)	(57,595,513)
	March 31, 2009	-	-	-
Contribution during the year	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Net liability as at the end of the year	March 31, 2010	6,303,827	4,580,527	-
	March 31, 2009	1,298,812**	4,182,003	57,414,250**
Expenses recognised in the Profit and Loss account / in Expenditure During Construction Pending Capitalisation				
Current service cost	March 31, 2010	2,057,261	2,089,564	1,986,849
	March 31, 2009	824,355**	2,141,885	57,414,250**
Past Service Cost	March 31, 2010	2,211,556	-	-
	March 31, 2009	-	-	-
Interest Cost	March 31, 2010	114,160	197,147	1,076,517
	March 31, 2009	13,229	9,502	-
Actuarial (gains) / losses	March 31, 2010	988,003	980,359	(2,882,103)
	March 31, 2009	210,609	1,842,468	-
Amount Transferred to Subsidiary Company	March 31, 2010	(365,965)	(2,868,546)	(57,595,513)
	March 31, 2009	-	-	-
Expenses charged / (reversal) to the Profit and Loss account / to Expenditure During Construction Pending Capitalisation	March 31, 2010	5,005,015	398,524	181,263
	March 31, 2009	1,048,193**	3,993,855	57,414,250**
Return on Plan assets:				
Expected return on Plan assets	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

Disclosures in respect of Gratuity, Compensated Absences and Superannuation Benefits (Contd.)

(Amount in Rupees)

Particulars	Year ended	Gratuity	Compensated Absences	Superannuation Benefits
Actuarial (gains) / losses	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Actual return on plan assets	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Reconciliation of defined-benefit commitments:				
Commitments as at the beginning of the year	March 31, 2010	1,298,812	4,182,003	57,414,250
	March 31, 2009	250,619*	188,148*	-
Current service cost	March 31, 2010	2,057,261	2,089,564	1,986,849
	March 31, 2009	824,355**	2,141,885	57,414,250**
Past Service Cost	March 31, 2010	2,211,556	-	-
	March 31, 2009	-	-	-
Interest cost	March 31, 2010	114,160	197,147	1,076,517
	March 31, 2009	13,229	9,502	-
Paid benefits	March 31, 2010	-	-	-
	March 31, 2009	-	-	-
Actuarial (gains) / losses	March 31, 2010	988,003	980,359	(2,882,103)
	March 31, 2009	210,609	1,842,468	-
Amount Transferred to Subsidiary Company	March 31, 2010	(365,965)	(2,868,546)	(57,595,513)
	March 31, 2009	-	-	-
Commitments as at the end of the year	March 31, 2010	6,303,827	4,580,527	-
	March 31, 2009	1,298,812**	4,182,003	57,414,250**
Reconciliation of Plan assets:				
Plan assets as at the beginning of the year	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Expected return on plan assets	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Contributions during the year	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Paid benefits	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Actuarial (gains) / losses	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA
Plan assets as at the end of the year	March 31, 2010	NA	NA	NA
	March 31, 2009	NA	NA	NA

* Pursuant to the Scheme of Amalgamation of Indiabulls Power Services Limited ('IPSL') with the Company, liability as at the start of April 1, 2008, in respect of Gratuity and Compensated Absences in IPSL aggregating Rs. 250,619 and Rs.188,148 respectively, has been transferred to the Company.

** includes liability as at August 1, 2008 transferred from Indiabulls Financial Services Limited for Gratuity Rs. 223,158 and Superannuation Benefits Rs. 51,540,553 (Refer Note II (xx) of Schedule Q)

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (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, 2010	March 31, 2009
Discount rate	7.50 %	7.50 %
Expected return on plan assets	NA	NA
Expected rate of salary increase	5.00 %	5.00 %

(b) Demographic Assumptions

Retirement Age	60 Years	60 Years
Mortality Table	LIC (1994-96)	LIC (1994-96) Duly Modified
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. 3,620,108 and Rs. 1,645,501 respectively.

As this is the third 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 four years have not been furnished.

viii). Balances with Scheduled Banks in fixed deposit accounts include:

- Rs. 400,000,000 (Previous Year Rs. 750,501,000) pledged against Performance Bank Guarantee issued to Chhattisgarh State Electricity Board, on behalf of Indiabulls CSEB Bhaiyathan Power Limited (formerly Indiabulls Bhaiyathan Power Limited) , a subsidiary company.
- Rs. 198,641,850 (Previous year Nil) pledged against commitment Bank Guarantee issued to subsidiaries of Coal India Limited for issuance of Letter of Assurance for supply of coal for the Nasik project, on behalf of Indiabulls Realtech Limited, a wholly owned subsidiary.
- Rs. 194,416,500 (Previous year Rs. Nil) pledged against commitment Bank Guarantee issued to subsidiaries of Coal India Limited for issuance

of Letter of Assurance for supply of coal for the company's Amravati project.

- Rs. 492,602 (Previous year Rs. Nil) pledged against Bank Guarantee issued to Governor of Maharashtra through Public Works Department , Amravati for availing ROW for laying water pipe line.
 - Rs. 31,950,000 (Previous year Rs. Nil) pledged against Bank Guarantee issued to Rajasthan Rajya Vidyut Prasaran Nigam Limited on behalf of Hecate Power Transmission Limited, a subsidiary company.
 - Rs. 15,570,500 (Previous Year Rs. Nil) pledged against Bank Guarantee issued to Bombay Stock Exchange Limited for initial public offer.
 - Rs. 59,900,000 (Previous Year Rs. Nil) pledged against Bank Guarantee issued to UCM Coal Company Limited for Bidding for Development and Operation of Chendipada Coal Block.
 - Rs. 1,100,000,000 (Previous Year Rs. Nil) pledged against Bank Guarantee issued to Maharashtra State Electricity Distribution Company Limited for Bidding for supply of power on long term basis.
- ix). Other Current Assets includes interest accrued of Rs. 38,651,037 (Previous year Rs. 32,825,938) on fixed deposits pledged with banks.
- x). Disclosures in respect of Accounting Standard – 18, Related Party Disclosures, as notified under the Companies (Accounting Standards) Rules, 2006, as amended:

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

Nature of relationship	Related party
I. Holding Company	Indiabulls Real Estate Limited
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** (formerly Indiabulls Thermal Power Infrastructure Limited)
Angina Power Limited	Indiabulls Power Management Limited
Apesh Power Limited	Indiabulls Power Projects Development Limited
Aravali Properties Limited**	Indiabulls Power Projects Limited**
Ashkit Power Limited	Indiabulls Power Solutions Limited
Bracond Limited	Indiabulls Power Supply Limited
Chloris Power Limited	Indiabulls Power Systems Limited
Citra Thermal Power and Infrastructure Limited**	Indiabulls Power Trading Limited**
Corus Power Limited	Indiabulls Power Transmission Limited
Devona Thermal Power and Infrastructure Limited	Indiabulls Power Utility Limited
Diana Energy Limited**	Indiabulls Powergen Limited
Diana Power Limited(formerly Indiabulls Power Limited)**	Indiabulls Realtech Limited**
Elena Power and Infrastructure Limited (formerly Elena Power Limited)	Indiabulls Thermal Energy Limited**
Fama Power Company Limited**	Indiabulls Thermal Power Limited**
Fornax Power Limited	Indiabulls Thermal Power Management Limited
Galactic Ventures Limited	Indiabulls Thermal Power Projects Limited
Genoformus Limited	Indiabulls Thermal Projects Limited
Hecate Electric Limited	Kaya Hydropower Projects Limited**
Hecate Energy Private Limited (formerly Hecate Energy Limited)	Lenus Power Limited**
Hecate Energy Trading Limited	Lucina Power And Infrastructure Limited ** (formerly Aravali Land Development Private 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 Projects Limited
Hecate Power Transmission Limited	Poena Power Services Limited
Hecate Power Utility Limited	Poena Power Solutions Limited
Hecate Powergen Limited	Poena Power Supply Limited

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

Nature of relationship	Related party
Hecate Thermal Power And Infrastructure Limited	Poena Power Trading Limited
Indiabulls CSEB Bhaiyathan Power Limited (formerly Indiabulls Bhaiyathan Power Limited)	Poena Power Transmission Limited
Indiabulls Electric Company Limited	Poena Power Utility Limited
Indiabulls Electric Energy Limited	Poena Thermal Power Limited
Indiabulls Electric Limited	Renemark Limited
Indiabulls Electric Power Limited	Selene Power Company Limited**
Indiabulls Electricity Company Limited**	Sentia Thermal Power and Infrastructure Limited**
Indiabulls Electricity Generation Limited	Sepla Hydropower Projects Limited**
Indiabulls Hydro Electric Power Limited**	Sepset Thermal Power and Infrastructure Limited **
Indiabulls Hydro Energy Limited**	Serida Power Limited**
Indiabulls Hydro Power Limited**	Tharang Warang Hydropower Projects Limited**
Indiabulls Hydro Power Projects Limited**	Triton Energy Limited**
Indiabulls Power Development Limited	Varali Power Limited
Indiabulls Power Distribution Limited**	Zeus Energy Limited**
Indiabulls Energy Limited (till April 28, 2008)	

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

**Acquired pursuant to Scheme of Amalgamation of Indiabulls Power Services Limited with the Company w.e.f. April 1, 2008 as approved by the Hon'ble High Court of Delhi (Refer Note II (iv) of Schedule Q).

