



**INDIABULLS SECURITIES LIMITED**  
Registered Office: M – 62 & 63, First Floor,  
Connaught Place, New Delhi – 110 001

### NOTICE

Notice is hereby given that an Extraordinary General Meeting of the Members of Indiabulls Securities Limited (the “Company”), will be held on Wednesday the 20<sup>th</sup> day of November, 2013 at 10:00 A.M. at Centaur Hotel, IGI Airport, Delhi-Gurgaon Road, New Delhi-110037, 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**, subject to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and the applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force and hereinafter collectively referred as “Act”) 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 (the “**SEBI ICDR Regulations**”) as amended 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 59,87,203 (Fifty Nine Lacs Eighty Seven Thousand Two Hundred Three) Warrants of the Company, convertible into 59,87,203 (Fifty Nine Lacs Eighty Seven Thousand Two Hundred Three) Equity shares of Rs. 2/- (Rupees Two only) each at the option of the warrant-holder, to Mr. Sameer Gehlaut;
- b) up to 18,77,895 (Eighteen Lacs Seventy Seven Thousand Eight Hundred Ninety Five) Warrants of the Company, convertible into 18,77,895 (Eighteen Lacs Seventy Seven Thousand Eight Hundred Ninety Five) Equity shares of Rs. 2/- (Rupees Two only) each at the option of the warrant-holder, to Mr. Rajiv Rattan;
- c) up to 16,05,710 (Sixteen Lacs Five Thousand Seven Hundred Ten) Warrants of the Company, convertible into 16,05,710 (Sixteen Lacs Five Thousand Seven Hundred Ten) Equity shares of Rs. 2/- (Rupees Two only) each at the option of the warrant-holder, to Mr. Saurabh K. Mittal;
- d) up to 1,65,81,305 (One Crore Sixty Five Lacs Eighty One Thousand Three Hundred Five) Warrants of the Company, convertible into 1,65,81,305 (One Crore Sixty Five Lacs Eighty One Thousand Three Hundred Five) Equity shares of Rs. 2/- (Rupees Two only) each at the option of the warrant-holder, to Orthia Properties Private Limited;
- e) up to 1,17,01,671 (One Crore Seventeen Lacs One Thousand Six Hundred Seventy One) Warrants of the Company, convertible into 1,17,01,671 (One Crore Seventeen Lacs One Thousand Six Hundred Seventy One) Equity shares of Rs. 2/- (Rupees Two only) each at the option of the warrant-holder, to Orthia Constructions Private Limited;
- f) up to 88,70,997 (Eighty Eight Lacs Seventy Thousand Nine Hundred Ninety Seven) Warrants of the Company, convertible into 88,70,997 (Eighty Eight Lacs Seventy Thousand Nine Hundred Ninety Seven) Equity shares of Rs. 2/- (Rupees Two only) each at the option of the warrant-holder, to Inuus Constructions Private Limited;
- g) up to 75,85,219 (Seventy Five Lacs Eighty Five Thousand Two Hundred Nineteen) Warrants of the Company, convertible into 75,85,219 (Seventy Five Lacs Eighty Five Thousand Two Hundred Nineteen) Equity shares of Rs. 2/- (Rupees Two only) each at the option of the warrant-holder, to Hespera Constructions Private Limited; and
- h) up to 40,00,000 (Forty Lacs) Warrants of the Company, convertible into 40,00,000 (Forty Lacs) Equity shares of Rs. 2/- (Rupees Two only) each at the option of the warrant-holder, to Mr. Divyesh B. Shah,

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. 13 (Rupees Thirteen only) per Equity share (the “Warrant Price”).

**RESOLVED FURTHER THAT** the issue and allotment of the Warrants to the above referred entities (the "Allottees") 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 price for the issue of the above mentioned Warrants shall be October 21, 2013, which is 30 days prior to the date of Extraordinary General Meeting being convened for the purpose of seeking the approval of members to the proposed preferential issue.
- ii) the Allottees shall pay an upfront amount of 25% of the Warrant Price being Rs. 18,91,82,500 (Rupees Eighteen Crores Ninety One Lacs Eighty Two Thousand Five Hundred 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. 56,75,47,500 (Rupees Fifty Six Crores Seventy Five Lacs Forty Seven Thousand Five Hundred 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	No. of Warrants to be allotted	Upfront amount payable for the allotment of Warrants (Rs.)
Mr. Sameer Gehlaut	59,87,203	1,94,58,410
Mr. Rajiv Rattan	18,77,895	61,03,159
Mr. Saurabh K. Mittal	16,05,710	52,18,558
Orthia Properties Private Limited	1,65,81,305	5,38,89,241
Orthia Constructions Private Limited	1,17,01,671	3,80,30,431
Inuus Constructions Private Limited	88,70,997	2,88,30,740
Hespera Constructions Private Limited	75,85,219	2,46,51,961
Mr. Divyesh B. Shah	40,00,000	1,30,00,000
<b>Total</b>	<b>5,82,10,000</b>	<b>18,91,82,500</b>

