

INDIABULLS FINANCIAL SERVICES LIMITED

Registered Office: F-60, Malhotra Building, 2nd Floor, Connaught Place, New Delhi - 110 001

NOTICE

Notice is hereby given that an Extraordinary General Meeting of the Members of Indiabulls Financial Services Limited (the "Company"), will be held on Thursday the 30th day of September, 2010 at 11.30 A.M. at Centaur Hotel, IGI Airport, Delhi-Gurgaon Road, New Delhi-110 037, to transact the following business:

Item no. 1:

To consider, and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT, pursuant to Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the Articles of Association of the Company, the Listing Agreements with stock exchanges, Securities and Exchange Board of India ("SEBI") (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("SEBI Guidelines"), as amended from time to time, the applicable guidelines and clarifications issued by the Reserve Bank of India ("RBI") and any other statutory/regulatory authorities, consent of the shareholders be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which expression shall also include a Committee thereof) to create, issue, offer and allot at any time or from time to time, directly or through a trust, to the Eligible Employees (which expression shall, unless repugnant to the context, mean and include the permanent employees of the Company and its subsidiaries, working in India or out of India, and the Directors of the Company and its subsidiaries, whether whole-time or not but shall not include the promoter directors or directors holding by themselves or through the relatives or any body corporate, 10% or more of the outstanding equity share capital of the Company), as may be decided solely by the Board, stock options not exceeding 3,00,00,000 in number, representing 3,00,00,000 equity shares of the Company, in one or more tranches and upon such terms and conditions as may be deemed appropriate by the Board, each option giving the right but not the obligation, to the holder, to purchase or subscribe for cash, 3,00,00,000 fully paid equity shares of Rs. 2/- each of the Company, in accordance with the terms of the IBFSL ESOP - 2010.

RESOLVED FURTHER THAT any equity shares to be issued and allotted by the Company in the manner aforesaid shall rank *pari passu* in all respects with the then existing equity shares of the Company and be listed with the Stock Exchanges, where the existing shares of the Company are listed.

RESOLVED FURTHER THAT the offer shall be in accordance with the terms and conditions with regard to price, payment, application, allotment, transfer etc. prescribed by the SEBI Guidelines and in accordance with any other guidelines, rules, regulations and laws to the extent applicable and subject also to the Memorandum and Articles of Association of the Company, provided that:

- a) The Board shall determine the eligibility criteria for the Eligible Employees under the IBFSL ESOP - 2010 based on evaluation of the employees/Directors on various parameters, such as length of service, grade, performance, technical knowledge, leadership qualities, merit, contribution, conduct, future potential etc. and such other factors as may be deemed appropriate by the Board.
- b) Such Eligible Employees, as may be decided by the Board, shall be granted stock option(s) under the IBFSL ESOP - 2010 ("Participants").
- c) The aggregate of all options granted to Eligible Employees under the IBFSL ESOP - 2010 will not exceed 3,00,00,000 paid-up equity shares of the Company.
- d) The Board shall determine the actual quantum of options to be granted under IBFSL ESOP - 2010 to each Participant within the aggregate limit of all such grants, being 3,00,00,000 paid-up equity shares of the Company.
- e) The date as decided by the Board for the grant of option(s) shall be the grant date.
- f) The terms of the IBFSL ESOP - 2010 *inter alia* are as under:
- (i) All Eligible Employees shall be eligible to participate under the Plan.

- (ii) Subject to specified performance and employment conditions, the options granted to the Eligible Employees shall vest within a period of 10 years from the date of grant, subject however that the first vesting of the options granted shall be one year from the date of grant.
- (iii) The exercise price will be the market price of the equity shares of the Company, being the latest available closing price, prior to the date of grant.
- (iv) The exercise period of the vested options shall be 60 months from the date of vesting or until the validity of the IBFSL ESOP - 2010, whichever is earlier, after which the unexercised options shall automatically lapse unless otherwise decided by the Board. The options shall be exercised in accordance with the process as may be specified in the IBFSL ESOP - 2010 and the Participants will have to pay the exercise price per share at the time of exercise of the option.
- (g) The Board is also empowered to make a fair and reasonable adjustment to the exercise price in case of rights issues, bonus issues and other corporate actions.
- (h) The Company shall comply with the disclosure and accounting policies prescribed by SEBI, including the accounting policies specified in Schedule I of SEBI Guidelines, and any other appropriate authority (ies), from time to time.
- (i) The Company shall use the intrinsic value method for valuation of its options.
- (j) As the Company presently calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on Earnings Per Share of the Company shall also be disclosed in the Directors' Report.