III. Subsidiaries of Holding Company*

Name of Fellow Subsidiary Companies	Name of Fellow Subsidiary Companies
Airmid Aviation Services Private Limited	Indiabulls Power Services Limited (till March 31, 2008)
Aurora Builders And Developers Limited	Indiabulls Wholesale Services Limited
Chloris Properties Limited	Lucina Infrastructure Limited
Indiabulls Energy Limited (from April 29, 2008)	Mabon Properties Limited
Indiabulls Infrastructure Development Limited	

*with whom transactions have been entered during the year

IV. Key Management Personnel

Name	Designation
Mr. Sameer Gehlaut	Director and Chairman of Company and Director of Holding Company
Mr. Rajiv Rattan *	Whole time Director and Vice Chairman of the Company and Director of Holding Company
Mr. Saurabh K. Mittal	Director of the Company and Director of Holding Company
Mr. Narendra Gehlaut	Joint Managing Director of Holding Company
Mr. Vipul D. Bansal	Joint Managing Director of Holding Company
Mr. Virendra Kumar Goel	Whole time Director (upto June 9, 2009)
Mr. Sunil Kumar	Director (upto June 9, 2009)

*Whole Time Director of the Company with effect from July 1, 2009

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

V. Summary of significant Transactions with Related Parties:

(Amount in Rupees)

Nature of Transactions	Year ended	Holding Company	Fellow Subsidiaries	Subsidiaries	Key Management Personnel	TOTAL
Finance						
Issue of Share Capital – Bonus Shares	March 31, 2010	5,925,000,000	-	-	-	5,925,000,000
	March 31, 2009	1,975,000,000	-	-	-	1,975,000,000
Investment in Equity Shares	March 31, 2010	-	-	2,809,010,000	-	2,809,010,000
	March 31, 2009	-	-	4,360,080,552	-	4,360,080,552
Sale of Investment in Equity Shares of Subsidiary Company	March 31, 2010	-	-	-	-	-
	March 31, 2009	500,000	-	-	-	500,000
Loan Taken / Inter Corporate Deposit Received*	March 31, 2010	-	-	-	-	-
	March 31, 2009	-	605,500,000	-	-	605,500,000
Loan Given / Inter Corporate Deposit Placed transferred from IPSL pursuant to Scheme of Amalgamation as on April 1, 2008	March 31, 2010	-	-	-	-	-
	March 31, 2009	-	2,500,000	26,300,880	-	28,800,880
Loan Given / Inter Corporate Deposit Placed*	March 31, 2010	-	-	18,878,477,971	-	18,878,477,971
	March 31, 2009	14,238,500,000	2,373,948,000	12,139,336,099	-	28,751,784,099
Expenses						
Interest on Loan Taken / Inter Corporate Deposit Received	March 31, 2010	-	-	-	-	-
	March 31, 2009	-	2,071,847	-	-	2,071,847
Travelling Expenses	March 31, 2010	-	52,391,435	-	-	52,391,435
	March 31, 2009	-	7,987,314	-	-	7,987,314
Reimbursement of Preliminary expenses received	March 31, 2010	-	-	-	-	-
	March 31, 2009	-	-	3,256,577	-	3,256,577
Reimbursement of General expenses received	March 31, 2010	318,290	-	41,633,227	-	41,951,517
	March 31, 2009	-	23,008	20,130,818	-	20,153,826
Reimbursement of Expenses made	March 31, 2010	57,586,846	-	62,138,277	-	119,725,123
	March 31, 2009	712,320	-	2,306,843	-	3,019,163
Civil Construction Expenses	March 31, 2010	-	-	8,332,773	-	8,332,773
	March 31, 2009	-	-	-	-	-

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

V. Summary of significant Transactions with Related Parties: (Contd.)

(Amount in Rupees)

Nature of Transactions	Year ended	Holding Company	Fellow Subsidiaries	Subsidiaries	Key Management Personnel	TOTAL
Remuneration	March 31, 2010	-	-	-	11,290,744	11,290,744
	March 31, 2009	-	-	-	34,392,207	34,392,207
Income						
Interest on Loan Given / Inter Corporate Deposit Placed	March 31, 2010	-	-	18,539,688	-	18,539,688
	March 31, 2009	461,843,509	9,441,930	146,379,577	-	617,665,016
Earnest Money Deposit						
Earnest Money Received	March 31, 2010	-	-	-	-	-
	March 31, 2009	-	-	50,000,000	-	50,000,000
Capital Work-in-Progress (including Capital Advances)	March 31, 2010	-	-	1,981,448,000	-	1,981,448,000
	March 31, 2009	-	-	-	-	-
Advance / Security Deposit to Vendor	March 31, 2010	-	2,025,000,000	237,352,500	-	2,262,352,500
	March 31, 2009	-	-	-	-	-
Other Operating Income	March 31, 2010	-	-	8,000,000	-	8,000,000
	March 31, 2009	-	-	-	-	-
Share Application Money Pending Allotment	March 31, 2010	-	-	4,349,364,000	-	4,349,364,000
	March 31, 2009	-	-	-	-	-
Bank Guarantees	March 31, 2010	Refer Note II (iii) of Schedule Q	-	Refer Note II (iii) of Schedule Q	-	-
	March 31, 2009	Refer Note II (iii) of Schedule Q	-	Refer Note II (iii) of Schedule Q	-	-

* Maximum Outstanding balance at any time during the year.

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VI. Outstanding balances as at March 31, 2010

(Amount in Rupees)

Nature of Transactions	Year ended	Subsidiaries	Fellow Subsidiaries	TOTAL
Loan Given / Inter Corporate Deposit Placed	March 31, 2010	12,474,010,971	-	12,474,010,971
	March 31, 2009	10,720,943,171	-	10,720,943,171
Accrued Interest Income from Loan Given / Inter Corporate Deposit Placed	March 31, 2010	33,897,828	-	33,897,828
	March 31, 2009	106,051,417	-	106,051,417
Travelling Expenses payable	March 31, 2010	-	9,608,390	9,608,390
	March 31, 2009	-	6,183,049	6,183,049
Earnest Money Deposit	March 31, 2010	-	-	-
	March 31, 2009	50,000,000	-	50,000,000
Share Application Money Pending Allotment	March 31, 2010	4,349,364,000	-	4,349,364,000
	March 31, 2009	-	-	-
Debtors	March 31, 2010	992,700	-	992,700
	March 31, 2009	-	-	-
Capital Work-in-Progress (including Capital Advances)	March 31, 2010	1,981,448,000	-	1,981,448,000
	March 31, 2009	-	-	-
Advance / Security Deposit to Vendors	March 31, 2010	237,352,500	2,025,000,000	2,262,352,500
	March 31, 2009	-	-	-
Civil Construction Expenses	March 31, 2010	3,864,195	-	3,864,195
	March 31, 2009	-	-	-

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VII Outstanding Balance as at March 31, 2010 (Other than Loans Given / Inter Corporate Deposits Placed)

Name of Related Party	Year ended	Accrued Income on Loan Given / Inter Corporate Deposit Placed	Traveling Expenses Payable	Earnest Money Received	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	March 31, 2010	-	-	-	-	-	1,981,448,000	237,352,500	3,847,056
	March 31, 2009	-	-	50,000,000	-	-	-	-	-
Bracond Limited	March 31, 2010	33,460,313	-	-	-	-	-	-	-
	March 31, 2009	21,140,633	-	-	-	-	-	-	-
Citra Thermal Power And Infrastructure Limited	March 31, 2010	-	-	-	-	-	-	-	-
	March 31, 2009	18,196	-	-	-	-	-	-	-
Devona Thermal Power And Infrastructure Limited	March 31, 2010	311,082	-	-	-	-	-	-	-
	March 31, 2009	222,538	-	-	-	-	-	-	-
Indiabulls	March 31, 2010	-	-	-	-	-	-	-	-
CSEB Bhaiyathan Power Limited (formerly Indiabulls Bhaiyathan Power Limited)	March 31, 2009	84,663,953	-	-	-	-	-	-	-
Indiabulls Realtech Limited	March 31, 2010	-	-	-	4,349,364,000	-	-	-	-
	March 31, 2009	-	-	-	-	-	-	-	-
Albasta Power Limited	March 31, 2010	-	-	-	-	992,700	-	-	-
	March 31, 2009	-	-	-	-	-	-	-	-
Zeus Energy Limited	March 31, 2010	-	-	-	-	-	-	-	-
	March 31, 2009	6,097	-	-	-	-	-	-	-
Indiabulls Power Generation Limited	March 31, 2010	118,356	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	-	-	-	-	-
Hecate Power Transmission Limited	March 31, 2010	8,077	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	-	-	-	-	-
Fellow Subsidiary Company									
Airmid Aviation Services Private Limited	March 31, 2010	-	9,608,390	-	-	-	-	2,025,000,000	-
	March 31, 2009	-	6,183,049	-	-	-	-	-	-
TOTAL	March 31, 2010	33,897,828	9,608,390	-	4,349,364,000	992,700	1,981,448,000	2,262,352,500	3,847,056
	March 31, 2009	106,051,417	6,183,049	50,000,000	-	-	-	-	-

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.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VIII. Statement of Material Transactions

- a) In respect of Share Capital, Investment, 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, 2010, Reimbursement of Preliminary expenses received, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	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 Preliminary expenses received	Reimbursement of General expenses received	Reimbursement of Expenses made
Subsidiaries											
Angina Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	20,263	15,125	-
Ashkit Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	3,470	-
	March 31, 2009	-	500,000	-	-	-	-	-	20,263	431,137	-
Corus Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	20,263	15,137	-
Chloris Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	20,263	15,125	-
Fornax Power Limited	March 31, 2010	-	-	-	-	-	-	-	20,263	15,125	-
	March 31, 2009	-	500,000	-	-	-	-	-	-	-	-
Mariana Power Limited	March 31, 2010	-	-	-	-	-	-	-	20,263	639,137	-
	March 31, 2009	-	500,000	-	-	-	-	-	-	-	-
Apesh Power Limited	March 31, 2010	-	-	-	-	-	-	-	20,263	15,650	-
	March 31, 2009	-	500,000	-	-	-	-	-	-	-	-
Varali Power Limited	March 31, 2010	-	-	-	-	-	-	-	20,263	15,125	-
	March 31, 2009	-	500,000	-	-	-	-	-	-	-	-
Hecate Power Limited	March 31, 2010	-	-	-	-	-	-	-	20,263	140,125	-
	March 31, 2009	-	500,000	-	-	-	-	-	-	-	-
Hecate Power Company Limited	March 31, 2010	-	-	-	-	-	-	-	21,925	12,535	-
	March 31, 2009	-	500,000	-	-	-	-	-	-	-	-
Hecate Power Services Limited	March 31, 2010	-	-	-	-	-	-	-	21,925	12,535	-
	March 31, 2009	-	500,000	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,535	-

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VIII. Statement of Material Transactions (Contd.)

- a) In respect of Share Capital, Investment, 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, 2010, Reimbursement of Preliminary expenses received, Reimbursement of General expenses received and Reimbursement of General expenses made:

(Amount in Rupees)											
Name	Year ended	Issue of Share Capital	Investment in Equity Shares	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 Preliminary expenses received	Reimbursement of General expenses received	Reimbursement of Expenses made
Hecate Thermal Power And Infrastructure Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,412	-
Hecate Power Generation Limited	March 31, 2010	-	-	-	1,625,000	-	-	-	-	300	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,535	-
Hecate Power Distributors Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,535	-
Hecate Power & Energy Resources Limited	March 31, 2010	-	-	-	-	-	-	-	-	11,921	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,535	-
Poena Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,535	-
Hecate Hydro Electric Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,535	-
Hecate Energy Trading Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2010	-	-	-	-	-	-	-	-	-	-
Hecate Energy Private Limited (formerly Hecate Energy Limited)	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,412	-
Hecate Power Projects Limited	March 31, 2010	-	-	-	500,000	-	-	50,000	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,412	-
Poena Thermal Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,412	-

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VIII. Statement of Material Transactions (Contd.)