- 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; and
- iv) 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 Allottees as aforesaid, be issued in favour of Allottees upon: (a) receipt of the balance 75% of the conversion price aggregating to Rs. 56,75,47,500 (Rupees Fifty Six Crores Seventy Five Lacs Forty Seven Thousand Five Hundred only), from such Allottees, as per the details mentioned below, within the stipulated time of 18 months from the date of allotment of Warrants; and (b) surrender/extinguishment 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 Equity shares to be allotted upon conversion
Mr. Sameer Gehlaut	5,83,75,229	59,87,203
Mr. Rajiv Rattan	1,83,09,476	18,77,895
Mr. Saurabh K. Mittal	1,56,55,672	16,05,710
Orthia Properties Private Limited	16,16,67,724	1,65,81,305
Orthia Constructions Private Limited	11,40,91,292	1,17,01,671
Inuus Constructions Private Limited	8,64,92,221	88,70,997
Hespera Constructions Private Limited	7,39,55,886	75,85,219
Mr. Divyesh B. Shah	3,90,00,000	40,00,000
<b>Total</b>	<b>56,75,47,500</b>	<b>5,82,10,000</b>

- 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 (BSE) 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; and
- 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 Act 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 to do all such acts, matters, deeds and things and to take all such steps 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 thereof.

**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.”

By Order of the Board  
For Indiabulls Securities Limited

Sd/-

R. K. Agarwal  
Company Secretary

Place: New Delhi  
Dated: October 21, 2013

**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 113 of the Companies Act, 2013. The representative so appointed, shall have the right to appoint a proxy.**
2. **Statement to be annexed to notice pursuant to Section 102(1) of the Companies Act, 2013 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 / bank account details 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 participants.
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.

## STATEMENT TO BE ANNEXED TO NOTICE

Pursuant to Section 102(1) of the Companies Act, 2013

### Item No. 1

The growing business of your Company ("IBSL") and its subsidiaries would require infusion of additional funds. In view of the same, in the best interest of the Company, it is considered appropriate that more capital be infused in the Company from within instead of relying upon external sources.

Your Company thinks that one way of achieving this would be through the preferential allotment of Warrants convertible into Equity shares, to the Promoters, Promoter group entities and one of its director.

This is seen as one of the options to augment the net worth of your Company's business and capital required for business growth and it has therefore been considered prudent to raise further capital by way of a preferential allotment of an aggregate of 5,82,10,000 (Five Crores Eighty Two Lacs Ten Thousand) fully convertible Warrants (the "Warrants") to Mr. Sameer Gehlaut, Mr. Rajiv Rattan, Mr. Saurabh K. Mittal, promoters of the Company, alongwith the entities promoted by them, namely, Orthia Properties Private Limited, Orthia Constructions Private Limited, Inuus Constructions Private Limited, Hespera Constructions Private Limited and to Mr. Divyesh B. Shah, Whole time Director & CEO of the Company ("Allottees"), which upon conversion, would entitle them to acquire an equivalent number of Equity shares of the Company of face value Rs. 2/- (Rupees Two only) each at a conversion price of Rs. 13 (Rupees Thirteen only) per share.

The Board believes that the proposed preferential allotment would allow the Company to raise additional capital as against the alternative of raising additional capital by way of debt financing, which would entail significant interest costs.

Accordingly, it is proposed to offer to the Promoters, Promoter group entities & executive director, 5,82,10,000 (Five Crores Eighty Two Lacs Ten Thousand) fully convertible Warrants, each of which would, entitle them to acquire an equivalent number of Equity shares of face value Rs. 2/- each at a conversion price of Rs. 13 (Rupees Thirteen only) per Equity share as determined in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the "SEBI ICDR Regulations").

The proposed issue and allotment of the Warrants will be governed by the provisions of the SEBI ICDR Regulations.

