

PROCEEDINGS HELD ON 27th MAY, 2012 AT 5:00 P.M. AT THE REGISTERED OFFICE OF INDIABULLS FINANCIAL SERVICES LIMITED AT F-60, MALHOTRA BUILDING, 2ND FLOOR, CONNAUGHT PLACE, NEW DELHI – 110 001, RELATING TO DECLARATION OF RESULT BY POSTAL BALLOT CONDUCTED PURSUANT TO SECTION 192A OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PASSING OF RESOLUTIONS BY POSTAL BALLOT) RULES, 2001 ON THE RESOLUTIONS AS SET OUT IN THE NOTICE DATED 27th APRIL, 2012.

PRESENT:

1. Mr. Rajiv Rattan, Member
2. Mr. Zeaul Arfin Khan, Member
3. Mr. Anil Kumar Yadav, Member
4. Mr. Satish Chand, Member
5. Mr. Somesh Singh, Member
6. Mr. Amit Jain, Company Secretary
7. Mr. B. D. Tapriya, Practising Company Secretary, Board-appointed Scrutinizer for the Postal Ballot

In the absence of Mr. Sameer Gehlaut, Chairman of the Company, Mr. Rajiv Rattan, Vice Chairman of the Company, stated that the Company had, on 27th April, 2012, completed the dispatch of a Notice under Section 192A of the Companies Act, 1956, along with postal ballot forms and self-addressed, reply pre-paid envelopes for seeking members' consent to the following Special Resolutions:

Item No. 1

"RESOLVED THAT, subject to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of the Articles of Association of the Company, the Listing Agreement entered into between the Company and the relevant Stock Exchanges, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI ICDR Regulations) and any other guidelines and clarifications issued by the Securities and Exchange Board of India as also by any other statutory/regulatory authorities, and subject to all such other approvals, permissions, consents and sanctions of any authorities, as may be necessary, and all other relevant third party consents and approvals as may be required and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions which may be agreed to by the Board of Directors, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as the Board which term shall be deemed to include any duly authorised committee thereof constituted to exercise the powers conferred on the Board by this resolution), to create, offer issue and allot:

- a) up to 90,00,000 (Ninety Lac) Warrants of the Company, convertible into 90,00,000 (Ninety Lac) equity shares of Rs. 2/- (Rupees Two only) each at the option of the warrant-holder to Cleta Properties Private Limited;
- b) up to 50,00,000 (Fifty Lac) Warrants of the Company, convertible into 50,00,000 (Fifty Lac) equity shares of Rs. 2/- (Rupees Two only) each at the option of the warrant-holder to Cleta Buildtech Private Limited;
- c) up to 36,00,000 (Thirty Six Lac) Warrants of the Company, convertible into 36,00,000 (Thirty Six Lac) equity shares of Rs. 2/- (Rupees Two only) each at the option of the warrant-holder to Priapus Real Estate Private Limited;
- d) up to 23,50,000 (Twenty Three Lac and Fifty Thousand) Warrants of the Company, convertible into 23,50,000 (Twenty Three Lac and Fifty Thousand) equity shares of Rs. 2/-



(Rupees Two only) each at the option of the warrant-holder to Hespera Real Estate Private Limited;

- e) up to 5,50,000 (Five Lac and Fifty Thousand) Warrants of the Company, convertible into 5,50,000 (Five Lac and Fifty Thousand) equity shares of Rs. 2/- (Rupees Two only) each at the option of the warrant-holder to Mr. Gagan Banga;
- f) up to 2,00,000 (Two Lac) Warrants of the Company, convertible into 2,00,000 (Two Lac) equity shares of Rs. 2/- (Rupees Two only) each at the option of the warrant-holder to Mr. Ashwini Kumar;

on preferential allotment basis, at such time or times, in one or more tranches and in such manner as may be decided by the Board in this connection. Each of the Warrants (hereinafter referred to as the Warrants) shall be issued at a conversion price of Rs. 218/- (Rupees Two Hundred and Eighteen only) per equity share (the "Warrant Price").