- a) In respect of Share Capital, Investment, 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, 2010, Reimbursement of Preliminary expenses received, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	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 Preliminary expenses received	Reimbursement of General expenses received	Reimbursement of Expenses made
Poena Power Company Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,925	14,212	-
Poena Power Services Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,718	-
Poena Power Distributors Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,712	-
Poena Power Generation Limited	March 31, 2009	-	500,000	-	-	-	-	-	21,925	14,218	-
	March 31, 2010	-	-	-	-	-	-	-	-	-	-
Poena Hydro Power Projects Limited	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,712	-
	March 31, 2010	-	-	-	-	-	-	-	-	-	-
Poena Power Trading Limited	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,718	-
	March 31, 2010	-	-	-	-	-	-	-	-	-	-
Indiabulls Power Generation Company Limited	March 31, 2009	-	500,000	-	-	-	-	-	119,485	13,500	-
	March 31, 2010	-	-	-	-	-	-	-	-	242	-
Indiabulls Power Supply Limited	March 31, 2009	-	500,000	-	-	-	-	-	119,485	13,500	-
	March 31, 2010	-	-	-	-	-	-	-	-	242	-
Indiabulls Power Solutions Limited	March 31, 2009	-	500,000	-	-	-	-	-	119,485	13,500	-
	March 31, 2010	-	10,000	-	-	-	-	-	-	-	-
Indiabulls Power Transmission Limited	March 31, 2009	-	500,000	-	-	-	-	-	119,485	15,000	-

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VIII. Statement of Material Transactions (Contd.)

- a) In respect of Share Capital, Investment, 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, 2010, Reimbursement of Preliminary expenses received, Reimbursement of General expenses received and Reimbursement of General expenses made:

(Amount in Rupees)

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	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 Preliminary expenses received	Reimbursement of General expenses received	Reimbursement of Expenses made
Indiabulls Power Utility Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,485	13,500	-
Indiabulls Powergen Limited	March 31, 2010	-	-	-	-	-	-	-	-	500	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,485	14,000	-
Poena Power Projects Limited	March 31, 2010	-	-	-	-	-	-	-	-	11	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,925	12,706	-
Indiabulls Electric Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,310	13,500	-
Hecate Power Development Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	12,700	-
Hecate Power Systems Limited	March 31, 2010	-	-	-	-	-	-	-	-	300	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	12,700	-
Hecate Power Management Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	12,700	-
Hecate Power Supply Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	13,000	-
Hecate Power Utility Limited	March 31, 2010	-	-	-	720,000,000	-	2,358,904	-	-	146	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	13,000	-
Hecate Power Solutions Limited	March 31, 2010	-	-	-	500,000	-	-	50,000	-	500,000	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	13,000	-
Hecate Power Transmission Limited	March 31, 2010	-	-	-	750,000	-	-	300,000	-	-	-
	March 31, 2009	-	500,000	-	-	-	8,975	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	13,006	-

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VIII. Statement of Material Transactions (Contd.)

- a) In respect of Share Capital, Investment, 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, 2010, Reimbursement of Preliminary expenses received, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	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 Preliminary expenses received	Reimbursement of General expenses received	Reimbursement of Expenses made
Hecate Powergen Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	13,000	-
Hecate Electric Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	13,000	-
Poena Power Development Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	13,000	-
Poana Power Systems Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	13,000	-
Poena Power Management Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	13,000	-
Poena Power Supply Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	13,000	-
Poena Power Utility Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	13,000	-
Poena Power Solutions Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	13,000	-
Poena Power Transmission Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	21,760	13,000	-
Bracond Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	4,327,710,552	-	1,019,000,000	-	15,473,175	902,800,000	-	-	-
Indiabulls Power Development Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,485	13,500	-

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VIII. Statement of Material Transactions (Contd.)

- a) In respect of Share Capital, Investment, 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, 2010, Reimbursement of Preliminary expenses received, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	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 Preliminary expenses received	Reimbursement of General expenses received	Reimbursement of Expenses made
Indiabulls Power Systems Limited	March 31, 2010	-	-	-	-	-	-	-	-	242	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,485	13,500	-
Indiabulls Power Management Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,485	13,500	-
Indiabulls Power Projects Development Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,485	13,500	-
Indiabulls Electric Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	500	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,310	14,665	-
Indiabulls Electric Energy Limited	March 31, 2010	-	-	-	-	-	-	-	-	21,768	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,310	14,665	-
Indiabulls Electric Company Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,310	14,165	-
Indiabulls Electricity Generation Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,310	14,175	-
Indiabulls Thermal Power Management Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,310	14,165	-
Indiabulls Thermal Power Projects Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,310	13,665	-
Indiabulls Thermal Projects Limited	March 31, 2010	-	-	-	-	-	-	-	-	21,778	-
	March 31, 2009	-	500,000	-	-	-	-	-	119,310	13,665	-

Significant Accounting Policies and Notes

of Indiabulls Power Limited.
(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and
Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VIII. Statement of Material Transactions (Contd.)

- a) In respect of Share Capital, Investment, 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, 2010, Reimbursement of Preliminary expenses received, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	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 Preliminary expenses received	Reimbursement of General expenses received	Reimbursement of Expenses made
Citra Thermal Power And Infrastructure Limited	March 31, 2010	-	-	-	1,484,074	-	-	1,484,074	-	2,558	-
	March 31, 2009	-	130,000	-	1,409,074	-	94,683	1,409,074	-	11,500	-
Airmid Power Limited	March 31, 2010	-	-	-	2,164,031	-	-	2,164,031	-	-	-
	March 31, 2009	-	-	-	2,084,031	-	-	2,084,031	-	2,766,783	-
Aravali Properties Limited	March 31, 2010	-	-	-	4,180,500	-	-	3,325,500	-	24,158	-
	March 31, 2009	-	-	-	4,180,500	-	-	4,180,500	-	1,400	946,150
Devona Thermal Power and Infrastructure Limited	March 31, 2010	-	-	-	7,961,802	-	565,401	7,961,802	-	275,332	-
	March 31, 2009	-	-	-	8,329,000	-	694,798	7,311,802	-	1,061,000	-
Elena Power And Infrastructure Limited	March 31, 2010	-	49,500,000	-	9,433,578,000	-	-	7,744,078,000	-	79,687	60,830,024
	March 31, 2009	-	500,000	-	4,850,126,000	-	4,931,514	4,000,000,000	20,260	135,094	-
Fama Power Company Limited	March 31, 2010	-	-	-	470,000	-	-	470,000	-	-	-
	March 31, 2009	-	-	-	750,000	-	-	470,000	-	10,900	-
Indiabulls CSEB Bhayathar Power Limited	March 31, 2010	-	-	-	5,672,242,932	-	-	2,740,964,932	-	1,013,619	136,502
	March 31, 2009	-	740,000	-	5,117,451,732	-	114,563,408	5,117,451,732	117,960	9,903,581	283,626
Indiabulls Electricity Company Limited	March 31, 2010	-	-	-	1,042,000	-	-	1,042,000	-	20,911	-
	March 31, 2009	-	-	-	1,250,000	-	-	962,000	-	10,500	-
Indiabulls Hydro Electric Power Limited	March 31, 2010	-	-	-	692,500	-	-	692,500	-	-	-
	March 31, 2009	-	-	-	2,017,000	-	-	667,500	-	12,500	-
Indiabulls Hydro Energy Limited	March 31, 2010	-	-	-	1,687,000	-	-	1,687,000	-	4,579	-
	March 31, 2009	-	-	-	2,017,000	-	-	1,657,000	-	12,000	-
Indiabulls Power Generation Limited	March 31, 2010	-	-	-	200,000,000	-	131,507	-	-	1,030,609	1,051,750
	March 31, 2009	-	-	-	3,810,000	-	2,506	-	-	1,278,893	-

(Amount in Rupees)

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VIII. Statement of Material Transactions (Contd.)

- a) In respect of Share Capital, Investment, 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, 2010, Reimbursement of Preliminary expenses received, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	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 Preliminary expenses received	Reimbursement of General expenses received	Reimbursement of Expenses made
Indiabulls Power Infrastructure Limited	March 31, 2010	-	-	-	4,064,054	-	-	4,064,054	-	1,360	-
Indiabulls Power Trading Limited	March 31, 2009	-	-	-	7,284,054	-	-	4,034,054	-	12,500	-
Indiabulls Power Trading Limited	March 31, 2010	-	-	-	-	-	-	-	-	259,870	-
Indiabulls Power Trading Limited	March 31, 2009	-	-	-	500,000	-	-	-	-	39,290	-
Indiabulls Realtech Limited	March 31, 2010	-	2,759,500,000	-	1,742,799,542	-	-	1,000,490,542	-	37,696,051	21,452
Indiabulls Realtech Limited	March 31, 2009	-	-	-	1,002,641,514	-	4,931,514	507,693,542	-	2,000	4,149
Indiabulls Thermal Energy Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
Indiabulls Thermal Energy Limited	March 31, 2009	-	-	-	295,645	-	-	-	-	11,000	-
Kaya HydroPower Projects Limited	March 31, 2010	-	-	-	8,782,929	-	-	8,782,929	-	28,761	-
Kaya HydroPower Projects Limited	March 31, 2009	-	-	-	5,941,829	-	-	5,941,829	-	56,090	-
Lucina Power and Infrastructure Limited	March 31, 2010	-	-	-	1,650,000	-	-	800,000	-	149,402	120,000
Lucina Power and Infrastructure Limited	March 31, 2009	-	-	-	3,336,000	-	-	1,645,000	-	10,927	976,450
Pachi HydroPower Projects Limited	March 31, 2010	-	-	-	20,903,335	-	-	20,903,335	-	32,147	-
Pachi HydroPower Projects Limited	March 31, 2009	-	-	-	18,064,835	-	-	18,064,835	-	135,318	-
Papu HydroPower Projects Limited	March 31, 2010	-	-	-	15,996,210	-	-	15,996,210	-	130,740	-
Papu HydroPower Projects Limited	March 31, 2009	-	-	-	15,821,210	-	-	15,821,210	-	399,196	96,468
Septa HydroPower Projects Limited	March 31, 2010	-	-	-	7,422,923	-	-	7,422,923	-	-	-
Septa HydroPower Projects Limited	March 31, 2009	-	-	-	6,717,923	-	-	6,717,923	-	60,725	-
Tharang Warang Hydropower Projects Limited	March 31, 2010	-	-	-	8,082,139	-	-	8,082,139	-	-	-
Tharang Warang Hydropower Projects Limited	March 31, 2009	-	-	-	5,482,139	-	-	5,482,139	-	264,584	-
Zeus Energy Limited	March 31, 2010	-	-	-	399,000	-	-	399,000	-	6,053	-
Zeus Energy Limited	March 31, 2009	-	-	-	50,549,000	-	20,155	349,000	-	12,600	-

Significant Accounting Policies and Notes

of Indiabulls Power Limited.
(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VIII. Statement of Material Transactions (Contd.)