RESOLVED FURTHER THAT the Board be and is hereby authorized to vary, modify or alter any of the terms and conditions of the IBFSL ESOP - 2010, including those for the grant of options, issue of shares on exercise of options, exercise price for the purpose of the grant, vesting period, exercise period, subject to the SEBI Guidelines.

RESOLVED FURTHER THAT for giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds and things as it may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the grant of options, allotment of shares on exercise of options etc. and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions or sanctions which may be necessary or desirable, as they may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby further authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or to any Committee of directors or any other officer or officers of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate the holding of Securities for the benefit of the Eligible Employees and to manage the implementation of the IBFSL ESOP - 2010, to the Employees Welfare Trust ("EWT"), on such terms and conditions, and subject to such restrictions, as the Board may deem fit in its discretion.

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue or allotment or listing of securities, or to otherwise take necessary actions to procure securities under the IBFSL ESOP - 2010 through the EWT or to implement the IBFSL ESOP - 2010, the Board be and is hereby authorized on behalf of the Company to evolve, decide upon and bring in to effect and make any modifications, changes, variations, alterations or revisions in the said IBFSL ESOP - 2010 or to suspend, withdraw or revive the IBFSL ESOP - 2010 from time to time as per the discretion of the Board and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any issues, questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the shareholders of the Company."

Item no. 2:

To consider, and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT, pursuant to Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (**"the Act"**), (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the Articles of Association of the Company, the Listing Agreements with stock exchanges, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended from time to time, the applicable guidelines and clarifications issued by the Reserve Bank of India and any other statutory/regulatory authorities, consent of the shareholders be and is hereby accorded to the Board of Directors of the Company (which expression shall also include a Committee thereof) to create, issue, offer and allot at any time or from time to time, either directly or through a trust, such number of stock options, in one or more tranches, in accordance with the terms of the IBFSL ESOP – 2010 to Eligible Employees who are permanent employees of the subsidiaries of the Company, working in India or out of India, and the Directors of the subsidiaries of the Company, whether whole-time or not, but not including the promoter directors or directors holding by themselves or through the relatives or any body corporate, 10% or more of the outstanding equity of the Company."

Item no. 3:

To consider, and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT, pursuant to 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 Articles of Association of the Company, the Listing Agreements with stock exchanges, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**"SEBI Guidelines"**), as amended from time to time, the applicable guidelines and clarifications issued by the Reserve Bank of India and any other statutory/regulatory authorities, consent of the shareholders be and is hereby accorded to the Board of Directors of the Company (which expression shall also include a Committee thereof) to identify specific Eligible Employees and grant options, during any one year, equal to, or exceeding, 1% of the issued capital (excluding outstanding warrants and conversions) of the Company, subject to a maximum limit of aggregate shares per Eligible Employee as specified by the shareholders in accordance with the SEBI Guidelines, at the time of grant of option."

Item no. 4:

To consider, and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT, pursuant to 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 Articles of Association of the Company, the Listing Agreements with stock exchanges, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended from time to time, the applicable guidelines and clarifications issued by the Reserve Bank of India and any other statutory/regulatory authorities, consent of the shareholders be and is hereby accorded for amending the IBFSL-ICSL Employees Stock Option Plan – 2006, IBFSL-ICSL Employees Stock Option Plan II – 2006 and Employees Stock Option Plan 2008 (the **"Stock Option Schemes"**), earlier consented to / approved by the shareholders to empower the Board of Directors of the Company (which expression shall also include a Committee thereof) to entrust the holding of Securities for the benefit of the Eligible Employees and to manage the implementation of the Stock Option Schemes, by the Employees Welfare Trust, in accordance with the terms of the respective Stock Option Schemes."

Item no. 5:

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval/consent of such appropriate authorities including that of the Central Government and Reserve Bank of India, where necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company to invest upto Rs. 350 crores (Rupees Three Hundred Fifty Crores only) in any one or more of the following companies –

- (a) Indiabulls Holdings Limited
- (b) Indiabulls Venture Capital Management Company Limited
- (c) Indiabulls Venture Capital Trustee Company Limited

(d) Indiabulls Alternative Asset Management Private Limited

by way of purchase and / or subscription to any securities comprising of equity shares, convertible or non convertible preference shares and/or debentures in one or more tranches, from time to time, as per the discretion of the Board, notwithstanding that the aggregate of loans and investments so far made or to be made in and the guarantees or securities so far given or to be given to all bodies corporate may exceed the limits prescribed under the said Section 372A of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to negotiate the terms and conditions of the proposed investment on behalf of the Company and decide upon the proposed acquisition / investment as it deems fit and in the best interest of the Company and take all such steps as may be necessary to complete the above investments, to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required to be signed, on behalf of the Company, in connection with such investment and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