### Disclosures in terms of Regulation 73 of the SEBI ICDR Regulations:

#### (i) The objects of the issue:

The proceeds will be utilized for any one or in combination of the following purposes:

To augment the networth and the capital base of the Company required for its business growth and/or its subsidiaries; to meet the long term working capital requirement of the Company and/or its subsidiaries; to repay/reduce borrowings of the Company and/or its subsidiaries; to upgrade its systems and technologies; to form and capitalize new subsidiaries for new lines of business; general corporate purposes, including temporarily deploying in the short term money market instruments, like debt scheme of the mutual funds etc.

#### (ii) The intention of the promoters/directors/key management persons to subscribe to the offer:

The promoters, promoter group entities and Mr. Divyesh B. Shah, Executive Director designated as Chief Executive Officer shall be subscribing to the proposed preferential issue.

#### (iii) Shareholding pattern of the Company before and after the proposed issue of Warrants pursuant to the resolution:

(a) Pre-Issue Shareholding Pattern (as on October 18, 2013, being the latest practicable date on which shareholder data was available prior to the approval and issuance of the notice to shareholders)

Shareholder Category	No. of Shares	% holding
Promoter and Promoter Group Entities	10,15,20,425	43.93
Banks / Mutual Funds	1,95,332	0.08
FII's	17,05,690	0.74
NRI's	30,23,362	1.31
GDR's (shares underlying)	66,077	0.03
Resident Bodies Corporate	2,37,80,223	10.29
Indian Public	9,99,49,884	43.24
Others (Clearing Members)	8,71,518	0.38
<b>Total</b>	<b>23,11,12,511</b>	<b>100.00</b>

**(b) Post-Issue Shareholding Pattern\***

Shareholder Category	No. of Shares	% holding
Promoter and Promoter Group Entities	15,57,30,425	53.83
Banks / Mutual Funds	1,95,332	0.07
FII's	17,05,690	0.59
NRIs	30,23,362	1.04
GDR's (shares underlying)	66,077	0.02
Resident Bodies Corporate	2,37,80,223	8.22
Indian Public	10,39,49,884	35.93
Others (Clearing Members)	8,71,518	0.30
<b>Total</b>	<b>28,93,22,511</b>	<b>100.00</b>

\* This table shows the shareholding of the Allottees upon conversion of the Warrants, and assumes that holdings of all other categories of shareholders shall remain the same post issue, as they were on date of pre-issue shareholding pattern.

**(iv) Proposed time within which allotment will be completed:**

As required under the SEBI ICDR Regulations, the allotment as aforesaid is proposed to be made within 15 (fifteen) days from the date of approval of this resolution in the aforesaid extraordinary general meeting, provided that where the allotment on preferential basis is pending on account of non-receipt of any approval for such allotment by any regulatory authority, the allotment shall be completed within 15 days from the date of receipt of such approval.

**(v) Identity of the proposed allottees\* and the percentage of post-preferential issued capital that may be held by the said Allottees:**

S.No.	Identity of proposed Allottees	Holding (Pre-Preferential issue and conversion of warrants)	No. of convertible warrants to be allotted	Holding (Post-Preferential issue and conversion of warrants) on expanded capital of the Company	
		No. of shares		No. of shares	% age
<b>(a) Promoters/Promoters Group Entities</b>					
1	Mr. Sameer Gehlaut, promoter of the Company	3,41,71,089	59,87,203	4,01,58,292	13.88
2	Mr. Rajiv Rattan, promoter of the Company	1,73,30,253	18,77,895	1,92,08,148	6.64
3	Mr. Saurabh K. Mittal, promoter of the Company	1,72,12,083	16,05,710	1,88,17,793	6.50
4	Orthia Properties Private Limited, a company promoted by the promoter of IBSL, is a company incorporated under the Companies Act, 1956 having its registered office at M- 62 & 63, First Floor, Connaught Place, New Delhi- 110001	2,34,00,000	1,65,81,305	3,99,81,305	13.82
5	Orthia Constructions Private Limited, a company promoted by the promoter of IBSL, is a company incorporated under the Companies Act, 1956 having its registered office at M- 62 & 63, First Floor, Connaught Place, New Delhi- 110001	Nil	1,17,01,671	1,17,01,671	4.04
6	Inuus Constructions Private Limited, a company promoted by the promoter of IBSL, is a company incorporated under the Companies Act, 1956 having its registered office at 60, 2nd Floor, Vasant Marg, Vasant Vihar, New Delhi- 110057	27,99,466	88,70,997	1,16,70,463	4.03