- a) In respect of Share Capital, Investment, 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, 2010, Reimbursement of Preliminary expenses received, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	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 Preliminary expenses received	Reimbursement of General expenses received	Reimbursement of Expenses made
Diana Energy Limited	March 31, 2010	-	-	-	500,000	-	1,726	-	-	10,837	-
	March 31, 2009	-	-	-	67,173	-	366	-	-	511,050	-
Indiabulls Hydro Power Projects Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	6,000	-	-	-	-	12,000	-
Indiabulls Power Distribution Limited	March 31, 2010	-	-	-	-	-	-	-	-	209,640	-
	March 31, 2009	-	-	-	48,000	-	-	-	-	2,000	-
Diana Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	-	-	-	-	-	684,660	-
Indiabulls Power Projects Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	272,000	-	-	-	-	12,000	-
Indiabulls Thermal Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	272,000	-	-	-	-	11,000	-
Selene Power Company Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	270,440	-	-	-	-	10,900	-
Albasta Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	92,082	-
	March 31, 2009	-	-	-	-	-	-	-	20,263	15,137	-
Albina Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	300	-
	March 31, 2009	-	-	-	12,000	-	-	-	-	291,783	-
Indiabulls Hydro Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	14,000	-	-	-	-	12,000	-

(Amount in Rupees)

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VIII. Statement of Material Transactions (Contd.)

- a) In respect of Share Capital, Investment, 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, 2010, Reimbursement of Preliminary expenses received, Reimbursement of General expenses received and Reimbursement of General expenses made:

(Amount in Rupees)											
Name	Year ended	Issue of Share Capital	Investment in Equity Shares	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 Preliminary expenses received	Reimbursement of General expenses received	Reimbursement of Expenses made
Lenus Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	300	-
	March 31, 2009	-	-	-	-	-	-	-	-	18,283	-
Mabon Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	300	-
	March 31, 2009	-	-	-	-	-	-	-	-	268,283	-
Sentia Thermal Power And Infrastructure Limited	March 31, 2010	-	-	-	-	-	-	-	-	2,211	-
	March 31, 2009	-	-	-	86,000	-	-	-	-	33,267	-
Sepset Thermal Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	-	-	-	-	-	12,600	-
Serida Power Limited	March 31, 2010	-	-	-	-	-	-	-	-	300	-
	March 31, 2009	-	-	-	-	-	-	-	-	18,283	-
Triton Energy Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	9,200,000	-	-	-	-	11,400	-
Holding Company											
Indiabulls Real Estate Limited	March 31, 2010	5,925,000,000	-	-	-	-	-	-	-	318,290	57,586,846
	March 31, 2009	1,975,000,000	-	-	14,238,500,000	-	461,843,509	-	-	-	712,320
Fellow Subsidiaries											
Indiabulls Energy Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	48,000	-	-	-	-	16,700	-
Aurora Builders And Developers Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	-	-	-	-	-	800	-

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VIII. Statement of Material Transactions (Contd.)

- a) In respect of Share Capital, Investment, 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, 2010, Reimbursement of Preliminary expenses received, Reimbursement of General expenses received and Reimbursement of General expenses made:

Name	Year ended	Issue of Share Capital	Investment in Equity Shares	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 Preliminary expenses received	Reimbursement of General expenses received	Reimbursement of Expenses made
Indiabulls Infrastructure Development Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	605,500,000	-	2,071,847	-	-	-	-	-
Indiabulls Wholesale Services Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	221,550,000	-	651,751	-	-	-	-
Lucina Infrastructure Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	1,149,800,000	-	5,805,906	-	-	-	-
Mabon Properties Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	1,000,050,000	-	2,959,056	-	-	-	-
Chloris Properties Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	2,500,000	-	25,217	-	-	5,508	-
Indiabulls Power Services Limited	March 31, 2010	-	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	-	-	-	-	-	-	-
TOTAL	March 31, 2010	5,925,000,000	2,809,010,000	-	18,878,477,971	-	18,539,688	12,474,010,971	-	41,951,517	119,725,123
	March 31, 2009	1,975,000,000	4,360,080,552	605,500,000	28,751,784,099	2,071,847	617,665,016	10,720,943,171	3,256,577	20,153,826	3,019,163

(Amount in Rupees)

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VIII. Statement of Material Transactions

- b) In respect of Capital Work-in-Progress (including Capital Advances), Sale of Investment in Shares, Travelling Expenses, Advance / Security Deposit to Vendor, Other Operating Income, Civil Construction Work, Remuneration, Share Application Money Pending Allotment and Earnest Money Received.

Name of Related Party	Year ended	Capital Work-in-Progress (Including Capital Advances)	Sale of Investment in Equity Shares of Subsidiary Company	Travelling Expenses	Advance / Security Deposit to Vendor	Other Operating Income	Civil Construction Expenses	Remuneration	Share Application Money Pending Allotment	Earnest Money Received
(Amount in Rupees)										
Subsidiaries										
Elena Power And Infrastructure Limited	March 31, 2010	1,981,448,000	-	-	237,352,500	-	8,332,773	-	-	-
	March 31, 2009	-	-	-	-	-	-	-	-	50,000,000
Indiabulls CSEB Bhaiyathan Power Limited (formerly Indiabulls Bhaiyathan Power Limited)	March 31, 2010	-	-	-	-	3,500,000	-	-	-	-
	March 31, 2009	-	-	-	-	-	-	-	-	-
Indiabulls Realtech Limited	March 31, 2010	-	-	-	-	3,500,000	-	-	4,349,364,000	-
	March 31, 2009	-	-	-	-	-	-	-	-	-
Albasta Power Limited	March 31, 2010	-	-	-	-	1,000,000	-	-	-	-
	March 31, 2009	-	-	-	-	-	-	-	-	-
Hecate Power Transmission Limited	March 31, 2010	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	-	-	-	-	-	-	-	-
Holding Company										
Indiabulls Real Estate Limited	March 31, 2010	-	-	-	-	-	-	-	-	-
	March 31, 2009	-	500,000	-	-	-	-	-	-	-
Fellow Subsidiary Company										
Airmid Aviation Services Private Limited	March 31, 2010	-	-	52,391,435	2,025,000,000	-	-	-	-	-
	March 31, 2009	-	-	7,987,314	-	-	-	-	-	-
Rajiv Rattan (upto June 30, 2009)	March 31, 2010	-	-	-	-	-	-	11,290,744	-	-
	March 31, 2009	-	-	-	-	-	-	34,392,207	-	-
TOTAL	March 31, 2010	1,981,448,000	-	52,391,435	2,262,352,500	8,000,000	8,332,773	11,290,744	4,349,364,000	-
	March 31, 2009	-	500,000	7,987,314	-	-	-	34,392,207	-	50,000,000

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.

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

VIII. Statement of Material Transactions (Contd.)

- c) Loan Given / Inter Corporate Deposit Placed to the Companies acquired pursuant to 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 (Refer Note II(iv) of Schedule Q).

(Amount in Rupees)

Name of Companies	As on April 01, 2008	Name of Companies	As on April 01, 2008
Chloris Properties Limited	2,500,000	Lucina Power And Infrastructure Limited	3,336,000
Aravali Properties Limited	980,440	Pachi Hydropower Projects Limited	5,736,000
Citra Thermal Power And Infrastructure Limited	5,000	Papu Hydropower Projects Limited	975,000
Devona Thermal Power And Infrastructure Limited	279,000	Sepla Hydropower Projects Limited	4,196,000
Indiabulls Electricity Company Limited	272,000	Tharang Warang Hydropower Projects Limited	2,740,000
Indiabulls Hydro Electric Power Limited	6,000	Indiabulls Hydropower Projects Limited	6,000
Indiabulls Hydro Energy Limited	6,000	Indiabulls Power Distribution Limited	5,000
Indiabulls Power Generation Limited	2,810,000	Diana Power Limited	6,000
Indiabulls Power Infrastructure Limited	6,000	Indiabulls Power Projects Limited	272,000
Indiabulls Realtech Limited	907,000	Indiabulls Thermal Power Limited	272,000
Indiabulls Thermal Energy Limited	272,000	Selene Power Company Limited	270,440
Kaya Hydropower Projects Limited	2,921,000	Diana Energy Limited	22,000
TOTAL			28,800,880

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

xi. 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 are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had

the shares been actually issued at fair value.

Dilutive potential equity shares are considered as converted to equity shares at the beginning of the year, unless they have been issued 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.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

(Amount in Rupees except number of shares)

Particulars	For the year ended March 31, 2010	For the Year ended March 31, 2009
Profit After Tax (Rs.)	377,242,830	1,061,956,836
Weighted average number of Shares used in computing Basic earnings per share (Number of Shares)*	1,812,014,444	1,659,000,000
Add: Effect of number of equity shares on account of Employees Stock option plans of the company	20,806,440	21,875,394
Weighted average number of Shares used in computing Diluted earnings per share(Number of Shares)*	1,832,820,884	1,680,875,394
Nominal Value per Equity Share	10	10
Basic Earnings Per Share	0.208	0.640
Diluted Earnings Per Share	0.206	0.632

*includes 197,500,000 (Previous Year 197,500,000) equity shares of Rs. 10 each fully paid up allotted to eligible shareholders pursuant to Scheme of Amalgamation of Indiabulls Power Services Company Limited with Sophia Power Company Limited w.e.f April 1, 2008 as approved by the Hon'ble High Court of Delhi (Refer Note II(iv) of Schedule Q).