Item no. 6:

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof (the **"Companies Act"**), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (**"SEBI Regulations"**), the Foreign Exchange Management (Borrowing or Lending in Rupees) Regulations, 2000, including any amendment, modification, variation or re-enactment thereof and such other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued / to be issued thereon by the Government of India (GOI), the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI) and / or any other regulatory / statutory authorities, from time to time, to the extent applicable, the listing agreements entered into with the stock exchanges on which the debt instruments of the Company are listed and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to the consents and approvals of any regulatory / statutory authorities, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (the **"Board"**) which expression shall also include a Committee thereof) in its absolute discretion to borrow monies, within the existing borrowing limits of Rs. 35,000 Crores, in one or more tranches, on private placement basis, from time to time, by issue and / or allotment of Non-Convertible Debentures and / or bonds and / or any other debt instruments (**"Securities"**), permissible by Indian law from Foreign Institutional Investors (FIIs), Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, Development Financial Institutions, multilateral and bilateral financial institutions, bodies corporate, companies, private or public or other entities, authorities in one or more combinations thereof on such terms and conditions, including premium on redemption, security, rate of interest and tenor, as may be deemed appropriate by the Board subject to applicable law and where required, in consultation with the merchant banker(s) and / or other advisor(s), as the Board, may deem fit and appropriate.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final offer documents(s), determining the form and manner of the issue, including the number of Securities to be issued, the terms thereof, and the class of investors to whom the Securities are to be issued and allotted, issue price, face value, execution of various transaction documents, listing of Securities on the Wholesale Debt Market segment of the National Stock Exchange of India Limited and / or The Bombay Stock Exchange Limited, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**By Order of the Board
For Indiabulls Financial Services Limited**

**Sd/-
Amit Jain
Company Secretary**

Place: New Delhi
(2) Dated: August 31, 2010

Notes:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself. A proxy need not be a member of the Company. Proxies, in order to be effective, must be received by the Company at its registered office, not less than 48 hours before the meeting. A proxy so appointed shall not have any right to speak at the meeting. A body corporate being a member shall be deemed to be personally present at the meeting if represented in accordance with the provisions of Section 187 of the Companies Act, 1956. The representative so appointed, shall have the right to appoint a proxy.**
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to Special Business to be transacted at the Meeting, is annexed hereto.
3. Members holding shares in physical form are requested to promptly notify any change in their address to the Company's Registrar and Transfer Agent, M/s Karvy Computershare Private Limited, Plot Nos. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081. Members holding shares in dematerialized form are requested to notify the aforesaid changes to their depository.
4. Members attending the general meeting are requested to bring with them the following:
 - (a) Members holding shares in dematerialized form – the details of their DP & Client ID Numbers.
 - (b) Members holding shares in physical form - the details of their Folio Numbers.
 - (c) The Attendance Slip duly completed and signed in terms of specimen signature lodged with the Company.
 - (d) In case of Bodies Corporate, the authorized representative should bring with him / her, a certified copy of the relevant Board / Governing Body Resolution of the entity concerned. In the event such a person wants to appoint a proxy to represent himself / herself, the conditions as outlined above, as to proxy / deposition of the proxy with the Company, would apply. The proxy form in such a case should be accompanied by a copy of the relevant resolution.

The Company would accept only the Attendance Slip from a member actually attending the Meeting or from the duly appointed representative of a body corporate, attending the meeting on its behalf; or from the person attending as a proxy under a valid proxy form registered with the Company not less than 48 hours prior to the meeting. Attendance Slips of Members /valid proxies not personally present at the Meeting, or relating to Proxies which are invalid, will not be accepted from any other member / person.

EXPLANATORY STATEMENT

Pursuant to Section 173 (2) of the Companies Act, 1956.

Item No. 1, 2 and 3

In the present competitive economic environment in the country and in the long-term interests of the Company and its shareholders, it is necessary that the Company adopts suitable measures for attracting and retaining qualified, talented and competent personnel. With a view to motivating the employees of the Company and its subsidiaries by rewarding performance and retaining best talents, the Board of Directors has, at its meeting held on August 31, 2010, recommended and principally approved the launch of a new employee stock option Scheme titled as IBFSL ESOP - 2010, subject to the receipt of shareholders' approval in terms of the resolution set out at item no. 1 of the Notice, vis-a vis the employees of the Company and extending the benefits of the scheme favouring the employees of its subsidiary companies in terms of the resolution set out at item no. 2 of the Notice. IBFSL ESOP – 2010 has been designed with a view to foster a sense of ownership and belongingness amongst personnel.