RESOLVED FURTHER THAT the issue and allotment of the Warrants to the above referred entities, director and key managerial personnel, shall be on the following terms and conditions:

- i) the relevant date for the preferential issue, as per the SEBI ICDR Regulations, as amended up to date, for the determination of applicable price for the issue of the abovementioned Warrants shall be April 27, 2012 which is 30 days prior to the date on which results of the postal ballot being conducted for the purpose of seeking the approval of members to the proposed preferential issue, are to be declared.
- ii) The allottees shall pay an upfront amount of 25% of the Warrant Price being Rs. 112,81,50,000 (Rupees One Hundred Twelve Crore Eighty One Lacs Fifty Thousand only), prior to the allotment of the Warrants in the manner given below and such amount shall be adjusted against the Warrant Price at the time of allotment of the equity shares pursuant to the conversion of Warrants. The balance amount of the Warrant Price being Rs. 338,44,50,000/- (Rupees Three Hundred Thirty Eight Crore Forty Four Lac Fifty Thousand only), shall be payable by the allottees to the Company at the time of conversion of the Warrants into underlying Equity shares:

Name of the entity money	No. of Warrants to be allotted	Amount payable as upfront
1. Cleta Properties Private Limited	90,00,000	49,05,00,000/-
2. Cleta Buildtech Private Limited	50,00,000	27,25,00,000/-
3. Priapus Real Estate Private Limited	36,00,000	19,62,00,000/-
4. Hespera Real Estate Private Limited	23,50,000	12,80,75,000/-
5. Mr. Gagan Banga	5,50,000	2,99,75,000/-
6. Mr. Ashwini Kumar	2,00,000	1,09,00,000/-



Total 2,07,00,000 112,81,50,000/-

- iii) The Warrants shall be convertible into Equity shares, in one or more tranches, within a period of 18 months from the date of their allotment;
- iv) where the Warrants are exercised and converted into the underlying Equity shares in tranches or in parts, the Company shall issue a new Warrant certificate in respect of the unexercised Warrants and deliver the same to the concerned Warrant holder along with the issue and allotment of shares against the portion of Warrants which has been exercised
- v) the number of shares that each Warrant converts into and the price per share upon conversion of the Warrants, shall be appropriately adjusted for the corporate actions such as bonus issues, rights issues, stock split or any capital or corporate restructuring;

RESOLVED FURTHER THAT

- (i) the requisite number of Equity shares against the Warrants to be so allotted in favour of the Promoter group entities / Directors / Key management personnel (allottees) as aforesaid, be issued in favour of such allottees (a) upon receipt of the balance 75% of the conversion price aggregating to Rs. 338,44,50,000/- (Rupees Three Hundred Thirty Eight Crore Forty Four Lac Fifty Thousand only), from the said allottees, as per the details mentioned below, within the stipulated time of 18 months from the date of allotment of Warrants and (b) surrender of Warrants with the Company within the time as aforesaid :

Name of the entity	Balance amount payable at the time of conversion of Warrants(Rs.)	No. of shares to be allotted upon conversion
1.Cleta Properties Private Limited	1,47,15,00,000	90,00,000
2. Cleta Buildtech Private Limited	81,75,00,000	50,00,000
3. Priapus Real Estate Private Limited	58,86,00,000	36,00,000
4. Hespera Real Estate Private Limited	38,42,25,000	23,50,000
5. Mr. Gagan Banga	8,99,25,000	5,50,000
6. Mr. Ashwini Kumar	3,27,00,000	2,00,000
Total	3,38,44,50,000/-	2,07,00,000

- ii) the Equity shares allotted pursuant to the conversion of the Warrants shall rank *pari passu* with the then existing equity shares of the Company, from the date of their allotment. Such



new equity shares when issued and allotted as aforesaid shall be entitled for dividend for the complete financial year, if any, declared for the financial year of the Company in which the shares are allotted;