- xii. The Company has taken various premises on operating leases / leave and license and lease rent of Rs. 2,237,547 (Previous year Rs. 260,502) in respect of the same has been incurred during the year ended March 31, 2010. 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.

xiii. **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, 2010:**

Investment in equity shares of	Year ended	Investments made during the year		Investments sold during the year	
		No. of shares	Amount in Rupees	No. of shares	Amount in Rupees
Indiabulls CSEB Bhailyathan Power Limited (formerly Indiabulls Bhailyathan Power Limited)	March 31, 2010	-	-	-	-
	March 31, 2009	74,000	740,000	-	-
Angina Power Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Ashkit Power Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Corus Power Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Chloris Power Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Elena Power And Infrastructure Limited (formerly Elena Power Limited)	March 31, 2010	4,950,000	49,500,000	-	-
	March 31, 2009	50,000	500,000	-	-
Fornax Power Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Mariana Power Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Apesh Power Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

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

(a) Statement of acquisition and sale of long term, trade investments during the year ended March 31, 2010:

Investment in equity shares of	Year ended	Investments made during the year		Investments sold during the year	
		No. of shares	Amount in Rupees	No. of shares	Amount in Rupees
Varali Power Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power Company Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power Services Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Thermal Power and Infrastructure Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power Generation Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power Distributors Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power and Energy Resources Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Power Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Hydro Electric Power Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Energy Trading Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Energy Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power Projects Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Thermal Power Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Power Company Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Power Services Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Power Distributors Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Power Generation Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Hydro Power Projects Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Power Trading Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Power Generation Company Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Power Supply Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

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

(a) Statement of acquisition and sale of long term, trade investments during the year ended March 31, 2010:

Investment in equity shares of	Year ended	Investments made during the year		Investments sold during the year	
		No. of shares	Amount in Rupees	No. of shares	Amount in Rupees
Indiabulls Power Solutions Limited.	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Power Transmission Limited	March 31, 2010	1,000	10,000	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Power Utility Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Powergen Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Power Projects Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Electric Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power Development Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power Systems Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power Management Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power Supply Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power Utility Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power Solutions Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Power Transmission Limited	March 31, 2010	-	-	24,500	245,000
	March 31, 2009	50,000	500,000	-	-
Hecate Powergen Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Hecate Electric Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Power Development Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poana Power Systems Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Power Management Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Power Supply Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Power Utility Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Poena Power Solutions Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

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

(a) Statement of acquisition and sale of long term, trade investments during the year ended March 31, 2010:

Investment in equity shares of	Year ended	Investments made during the year		Investments sold during the year	
		No. of shares	Amount in Rupees	No. of shares	Amount in Rupees
Poena Power Transmission Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Power Development Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Power Systems Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Bracond Limited	March 31, 2010	-	-	-	-
	March 31, 2009	100,000,000	4,327,710,552	-	-
Indiabulls Power Management Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Power Projects Development Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Electric Power Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Electric Energy Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Electric Company Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Electricity Generation Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Thermal Power Management Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Thermal Power Projects Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Indiabulls Thermal Projects Limited	March 31, 2010	-	-	-	-
	March 31, 2009	50,000	500,000	-	-
Citra Thermal Power and Infrastructure Limited	March 31, 2010	-	-	-	-
	March 31, 2009	13,000	130,000	-	-
Indiabulls Energy Limited	March 31, 2010	-	-	-	-
	March 31, 2009	-	-	50,000	500,000
Indiabulls Realtech Limited	March 31, 2010	2,759,500	2,759,500,000	-	-
	March 31, 2009	-	-	-	-
TOTAL	March 31, 2010		2,809,010,000		245,000
	March 31, 2009		4,360,080,552		500,000

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.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

xiii. 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, 2010:

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	March 31, 2010	100,000,000	1,000,000,000	-	-
		March 31, 2009	-	-	-	-
BIRLA Sun Life Fixed Term Plan	Series CD Growth	March 31, 2010	150,018,069	1,500,180,698	-	-
		March 31, 2009	-	-	-	-
Birla Sunlife Cash Plus	Instl. Prem. Daily Dividend - Reinvestment Plan	March 31, 2010	648,798,026	6,500,631,818	648,798,026	6,500,631,818
		March 31, 2009	2,197,537,930	22,018,231,285	2,197,537,930	22,018,231,285
Reliance Liquidity Mutual Fund	Daily Dividend	March 31, 2010	5,526,203,623	55,279,167,461	5,526,203,623	55,279,167,461
		March 31, 2009	17,945,469,245	179,510,323,397	17,945,469,245	179,510,323,397
Reliance Medium Term Fund	Daily Dividend - Reinvestment Plan	March 31, 2010	43,978,467	751,833,881	43,978,467	751,833,881
		March 31, 2009	175,277,259	2,996,452,384	175,277,259	2,996,452,384
Reliance Money Manager Fund	Daily Dividend - Reinvestment Plan	March 31, 2010	16,325,753	16,344,305,371	16,325,753	16,344,305,371
		March 31, 2009	24,189,283	24,216,771,780	24,189,283	24,216,771,780
LIC MF Liquid Fund	Dividend - Plan	March 31, 2010	5,923,692,180	65,042,732,507	5,923,692,180	65,042,732,507
		March 31, 2009	3,463,474,754	38,029,299,152	3,463,474,754	38,029,299,152
SBI Magnum Insta Cash Fund	Daily Dividend Option	March 31, 2010	-	-	-	-
		March 31, 2009	6,028	100,966	6,028	100,966
SBI Premier Liquid Fund	Super Institutional Daily Dividend Option	March 31, 2010	-	-	-	-
		March 31, 2009	399,024,878	4,003,217,085	399,024,878	4,003,217,085
SBI SHF Liquid Plus Fund	Retail Plan Daily Dividend	March 31, 2010	-	-	-	-
		March 31, 2009	10,096	101,009	10,096	101,009
LIC MF Liquid Fund	Daily Dividend Reinvestment Plan	March 31, 2010	-	-	-	-
		March 31, 2009	225,866,696	2,258,666,964	225,866,696	2,258,666,964
ICICI Prudential Liquid Super Institutional Plan	Daily Dividend	March 31, 2010	27,496,535	2,750,261,142	27,496,535	2,750,261,142
		March 31, 2009	1,048,277,653	10,483,300,671	1,048,277,653	10,483,300,671
ICICI Prudential Flexible Income Plan	Daily Dividend	March 31, 2010	-	-	-	-
		March 31, 2009	524,471	5,545,491	524,471	5,545,491

Significant Accounting Policies and Notes of Indiabulls Power Limited.

(Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

xiii. 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, 2010:

			Purchase / Dividend Reinvestment		Redemption	
In Mutual Funds	Type	Year ended	No of units	Amount in Rupees	No of units	Amount in Rupees
Birla Sunlife Saving Fund	Institutional Daily Dividend Reinvest	March 31, 2010	502,788,492	5,031,303,883	502,788,492	5,031,303,883
		March 31, 2009	1,068,903,834	10,696,306,891	1,068,903,834	10,696,306,891
IDFC Money Manager Fund	Institutional Plan B Daily Dividend	March 31, 2010	-	-	-	-
		March 31, 2009	503,295,457	5,035,722,693	503,295,457	5,035,722,693
IDFC Liquid Fund	Daily Dividend	March 31, 2010	-	-	-	-
		March 31, 2009	4,999,835	5,000,885,119	4,999,835	5,000,885,119
Religare Liquid Fund	Super Institutional Daily Dividend	March 31, 2010	-	-	-	-
		March 31, 2009	354,024,581	3,541,414,091	354,024,581	3,541,414,091
Religare Ultra Short Term Fund	Daily Dividend	March 31, 2010	-	-	-	-
		March 31, 2009	449,942,441	4,500,909,218	449,942,441	4,500,909,218
UTI Fixed Maturity Plan	Yearly FMP Series	March 31, 2010	150,000,000	1,500,000,000	-	-
		March 31, 2009	-	-	-	-
ICICI Prudential Fixed Maturity Plan	Series – 52 – 13 Months Plan – A Cumulative	March 31, 2010	200,017,537	2,000,175,370	-	-
		March 31, 2009	-	-	-	-
ICICI Prudential Ultra Short Term Plan	Super Premium Daily Dividend	March 31, 2010	100,007,261	1,002,172,765	100,007,261	1,002,172,765
		March 31, 2009	-	-	-	-
LIC MF Liquid Fund	Growth Plan	March 31, 2010	1,126,720	19,000,000	-	-
		March 31, 2009	-	-	-	-
LIC MF Savings Plus Fund	Daily Dividend Plan	March 31, 2010	2,674,306,191	26,743,061,914	2,674,306,191	26,743,061,914
		March 31, 2009	-	-	-	-
TOTAL		March 31, 2010	16,064,758,854	185,464,826,809	15,463,596,528	179,445,470,742
		March 31, 2009	27,860,824,441	312,297,248,194	27,860,824,441	312,297,248,194

- xiv. In compliance with 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. 1,135,531 (Previous Year Rs. Nil) as deferred tax credit (Net) to the Profit and Loss Account for the year ended March 31, 2010.

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

The breakup of Deferred Tax Assets (Net) into major components as at March 31, 2010 is given below:

	As at March 31, 2010	As at March 31, 2009
Deferred Tax Assets		
Arising on account of timing differences due to:		
Preliminary Expenses	3,826	-
Provision for Compensated Absences	1,521,537	-
Provision for Gratuity	2,093,974	-
TOTAL (A)	3,619,337	-
Deferred Tax Liabilities		
Arising on account of timing differences due to:		
Depreciation / Amortisation	2,483,806	-
TOTAL (B)	2,483,806	-
Deferred Tax Assets (Net) (A – B)	1,135,531	-

xv. 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:

Particulars	For the year ended March 31, 2010	(Amount in Rupees) For the year ended March 31, 2009
Travelling expenses	160,506	920,623

- Expenditure during construction period pending capitalisation includes expenditure incurred during the year aggregating Rs. 649,925,995 (Previous Year: Rs. 139,159,227), relating to the setting up of the Amravati Project – Phase I.
- 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 operation and based on the information available with the management, 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, other than those already provided in the financial statements.
- 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.

- 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.
- Provision for Superannuation benefits of Rs. Nil (Previous Year Rs. 57,414,250) and Gratuity of Rs. 6,303,827 (Previous Year Rs. 1,298,812) as at March 31, 2010, includes liability of Superannuation Benefits of Rs. Nil (Previous Year Rs. 51,540,553) and of Gratuity Rs. Nil (Previous Year Rs. 223,158) as at August 31, 2008 in respect of Superannuation benefits and Gratuity liabilities relating to Mr. Rajiv Rattan's (Promoter Director) services

Significant Accounting Policies and Notes of Indiabulls Power Limited. (Formerly Sophia Power Company Limited) forming part of Balance Sheet as at March 31, 2010 and Profit and Loss Account for the Year ended March 31, 2010 (Contd.)

transferred from Indiabulls Financial Services Limited to the Company.