Further, any grant / re-grant of stock options during any one year, under the said scheme, may exceed 1% of the issued capital of the Company at the time of grant of options, the approval of the shareholders by way of separate resolution, in terms of Securities and Exchange Board of India ("SEBI") (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("SEBI Guidelines"), is therefore being sought in terms of resolution set out at item no. 3 of the Notice.

IBFSL ESOP – 2010 has been formulated in accordance with the provisions of the Companies Act, 1956, (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the Articles of Association of the Company, the Listing Agreements with stock exchanges, SEBI Guidelines as amended from time to time, the applicable guidelines and clarifications issued by the Reserve Bank of India and any other statutory/regulatory authorities.

The main features of IBFSL ESOP – 2010 are as under:

1. Total number of options to be granted

Up to 3,00,00,000 equity options will be available for being granted to Eligible Employees (which expression shall, unless repugnant to the context, mean and include the permanent employees of the Company and its subsidiaries, working in India or out of India, and the Directors of the Company and its subsidiaries, whether whole-time or not but shall not include the promoter directors or directors holding by themselves or through the relatives or any body corporate, 10% or more of the outstanding equity of the Company).

Each option (after it is vested) will be exercisable for one equity share of face value Rs. 2/- each fully paid-up, on payment of the exercise price to the Company.

2. Identification of classes of employees entitled to participate in IBFSL ESOP - 2010

All Eligible Employees will be allowed to participate in IBFSL ESOP - 2010. Employees may be granted stock options based on the eligibility criteria determined by the Board.

3. Requirement of vesting and period of vesting

The Board shall decide the manner and period of vesting of options at the time of grant, with a minimum vesting period of 1 year.

4. Maximum period within which the options shall be vested

The maximum period of vesting shall be 10 years from the date of grant of option(s).

5. Exercise Price

The exercise price will be the market price of the equity shares of the Company, being the latest available closing price, prior to the date of grant.

6. Exercise Period and the process of Exercise

The exercise period shall be 60 months from the date of vesting, or until the validity of the IBFSL ESOP – 2010, whichever is earlier, within which the Options vested in any eligible employee have to be exercised after which the unexercised options shall automatically lapse unless otherwise decided by the Board.

The options shall be exercised in accordance with the process as may be specified in the IBFSL ESOP - 2010.

7. Appraisal Process for determining the eligibility of the employees to participate in IBFSL ESOP - 2010

The Board shall determine the eligibility criteria for the Eligible Employees under the IBFSL ESOP - 2010 based on evaluation of the employees/Directors on various parameters, such as length of service, grade, performance, technical knowledge, leadership qualities, merit, contribution, conduct, future potential etc. and such other factors as may be deemed appropriate by the Board.

8. Maximum number of options to be issued per employee and in aggregate

The aggregate of all options granted to Eligible Employees under the IBFSL ESOP – 2010 will not exceed 3,00,00,000 paid-up equity shares of the Company.

The Board shall determine the actual quantum of options to be granted under IBFSL ESOP – 2010 to each Participant within the aggregate limit of all such grants, being 3,00,00,000 paid-up equity shares of the Company.

9. Disclosure and Accounting Policies

The Company shall comply with the disclosure and accounting policies prescribed by SEBI, including the accounting policies specified in Clause 13 and Schedule I of the SEBI Guidelines, and any other appropriate authority (ies), from time to time.

10. Method of option valuation

To calculate the stock-based remuneration, the Company shall use the Intrinsic Value method for valuation of options granted. As the Company is using the intrinsic value method for valuation of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on Earnings Per Share of the Company shall also be disclosed in the Directors' Report.

11. Taxes / Levies

Liability of paying taxes as may be imposed / levied on the Options granted pursuant to IBFSL ESOP – 2010 shall be entirely on the option holder.

As the IBFSL ESOP – 2010 provides for issue of shares to be offered to persons, who may not be the existing shareholders of the Company, consent of the members is sought pursuant to Section 81(1A) and all other applicable provisions, if any, of the Act and as per Clause 6 of the SEBI Guidelines.

Therefore, the approval of shareholders to resolution set out at item no.(s) 1, 2 and 3 of this Notice, is sought by way of the Special Resolution.