S.No.	Identity of proposed Allottees	Holding (Pre-Preferential issue and conversion of warrants)	No. of convertible warrants to be allotted	Holding (Post-Preferential issue and conversion of warrants) on expanded capital of the Company	
		No. of shares		No. of shares	% age
7	Hespera Constructions Private Limited, a company promoted by the promoter of IBSL, is a company incorporated under the Companies Act, 1956 having its registered office at M- 62 & 63, First Floor, Connaught Place, New Delhi- 110001	Nil	75,85,219	75,85,219	2.62

**(b) Directors/KMP**

1	Mr. Divyesh B. Shah, Whole time Director & CEO of the Company	7,69,000	40,00,000	47,69,000	1.65
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\* Note: (a) Allottees mentioned at serial no. 4 & 5 above are the entities promoted by Mr. Sameer Gehlaut, promoter of IBSL (b) Allottee mentioned at serial no. 6 above is the entity promoted by Mr. Rajiv Rattan, promoter of IBSL (c) Allottee mentioned at serial no. 7 above is the entity promoted by Mr. Saurabh K. Mittal, promoter of IBSL. Mr. Sameer Gehlaut, Mr. Rajiv Rattan and Mr. Saurabh K. Mittal are the ultimate beneficial owners of their respective entities to whom the warrants/shares are proposed to be issued and allotted.

Consequent to the aforesaid preferential issue, there would be no change in the control or management of the Company.

**(vi) Requirement as to recomputation of price**

As the shares of the Company have been listed on the stock exchanges since April 2, 2008, the price of the Warrants has been determined in terms of sub-regulation (1) of Regulation 76 of the SEBI ICDR Regulations. Hence, the price need not be re-computed.

The Board of Directors of the Company has already approved the issue and allotment of Warrants convertible into Equity shares of the Company on a preferential basis to the Allottees.

However in terms of Section 81(1A) of the Companies Act, 1956 read with the SEBI ICDR Regulations and other applicable laws, the preferential allotment of Warrants convertible into Equity shares of the Company, would require approval of its shareholders by way of a special resolution. The Board of Directors, therefore, seeks the consent of the shareholders to the resolution set out in the notice, by way of a Special Resolution.

A copy of the certificate from M/s Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of the Company, certifying that the above preferential issue is in accordance with the SEBI ICDR Regulations, and the Memorandum and Articles of Association of the Company shall be placed before the shareholders at the meeting and will be open for inspection at the registered office of the Company during working hours between 9.30 a.m. and 6:30 p.m., except on holidays.

The Board recommends the said resolution set out at Item No. 1 for the approval of the members as a Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives except Mr. Sameer Gehlaut, Mr. Rajiv Rattan and Mr. Saurabh K. Mittal, promoters and Mr. Divyesh B. Shah, Whole-time Director designated as Chief Executive Officer, are deemed to be concerned or interested in the resolution.

By Order of the Board  
**For Indiabulls Securities Limited**

Sd/-

**R. K. Agarwal**  
Company Secretary

Place: New Delhi  
Dated: October 21, 2013



**INDIABULLS SECURITIES LIMITED**

Registered Office: M – 62 & 63, First Floor, Connaught Place, New Delhi – 110 001

**PROXY FORM**

I/we \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a member/ members of INDIABULLS SECURITIES LIMITED hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ or failing him / her \_\_\_\_\_ 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 Wednesday, 20<sup>th</sup> day of November, 2013 at 10:00 A.M. at Centaur Hotel, IGI Airport, Delhi-Gurgaon Road, New Delhi – 110 037, or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

Signed by said \_\_\_\_\_

Registered Folio No\* \_\_\_\_\_ Client ID \_\_\_\_\_

DP ID \_\_\_\_\_ No. of Shares \_\_\_\_\_

Affix Re 1/-  
Revenue  
Stamp

\* 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 SECURITIES LIMITED**

Registered Office: M – 62 & 63, First Floor, Connaught Place, New Delhi – 110 001

**ATTENDANCE SLIP**

Folio No.\*

No. of Shares

Client ID

DP ID

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 Wednesday, 20<sup>th</sup> day of November, 2013 at 10:00 A.M. at Centaur Hotel, IGI Airport, Delhi Gurgaon Road, New Delhi – 110 037.

Member's Signature \_\_\_\_\_

Proxy's Signature \_\_\_\_\_

\* Applicable for Members holding shares in Physical form.