During the current financial year, the services of Mr. Rajiv Rattan and two other employees have been transferred, effective July 1, 2009, from the Company to Elena Power and Infrastructure Limited – a wholly owned subsidiary of the Company. Consequently, the above mentioned employee benefits pertaining to Mr. Rajiv Rattan (Superannuation and Gratuity) along with the two other employees' Employee benefits consisting of Gratuity and Compensated absences have been transferred to the said subsidiary (Superannuation, Gratuity and Compensated Absences liability Rs. 365,965, Rs. 2,868,546 and Rs. 57,595,513 respectively aggregating Rs. 60,830,024).

- 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, 2010.
- xxii.** In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2010 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 :
- 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.

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 J - "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, 2010 pertaining to ICD given to wholly owned foreign subsidiary company of Rs. 902,800,000 (US Dollars 20 million) (Previous Year Rs. 1,019,000,000) (US Dollars 20 million). Interest receivable on the above ICD not hedged as at March 31, 2010 Rs. 33,460,313 (US Dollars 741,256) (Previous Year Rs. 21,140,633) (US Dollars 414,929).
- xxv.** No borrowing costs were capitalised during the year (Previous Year Rs. Nil)
- 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 audited by the other auditor and have been relied upon accordingly. Prior year adjustments arising out of the current year's audit have been made and disclosed accordingly. Where required, 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 22, 2010

and Company's General Business Profile

U	4	0	1	0	2	D	L	2	0	0	7	P	L	C	1	6	9	0	8	2
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Balance Sheet Date : 3 1 - 0 3 - 2 0 1 0

Public Issue	:	3	6	0	8	5	2	3	Right Issue					N	I	L
Bonus Issue	:	8	2	9	5	0	0	0	Private Placements					N	I	L
Global Depository Receipts	:					N	I	L	Employees Stock Plan Option				1	4	4	4

Total Liabilities : 3 9 2 0 7 3 7 2 Total Assets 3 9 2 0 7 3 7 2

Deferred tax liability :

						N	I	L
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Accumulated Losses	:						N	I	L	Deferred Tax Assets				1	1	3	6
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Basic Earnings Per Share in Rs. : 0 . 2 0 8
 (Please tick appropriate box + for Profit, - for Loss)

Diluted Earnings Per Share in Rs. 0 . 2 0 6
 Dividend Rate (%) N I L

* Including Securities Premium Amount

Statement Pursuant to Section 212(1)(e) of the Companies Act, 1956, relating to Company's interest in Subsidiary Companies for the financial year 2009-2010

(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	Date from which they became Subsidiary Companies	Holding Company's interest - Number of shares held (Equity Shares of Rs. 10 each unless 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 2010	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 2010	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	
Airmid Power Limited	31-Mar-10	February 25, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(117,518)	(2,593,073)	NIL	NIL	NIL
Albina Power Limited	31-Mar-10	February 26, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	247	(123,387)	NIL	NIL	NIL
Angina Power Limited	31-Mar-10	April 24, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,802	(21,340)	NIL	NIL	NIL
Apesh Power Limited	31-Mar-10	April 25, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,802	(21,340)	NIL	NIL	NIL
Aravali Properties Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(119,147)	(3,708,648)	NIL	NIL	NIL
Ashkit Power Limited	31-Mar-10	April 24, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(10,601)	(448,640)	NIL	NIL	NIL
Chloris Power Limited	31-Mar-10	April 24, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,826	(21,340)	NIL	NIL	NIL
Citra Thermal Power and Infrastructure Limited	31-Mar-10	November 05, 2007	50,000 Equity Shares of Rs 10 each fully paid up	100%	(73,867)	(1,910,511)	NIL	NIL	NIL
Corus Power Limited	31-Mar-10	April 24, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,802	(21,352)	NIL	NIL	NIL
Devona Thermal Power and Infrastructure Limited	31-Mar-10	November 16, 2007	37,000 Equity Shares of Rs 10 each fully paid up	74%	(507,918)	(5,976,191)	NIL	NIL	NIL
Diana Energy Limited	31-Mar-10	November 05, 2007	370,000 Equity Shares of Rs 10 each fully paid up	74%	(1,870,563)	(633,834)	NIL	NIL	NIL
Diana Power Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(64,832)	(166,932)	NIL	NIL	NIL
Elena Power And Infrastructure Limited	31-Mar-10	April 24, 2008	5,000,000 Equity Shares of Rs 10 each fully paid up	100%	204,708,058	(5,903,581)	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 2009-2010 (Contd.)

The net aggregate amount of profits/(losses) so far as it concerns the members of the Holding Company										(Amount in Rupees)
Name of the Subsidiary Company	Financial year / period ending of the Subsidiary	Date from which they became Subsidiary Companies	Holding Company's interest - Number of shares held (Equity Shares of Rs. 10 each unless 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 2010	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 2010	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries		
Fama Power Company Limited	31-Mar-10	December 03, 2007	50,000 Equity Shares of Rs 10 each fully paid up	100%	(12,640)	(933,352)	NIL	NIL	NIL	
Fornax Power Limited	31-Mar-10	April 24, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,125	(27,040)	NIL	NIL	NIL	
Hecate Electric Limited	31-Mar-10	July 04, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	2,892	(20,372)	NIL	NIL	NIL	
Hecate Energy Private Limited (formerly Hecate Energy Limited)	31-Mar-10	June 19, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,302	(18,930)	NIL	NIL	NIL	
Hecate Energy Trading Limited	31-Mar-10	June 13, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,226	(19,562)	NIL	NIL	NIL	
Hecate Hydro Electric Power Limited	31-Mar-10	June 11, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	2,332	(19,562)	NIL	NIL	NIL	
Hecate Power And Energy Resources Limited	31-Mar-10	June 10, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,231	(19,562)	NIL	NIL	NIL	
Hecate Power Company Limited	31-Mar-10	June 10, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,191	(20,204)	NIL	NIL	NIL	
Hecate Power Development Limited	31-Mar-10	July 04, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	2,954	(20,516)	NIL	NIL	NIL	
Hecate Power Distributors Limited	31-Mar-10	June 10, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,226	(19,562)	NIL	NIL	NIL	
Hecate Power Generation Limited	31-Mar-10	June 10, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	2,915	(19,562)	NIL	NIL	NIL	
Hecate Power Limited	31-Mar-10	June 10, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,226	(19,562)	NIL	NIL	NIL	
Hecate Power Management Limited	31-Mar-10	July 04, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,366	(22,269)	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 2009-2010 (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	Date from which they became Subsidiary Companies	Holding Company's interest - Number of shares held (Equity Shares of Rs. 10 each unless 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 2010	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 2010	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	
Hecate Power Projects Limited	31-Mar-10	June 19, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(505,105)	(18,931)	NIL	NIL	NIL
Hecate Power Services Limited	31-Mar-10	June 10, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(7,055)	(19,562)	NIL	NIL	NIL
Hecate Power Solutions Limited	31-Mar-10	July 10, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(500,301)	(20,198)	NIL	NIL	NIL
Hecate Power Supply Limited	31-Mar-10	July 07, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,192	(20,279)	NIL	NIL	NIL
Hecate Power Systems Limited	31-Mar-10	July 07, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,507	(21,691)	NIL	NIL	NIL
Hecate Power Transmission Limited	31-Mar-10	July 04, 2008	25,500 Equity Shares of Rs 10 each fully paid up	51%	(238,730)	(10,540)	NIL	NIL	NIL
Hecate Power Utility Limited	31-Mar-10	July 08, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	2,413	(21,991)	NIL	NIL	NIL
Hecate Powergen Limited	31-Mar-10	July 08, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,198	(20,816)	NIL	NIL	NIL
Hecate Thermal Power And Infrastructure Limited	31-Mar-10	June 10, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	2,965	(22,260)	NIL	NIL	NIL
Indiabulls CSEB Bhayatharan Power Limited (formerly Indiabulls Bhayatharan Power Limited)	31-Mar-10	May 19, 2008	74,000 Equity Shares of Rs 10 each fully paid up	100%	276,128	(967,699)	NIL	NIL	NIL
Indiabulls Electric Company Limited	31-Mar-10	August 05, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(61,556)	(122,302)	NIL	NIL	NIL
Indiabulls Electric Energy Limited	31-Mar-10	August 05, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(62,427)	(122,292)	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 2009-2010 (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	Date from which they became Subsidiary Companies	Holding Company's interest - Number of shares held (Equity Shares of Rs. 10 each unless 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 2010	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 2010	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	
Indiabulls Electric Limited	31-Mar-10	July 04, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(62,359)	(121,551)	NIL	NIL	NIL
Indiabulls Electric Power Limited	31-Mar-10	August 05, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(62,046)	(122,292)	NIL	NIL	NIL
Indiabulls Electricity Company Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(74,367)	(214,760)	NIL	NIL	NIL
Indiabulls Electricity Generation Limited	31-Mar-10	August 05, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(61,657)	(125,253)	NIL	NIL	NIL
Indiabulls Hydro Electric Power Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(13,140)	(1,175,162)	NIL	NIL	NIL
Indiabulls Hydro Energy Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(13,141)	(2,175,162)	NIL	NIL	NIL
Indiabulls Hydro Power Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(1,913)	(161,891)	NIL	NIL	NIL
Indiabulls Hydro Power Projects Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(1,710)	(157,247)	NIL	NIL	NIL
Indiabulls Power Development Limited	31-Mar-10	July 02, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(1,484)	(121,677)	NIL	NIL	NIL
Indiabulls Power Distribution Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(201,887)	(157,215)	NIL	NIL	NIL
Indiabulls Power Generation Company Limited	31-Mar-10	June 27, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(612)	(121,435)	NIL	NIL	NIL
Indiabulls Power Generation Limited	31-Mar-10	November 05, 2007	370,000 Equity Shares of Rs 10 each fully paid up	74%	6,257,397	8,581,575	NIL	NIL	NIL
Indiabulls Power Infrastructure Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(15,078)	(4,514,339)	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 2009-2010 (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	Date from which they became Subsidiary Companies	Holding Company's interest - Number of shares held (Equity Shares of Rs. 10 each unless 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 2010	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 2010	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	
Indiabulls Power Management Limited	31-Mar-10	July 02, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(62,360)	(121,561)	NIL	NIL	NIL
Indiabulls Power Projects Development Limited	31-Mar-10	July 02, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(62,393)	(121,677)	NIL	NIL	NIL
Indiabulls Power Projects Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(2,864)	(191,223)	NIL	NIL	NIL
Indiabulls Power Solutions Limited	31-Mar-10	June 27, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(894)	(121,677)	NIL	NIL	NIL
Indiabulls Power Supply Limited	31-Mar-10	June 27, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(894)	(121,677)	NIL	NIL	NIL
Indiabulls Power Systems Limited	31-Mar-10	July 02, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(894)	(121,677)	NIL	NIL	NIL
Indiabulls Power Trading Limited	31-Mar-10	November 19, 2007	1,750,000 Equity Shares of Rs 10 each fully paid up	100%	1,030,220	419,105	NIL	NIL	NIL
Indiabulls Power Transmission Limited	31-Mar-10	June 27, 2008	51,000 Equity Shares of Rs 10 each fully paid up	51%	(776)	(62,761)	NIL	NIL	NIL
Indiabulls Power Utility Limited	31-Mar-10	June 27, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(950)	(121,561)	NIL	NIL	NIL
Indiabulls Powergen Limited	31-Mar-10	June 27, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(62,383)	(122,177)	NIL	NIL	NIL
Indiabulls Realtech Limited	31-Mar-10	January 01, 2008	2,809,500 Equity Shares of Rs 10 each fully paid up	100%	(1,847,348)	(1,181,573)	NIL	NIL	NIL
Indiabulls Thermal Energy Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(3,282)	(186,022)	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 2009-2010 (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	Date from which they became Subsidiary Companies	Holding Company's interest - Number of shares held (Equity Shares of Rs. 10 each unless stated otherwise)	Extent of Holding	a. Not dealt with in the Holding Company Accounts		b. Dealt with in the Holding Company Accounts		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 2010	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 2010	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	
Indiabulls Thermal Power Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100 %	(3,625)	(183,597)	NIL	(183,597)	NIL
Indiabulls Thermal Power Management Limited	31-Mar-10	August 05, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100 %	(61,546)	(121,792)	NIL	(121,792)	NIL
Indiabulls Thermal Power Projects Limited	31-Mar-10	August 06, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100 %	(61,556)	(121,802)	NIL	(121,802)	NIL
Indiabulls Thermal Projects Limited	31-Mar-10	August 07, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100 %	(61,423)	(121,802)	NIL	(121,802)	NIL
Kaya Hydropower Projects Limited	31-Mar-10	December 04, 2007	50,000 Equity Shares of Rs 10 each fully paid up	100 %	(72,896)	(86,450)	NIL	(86,450)	NIL
Lenus Power Limited	31-Mar-10	February 28, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100 %	(61,487)	(127,133)	NIL	(127,133)	NIL
Lucina Power And Infrastructure Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100 %	(164,191)	(880,745)	NIL	(880,745)	NIL
Mabon Power Limited	31-Mar-10	February 25, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100 %	1,067	(86,883)	NIL	(86,883)	NIL
Mariana Power Limited	31-Mar-10	April 24, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100 %	3,802	(21,352)	NIL	(21,352)	NIL
Pachi Hydropower Projects Limited	31-Mar-10	December 04, 2007	50,000 Equity Shares of Rs 10 each fully paid up	100 %	(162,155)	(152,663)	NIL	(152,663)	NIL
Papu Hydropower Projects Limited	31-Mar-10	December 04, 2007	50,000 Equity Shares of Rs 10 each fully paid up	100 %	(144,500)	(290,207)	NIL	(290,207)	NIL
Poana Power Systems Limited	31-Mar-10	July 04, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100 %	2,971	(21,250)	NIL	(21,250)	NIL
Poena Hydro Power Projects Limited	31-Mar-10	June 19, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100 %	3,535	(20,620)	NIL	(20,620)	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 2009-2010 (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	Date from which they became Subsidiary Companies	Holding Company's interest - Number of shares held (Equity Shares of Rs. 10 each unless 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 2010	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 2010	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries	
Poena Power Company Limited	31-Mar-10	June 20, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(284,738)	(22,120)	NIL	NIL	NIL
Poena Power Development Limited	31-Mar-10	July 04, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,192	(20,372)	NIL	NIL	NIL
Poena Power Distributors Limited	31-Mar-10	June 19, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,535	(20,620)	NIL	NIL	NIL
Poena Power Generation Limited	31-Mar-10	June 24, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,458	(22,126)	NIL	NIL	NIL
Poena Power Limited	31-Mar-10	June 10, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	2,897	(21,384)	NIL	NIL	NIL
Poena Power Management Limited	31-Mar-10	July 09, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,197	(20,198)	NIL	NIL	NIL
Poena Power Projects Limited	31-Mar-10	June 27, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,258	(20,150)	NIL	NIL	NIL
Poena Power Services Limited	31-Mar-10	June 19, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,535	(21,160)	NIL	NIL	NIL
Poena Power Solutions Limited	31-Mar-10	July 08, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,498	(20,816)	NIL	NIL	NIL
Poena Power Supply Limited	31-Mar-10	July 09, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	2,597	(20,198)	NIL	NIL	NIL
Poena Power Trading Limited	31-Mar-10	June 19, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,535	(20,626)	NIL	NIL	NIL
Poena Power Transmission Limited	31-Mar-10	July 08, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,498	(20,816)	NIL	NIL	NIL
Poena Power Utility Limited	31-Mar-10	July 08, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,197	(20,723)	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 2009-2010 (Contd.)