None of the Directors are deemed to be concerned or interested in the resolutions, except to the extent of the securities that may be offered to them under the Scheme.

Item No. 4

In view of the administrative convenience and for implementation of the existing IBFSL-ICSL Employees Stock Option Plan – 2006, IBFSL-ICSL Employees Stock Option Plan II – 2006 and Employees Stock Option Plan 2008 in an independent manner which is beneficial to the employees, the Board of Directors of the Company has, at its meeting held on August 31, 2010, recommended and principally approved the managing of the implementation of these three existing ESOP Schemes by the Employees Welfare Trust (“EWT”) instead of the Board of Directors of the Company.

Therefore, the approval of shareholders to the resolution set out at item no. 4 of this Notice, is sought by way of this Special Resolution.

None of the Directors of the Company are deemed to be concerned or interested in the resolutions, except to the extent of the options granted to them or the securities that may be offered to them under the Scheme.

Item no. 5

To facilitate the growth of the subsidiaries of the Company, namely,

- (a) Indiabulls Holdings Limited
- (b) Indiabulls Venture Capital Management Company Limited
- (c) Indiabulls Venture Capital Trustee Company Limited
- (d) Indiabulls Alternative Asset Management Private Limited,

the Company may be required to provide direct and / or indirect financial assistance to any one or more of such companies by way of investment of funds which may in turn require to invest in any one or more of the Private Equity Funds and / or Hedge Funds and / or Alternate Investment Funds and / or Foreign Venture Funds and / or Venture Capital Funds and / or Investment Managers etc.

Since the proposed investment by the Company as aforesaid may exceed the limits laid down under Section 372A of the Companies Act, 1956, approval of the members by way of the Special Resolution, in the manner as set out at item no. 5, would be required.

The Board therefore recommends such resolution for the approval of the members.

None of the directors of the Company is in any way, concerned or interested in the said resolution.

Item no. 6

To enable the Company to borrow monies by way of issue of Non Convertible Debentures, Bonds or other debt instruments, on private placement basis, within the overall borrowing limits of Rs. 35,000 Crores, as earlier approved by the members of the Company through postal ballot, the results of which were declared on March 6, 2008, the approval of the members by way of Special Resolution, in the manner as set out at Item No. 6, would be required.

The Board therefore recommends such resolution for the approval of the members.

None of the directors of the Company is in any way, concerned or interested in the said resolution.

**By Order of the Board
For Indiabulls Financial Services Limited**

**Sd/-
Amit Jain
Company Secretary**

Place: New Delhi
Dated: August 31, 2010

Indiabulls

Indiabulls Financial Services Limited

INDIABULLS FINANCIAL SERVICES LIMITED

Registered Office: F-60, Malhotra Building, 2nd Floor, Connaught Place, New Delhi - 110 001

PROXY FORM

I/we _____ of _____ in the district of _____ being a member/ members of INDIABULLS FINANCIAL SERVICES LIMITED hereby appoint _____ of _____ in the district of _____ or falling him / her _____ of _____ in the district of _____ as my /our proxy to attend and vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company scheduled to be held on Thursday, September 30, 2010 at 11.30 A.M. at Centuar Hotel, IGI Airport, Delhi-Gurgaon Road, New Delhi – 110 037, or at any adjournment thereof.

Signed this _____ day of _____ 2010.

Affix
Re.1/-
Revenue
Stamp

Signed by said _____
Registered Folio No* _____ Client ID _____ DP ID _____
No of Shares _____

* Applicable for Members holding shares in Physical form.

Note : The Proxy form duly stamped and completed must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the aforesaid meeting.

Indiabulls

Indiabulls Financial Services Limited

INDIABULLS FINANCIAL SERVICES LIMITED

Registered Office: F-60, Malhotra Building, 2nd Floor, Connaught Place, New Delhi - 110 001

Folio No.:* _____

No. of Shares: _____

DP ID: _____

Client ID: _____

ATTENDANCE SLIP

Members or their proxies are requested to present this slip in accordance with the Specimen Signatures registered with the Company, at the entrance of the meeting Hall, for admission.

Name of the attending Member/Proxy _____
(in BLOCK LETTERS)

I hereby record my presence at the Extraordinary General Meeting of the Company held on Thursday, September 30, 2010 at 11.30 A.M. at Centuar Hotel, IGI Airport, Delhi-Gurgaon Road, New Delhi – 110 037

Member's Signatures

Proxy's Signatures

* Applicable for Members holding shares in Physical form.