- iii) the Equity shares to be issued and allotted on conversion of the Warrants shall be listed and traded on National Stock Exchange of India Limited (NSE) and BSE Limited and shall be subject to the provisions of the Memorandum and Articles of Association of the Company ;
- iv) in pursuance of the preferential allotment, as aforesaid, the pre and post preferential holdings of the allottees, shall remain locked in from such date and for such periods as specified under the SEBI ICDR Regulations.
- v) the Board be and is hereby authorised to accept any modification(s) to or to modify the terms of issue of the Warrants or equity shares on conversion thereof, subject to the provisions of the Companies Act, 1956 and SEBI ICDR Regulations, without being required to seek any further consent or approval of the members of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized, jointly and severally, to do all such acts, matters, deeds and things and to take all such steps and to do all such things and give all such directions as the Board may consider necessary, expedient or desirable, including without limitation, to prescribe the forms of application, allotment and by way of further calls, if any, to enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable and to settle any question or difficulty that may arise in regard to the issue and allotment of Warrants and the shares proposed to be allotted pursuant to the conversion thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolutions to any director or directors or to any committee of directors or any other officer or officers of the Company to give effect to the aforesaid resolution."

Item No. 2

"RESOLVED THAT pursuant to the provisions of Section 17 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of Registrar of Companies, NCT of Delhi & Haryana, Clause-III (A) "The Main Object Clause" of the Memorandum of Association of the Company be altered so as to add new Sub-Clause 10 after Sub-Clause 9, new Sub-Clause 10 of the Company is as follow:

10. To carry on the business of Long Term Finance or otherwise finance for Industrial or agricultural development, development of infrastructure facility, development of Housing in India or for constructions or purchase of residential houses/ residential projects in India.

RESOLVED FURTHER THAT any one of the Directors or Secretary of the Company be and is hereby authorized to undertake such acts, deed and matters, including but not limited to making requisite filings with the Registrar of Companies, that is required to give effect to the aforesaid change in main object clause in the Memorandum of Association of the Company."

The Chairman further stated that in accordance with the said Notice dated 27th April, 2012 the duly completed postal ballot forms were required to be returned by the shareholders so as to reach the Scrutinizer by no later than 2:00 P.M. on Sunday, 27th May, 2012, and that the Scrutinizer was required to submit his Report after completion of the scrutiny.



The Chairman remarked that the Scrutinizer, Mr. B. D. Tapriya, had accordingly, a little while earlier, submitted his Report dated 27th May, 2012. The Chairman had examined the Report and had noted *inter alia* that all postal ballot forms received up to 2:00 P.M. on 27th May, 2012, were scrutinised for ascertaining the result of the Postal Ballot. The Chairman then announced the following result of the Postal Ballot as per the Scrutinizer's Report:

Resolution No.	Description	(a) Total postal ballot forms received	(b) Less: Invalid postal ballot	(c) Net valid postal ballot forms	Votes in favour of the Resolution		Votes against the Resolution	
					Valid Votes in favour of Resolution	% of total valid votes in Favour	Valid Votes against the Resolutions	% of total valid votes Against
1	Special Resolution under Section 81(1A) of the Companies Act, 1956, the SEBI ICDR Regulations and provisions of the other applicable statutes if any, to the preferential issue of upto 2,07,00,000 Warrants convertible into an equivalent number of Equity shares of the Company, to certain Promoter group entities / Directors / Key management personnel, as set out in the notice.	268	10	258	178,967,343	99.97	54,133	0.03
2	Special Resolution under Section 17(1) of the Companies Act, 1956, for altering/amending the objects clause of the Memorandum of Association of the Company, by insertion of new clause 10 therein, in the Main Objects Clause of the Memorandum of Association of the Company, as described in the resolution at item no. 2.	268	10	258	179,021,365	99.99	111	0.001

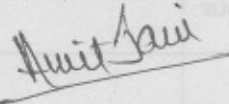
The Chairman thereafter declared that all Resolutions as set out in the Notice dated 27th April, 2012, had been duly approved by the requisite majority of the Shareholders.

Thereupon, the aforesaid result of the Postal Ballot was, as stated in the Notice dated 27th April, 2012, notified at the Registered Office of the Company.

Place: New Delhi
Date : June 05, 2012

Sd/-
CHAIRMAN

For Indiabulls Financial Services Limited


Amit Jain
Company Secretary