Name of the Subsidiary Company	Financial year / period ending of the Subsidiary	Date from which they became Subsidiary Companies	Holding Company's interest - Number of Shares of Rs. 10 each unless 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 2010	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 2010	ii) For the previous financial years of the Subsidiary Companies since they become Holding Company's subsidiaries
Poena Thermal Power Limited	31-Mar-10	June 19, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	3,192	(20,162)	NIL	NIL
Selene Power Company Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	1,065	(83,667)	NIL	NIL
Sentia Thermal Power and Infrastructure Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(52,296)	(391,753)	NIL	NIL
Sepia Hydropower Projects Limited	31-Mar-10	December 04, 2007	50,000 Equity Shares of Rs 10 each fully paid up	100%	(117,528)	(88,965)	NIL	NIL
Sepset Thermal Power and Infrastructure Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(49,072)	(276,582)	NIL	NIL
Serida Power Limited	31-Mar-10	February 27, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(105,587)	(119,800)	NIL	NIL
Tharang Warang Hydropower Projects Limited	31-Mar-10	December 04, 2007	50,000 Equity Shares of Rs 10 each fully paid up	100%	(117,400)	(86,749)	NIL	NIL
Triton Energy Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(49,828)	(269,095)	NIL	NIL
Varali Power Limited	31-Mar-10	May 08, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(106,088)	(149,532)	NIL	NIL
Zeus Energy Limited	31-Mar-10	January 01, 2008	50,000 Equity Shares of Rs 10 each fully paid up	100%	(56,809)	(869,308)	NIL	NIL
Bracond Limited	31-Mar-10	August 12, 2008	100,000,000 Equity Shares of USD 1 each fully paid up	100%	8,697,341	5,086,383	NIL	NIL
Galactic Ventures Limited*	31-Mar-10	December 18, 2008	-	-	11,246,794	960,185	NIL	NIL
Renemark Limited*	31-Mar-10	August 23, 2008	-	-	(13,191,256)	(19,289,159)	NIL	NIL
Genoformus Limited*	31-Mar-10	August 26, 2008	-	-	(10,970,311)	(61,807,053)	NIL	NIL
Albasta Power Limited*	31-Mar-10	April 25, 2008	-	-	(1,285,278)	(11,889,105)	NIL	NIL

* Being Subsidiary of the Company in term of Sec. 4 (1) (c) of the Companies Act, 1956

For and on behalf of the Board

Rajiv Rattan

Vice Chairman

Shamsher Singh Ahlawat

Director

Gaurav Toshkhani

Company Secretary

Place : New Delhi

Date : April 22, 2010

Details of Subsidiary Companies

Particulars	Indiabulls Realtech Limited	Indiabulls CSEB Bhaiyathan Power Limited	Elena Power And Infrastructure Limited	Papu Hydropower Projects Limited	Sepla Hydropower Projects Limited	Pachi Hydropower Projects Limited	Kaya Hydropower Projects Limited	Tharang Warang Hydropower Projects Limited	Indiabulls Power Generation Limited	Indiabulls Power Trading Limited	Lucina Power And Infrastructure Limited	Aravali Properties Limited	Indiabulls Hydro Electric Power Limited
Share Capital	28,095,000	740,000	50,000,000	500,000	500,000	500,000	500,000	500,000	215,000,000	17,500,000	500,000	500,000	500,000
Reserve & Surplus	2,728,876,079	(691,571)	18,804,477	(434,706)	(206,493)	(314,818)	(159,346)	(204,149)	20,052,666	1,449,325	(1,044,936)	(3,827,794)	(1,188,302)
Total Assets	8,120,703,561	4,752,067,041	12,545,998,549	16,385,998	10,587,545	21,698,427	11,279,650	9,007,841	236,494,776	19,007,784	309,403	56,165	15,228
Total Liabilities	8,120,703,561	4,752,067,041	12,545,998,549	16,385,998	10,587,545	21,698,427	11,279,650	9,007,841	236,494,776	19,007,784	309,403	56,165	15,228
Investments	5,000,356,068	-	2,004,740,080	-	-	-	-	-	236,403,508	-	-	-	-
Revenue	639,296	3,836,419	139,979,304	-	-	-	-	-	11,686,259	1,394,033	-	-	-
Profit Before Taxation	(1,847,348)	419,128	25,279,933	(144,500)	(117,528)	(162,155)	(72,896)	(117,400)	10,548,654	1,023,791	(162,364)	(117,873)	(13,140)
Provision for Taxation	-	143,000	571,875	-	-	-	-	-	2,092,711	(6,429)	1,827	1,274	-
Profit After Taxation	(1,847,348)	276,128	24,708,058	(144,500)	(117,528)	(162,155)	(72,896)	(117,400)	8,455,942	1,030,220	(164,191)	(119,147)	(13,140)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-

Details of Subsidiary Companies (Contd.)

Particulars	Indiabulls Hydro Energy Limited	Indiabulls Hydro Power Limited	Indiabulls Hydro Power Projects Limited	Indiabulls Power Infrastructure Limited	Indiabulls Thermal Energy Limited	Indiabulls Thermal Power Limited	Indiabulls Electricity Company Limited	Diana Power Limited	Diana Energy Limited	Devona Thermal Power and Infrastructure Limited	Citra Thermal Power and Infrastructure Limited	Fama Power Company Limited
Share Capital	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	5,000,000	500,000	500,000	500,000
Reserve & Surplus	(2,188,303)	(163,804)	(158,957)	(4,529,417)	(189,304)	(187,222)	(289,127)	(231,764)	(3,384,325)	(8,762,312)	(1,984,378)	(945,992)
Total Assets	9,727	347,226	352,073	45,667	321,726	323,808	1,267,212	282,575	1,674,134	103,596	14,034	35,038
Total Liabilities	9,727	347,226	352,073	45,667	321,726	323,808	1,267,212	282,575	1,674,134	103,596	14,034	35,038
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	-	11,227	11,430	-	9,858	10,015	-	9,535	95,425	-	-	-
Profit Before Taxation	(13,141)	(1,913)	(1,710)	(15,078)	(3,282)	(3,625)	(74,367)	(64,832)	(2,527,788)	(686,376)	(73,867)	(12,640)
Provision for Taxation	-	-	-	-	-	-	-	-	-	-	-	-
Profit After Taxation	(13,141)	(1,913)	(1,710)	(15,078)	(3,282)	(3,625)	(74,367)	(64,832)	(2,527,788)	(686,376)	(73,867)	(12,640)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-

Details of Subsidiary Companies (Contd.)

Particulars	Selene Power Company Limited	Sentia Thermal Power and Infrastructure Limited	Sepset Thermal Power and Infrastructure Limited	Triton Energy Limited	Zeus Energy Limited	Airmid Power Limited	Mabon Power Limited	Albina Power Limited	Lenus Power Limited	Serida Power Limited	Angina Power Limited	Ashkit Power Limited	Corus Power Limited
Share Capital	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Reserve & Surplus	(82,602)	(444,049)	(325,654)	(318,923)	(926,117)	(2,710,591)	(85,816)	(123,140)	(188,620)	(225,387)	(17,538)	(459,241)	(17,550)
Total Assets	428,428	111,101	229,496	236,227	28,033	11,899	425,214	387,890	325,719	333,072	493,492	51,789	493,480
Total Liabilities	428,428	111,101	229,496	236,227	28,033	11,899	425,214	387,890	325,719	333,072	493,492	51,789	493,480
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	13,936	4,196	7,420	6,963	-	-	13,738	12,918	11,910	11,931	16,093	1,690	16,093
Profit Before Taxation	1,065	(52,296)	(49,072)	(49,828)	(56,809)	(117,518)	1,067	247	(61,487)	(105,587)	3,802	(10,601)	3,802
Provision for Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit After Taxation	1,065	(52,296)	(49,072)	(49,828)	(56,809)	(117,518)	1,067	247	(61,487)	(105,587)	3,802	(10,601)	3,802
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-

Details of Subsidiary Companies (Contd.)

Particulars	Chloris Power Limited	Fornax Power Limited	Mariana Power Limited	Apesh Power Limited	Varali Power Limited	Hecate Power Limited	Hecate Power Company Limited	Hecate Power Services Limited	Hecate Thermal Power And Infrastructure Limited	Hecate Hydro Electric Power Limited	Hecate Power Generation Limited	Hecate Power Distributors Limited	Hecate Power And Energy Resources Limited
Share Capital	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Reserve & Surplus	(17,514)	(23,915)	(17,550)	(17,538)	(255,620)	(16,336)	(17,013)	(26,617)	(19,295)	(17,230)	(16,647)	(16,336)	(16,331)
Total Assets	493,516	487,115	493,480	493,492	302,839	494,694	494,017	484,413	491,735	493,800	494,383	494,694	494,699
Total Liabilities	493,516	487,115	493,480	493,492	302,839	494,694	494,017	484,413	491,735	493,800	494,383	494,694	494,699
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	16,117	15,416	16,093	16,093	11,050	16,117	16,083	15,836	15,855	16,117	16,106	16,117	16,122
Profit Before Taxation	3,826	3,125	3,802	3,802	(106,088)	3,226	3,191	(7,055)	2,965	2,332	2,915	3,226	3,231
Provision for Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit After Taxation	3,826	3,125	3,802	3,802	(106,088)	3,226	3,191	(7,055)	2,965	2,332	2,915	3,226	3,231
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-

Details of Subsidiary Companies (Contd.)

Particulars	Poena Power Limited	Hecate Energy Trading Limited	Hecate Energy Private Limited (Formerly Hecate Energy Limited)	Hecate Power Projects Limited	Poena Power Company Limited	Poena Thermal Power Limited	Poena Power Services Limited	Poena Power Generation Limited	Poena Power Distributors Limited	Poena Hydro Power Projects Limited	Poena Power Trading Limited	Poena Power Projects Limited	Indiabulls Power Development Limited
Share Capital	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Reserve & Surplus	(18,487)	(16,336)	(15,628)	(524,036)	(306,858)	(16,970)	(17,625)	(18,668)	(17,085)	(17,085)	(17,091)	(16,892)	(123,161)
Total Assets	492,543	494,694	495,402	36,994	230,746	494,060	493,405	492,362	493,945	493,945	493,939	494,138	387,869
Total Liabilities	492,543	494,694	495,402	36,994	230,746	494,060	493,405	492,362	493,945	493,945	493,939	494,138	387,869
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	15,788	16,117	16,194	7,786	13,566	16,083	16,126	16,049	16,126	16,126	16,126	16,149	12,611
Profit Before Taxation	2,897	3,226	3,302	(505,105)	(284,738)	3,192	3,535	3,458	3,535	3,535	3,535	3,258	(1,484)
Provision for Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit After Taxation	2,897	3,226	3,302	(505,105)	(284,738)	3,192	3,535	3,458	3,535	3,535	3,535	3,258	(1,484)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-

Details of Subsidiary Companies (Contd.)

Particulars	Indiabulls Power Systems Limited	Indiabulls Power Management Limited	Indiabulls Power Supply Limited	Indiabulls Power Utility Limited	Indiabulls Power Solutions Limited	Indiabulls Power Transmission Limited	Indiabulls Power Generation Company Limited	Indiabulls Power Projects Development Limited	Indiabulls Powergen Limited	Indiabulls Electric Limited	Hecate Power Development Limited	Hecate Power Systems Limited	Hecate Power Management Limited
Share Capital	500,000	500,000	500,000	500,000	500,000	1,000,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Reserve & Surplus	(122,571)	(183,921)	(122,570)	(122,511)	(122,571)	(124,583)	(122,047)	(184,070)	(184,560)	(183,910)	(17,562)	(18,184)	(18,903)
Total Assets	388,459	330,418	388,459	388,519	388,459	886,447	388,983	330,269	329,778	330,429	493,468	492,846	492,127
Total Liabilities	388,459	330,418	388,459	388,519	388,459	886,447	388,983	330,269	329,778	330,429	493,468	492,846	492,127
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	12,701	11,962	12,701	12,645	12,701	14,073	12,983	11,929	11,929	11,962	15,546	16,092	15,957
Profit Before Taxation	(894)	(62,360)	(894)	(950)	(894)	(1,522)	(612)	(62,393)	(62,383)	(62,359)	2,954	3,507	3,366
Provision for Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit After Taxation	(894)	(62,360)	(894)	(950)	(894)	(1,522)	(612)	(62,393)	(62,383)	(62,359)	2,954	3,507	3,366
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-

Details of Subsidiary Companies (Contd.)

Particulars	Hecate Power Supply Limited	Hecate Power Utility Limited	Hecate Power Solutions Limited	Hecate Power Transmission Limited	Hecate Powergen Limited	Hecate Electric Limited	Poena Power Development Limited	Poena Power Systems Limited	Poena Power Management Limited	Poena Power Supply Limited	Poena Power Utility Limited	Poena Power Solutions Limited	Poena Power Transmission Limited
Share Capital	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Reserve & Surplus	(17,087)	(19,578)	(520,499)	(488,764)	(17,618)	(17,480)	(17,180)	(18,279)	(17,001)	(17,601)	(17,526)	(17,318)	(17,318)
Total Assets	493,943	491,452	40,531	331,242	493,412	493,550	493,850	492,751	494,029	493,429	493,504	493,712	493,712
Total Liabilities	493,943	491,452	40,531	331,242	493,412	493,550	493,850	492,751	494,029	493,429	493,504	493,712	493,712
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	16,083	2,374,502	12,585	10,252	16,083	16,083	16,083	15,855	16,083	16,082	16,083	16,083	16,083
Profit Before Taxation	3,192	2,413	(500,301)	(468,098)	3,198	2,892	3,192	2,971	3,197	2,597	3,197	3,498	3,498
Provision for Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit After Taxation	3,192	2,413	(500,301)	(468,098)	3,198	2,892	3,192	2,971	3,197	2,597	3,197	3,498	3,498
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-

Details of Subsidiary Companies (Contd.)

Particulars	Indiabulls Electric Power Limited	Indiabulls Electric Energy Limited	Indiabulls Electric Company Limited	Indiabulls Electricity Generation Limited	Indiabulls Thermal Power Management Limited	Indiabulls Thermal Power Projects Limited	Indiabulls Thermal Projects Limited	Indiabulls Power Distribution Limited	Bracond Limited	Genoformus Limited	Renemark Limited	Albasta Power Limited	Galactic Ventures Limited
Share Capital	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	4,327,710,552	64,695	63,975	1,300,500,000	4,784,930,000
Reserve & Surplus	(184,338)	(184,719)	(183,858)	(186,910)	(183,338)	(183,358)	(183,225)	(359,103)	199,322,151	(68,243,436)	(30,594,746)	(13,174,383)	(259,347,942)
Total Assets	330,001	329,620	330,481	327,429	331,001	330,981	331,114	151,927	5,463,783,298	4,017,993,366	1,128,628,920	4,784,932,076	4,525,768,261
Total Liabilities	330,001	329,620	330,481	327,429	331,001	330,981	331,114	151,927	5,463,783,298	4,017,993,366	1,128,628,920	4,784,932,076	4,525,768,261
Investments	-	-	-	-	-	-	-	-	128,670	-	-	4,784,930,000	-
Revenue	12,267	11,886	12,267	12,165	12,267	12,267	12,399	11,284	23,633,079	-	-	11,236	11,918,217
Profit Before Taxation	(62,046)	(62,427)	(61,556)	(61,657)	(61,546)	(61,556)	(61,423)	(201,887)	7,754,753	(10,970,311)	(13,191,256)	(1,285,278)	11,246,794
Provision for Taxation	-	-	-	-	-	-	-	-	(942,588)	-	-	-	-
Profit After Taxation	(62,046)	(62,427)	(61,556)	(61,657)	(61,546)	(61,556)	(61,423)	(201,887)	8,697,341	(10,970,311)	(13,191,256)	(1,285,278)	11,246,794
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-

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Notes

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