

CIRCULAR DATED 10 SEPTEMBER 2009

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Approval in-principle has been obtained from the SGX-ST for the listing and quotation of the new units in Indiabulls Properties Investment Trust (“**IPIT**”) to be issued for the purpose of the Rights Issue (as defined herein) (the “**Rights Units**”) on the Main Board of the SGX-ST. The SGX-ST’s in-principle approval is not an indication of the merits of IPIT, the Rights Issue or the Rights Units.

If you have sold or transferred all your units in IPIT (“**Units**”), you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form in this Circular, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular is not for distribution, directly or indirectly, in or into the United States (“**U.S.**”). It is not an offer of securities for sale into the U.S. The “nil-paid” rights and the Rights Units have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or under any securities laws of any state or other jurisdiction of the U.S., and the Rights Units may not be offered, sold, resold, granted, delivered, allotted, taken up, transferred or renounced, directly or indirectly within the U.S. except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or jurisdiction of the U.S. There will be no public offer of securities in the U.S.

Indiabulls

PROPERTIES INVESTMENT TRUST

(A business trust constituted on 7 May 2008 under the laws of the Republic of Singapore)
(Registration Number: 2008001)

MANAGED BY

INDIABULLS PROPERTY MANAGEMENT TRUSTEE PTE. LTD.

An indirect wholly-owned subsidiary of Indiabulls Real Estate Limited (“**IBREL**”)

CIRCULAR TO UNITHOLDERS

IN RELATION TO:

- (1) **THE PROPOSED UNDERWRITTEN RENOUNCEABLE RIGHTS ISSUE;**
- (2) **THE PROPOSED WHITEWASH RESOLUTION; AND**
- (3) **THE PROPOSED EXPANSION OF PRINCIPAL OBJECTIVES OF IPIT.**

Sole Lead Manager and Underwriter for the Rights Issue

Morgan Stanley

Independent Financial Adviser to the
Independent Directors of Indiabulls Property Management Trustee Pte. Ltd.

Deloitte.

IMPORTANT DATES AND TIMES FOR UNITHOLDERS

Last date and time for lodgement of Proxy Forms	:	27 September 2009 at 4.00 p.m.
Date and time of Extraordinary General Meeting	:	29 September 2009 at 4.00 p.m.
Place of Extraordinary General Meeting	:	Conference Hall GHJ Level 1 1 Expo Drive #01-01 Singapore 486150

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CORPORATE INFORMATION

Directors of Indiabulls Property Management Trustee Pte. Ltd. (the trustee-manager of IPIT (the “Trustee-Manager”))	:	Mr Chatri Trisiripisal (Chairman & Independent Director) Mr Loo Yau Soon (Independent Director) Mr Kalpesh Kapadia (Independent Director) Mr Sameer Gehlaut (Non-Executive Director) Mr Rajiv Rattan (Non-Executive Director)
Registered Office of the Trustee-Manager	:	36 Robinson Road #17-01 City House Singapore 068877
Legal Adviser for the Rights Issue and to the Trustee-Manager	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
Underwriter and Lead Manager for the Rights Issue (the “Sole Lead Manager and Underwriter”)	:	Morgan Stanley Asia (Singapore) Pte. #16-01 Capital Square 23 Church Street Singapore 049481
Legal Adviser to the Sole Lead Manager and Underwriter as to Singapore and U.S. Federal Law	:	Allen & Overy LLP 24 Raffles Place #22-00 Clifford Centre Singapore 048621
Unit Registrar and Unit Transfer Office	:	Boardroom Corporate & Advisory Services Pte. Ltd. 3 Church Street #08-01 Samsung Hub Singapore 049483
Independent Financial Adviser to the Independent Directors of the Trustee-Manager (the “IFA”)	:	Deloitte & Touche Corporate Finance Pte Ltd 6 Shenton Way #32-00, DBS Building Tower Two Singapore 068809

SUMMARY

The following summary is qualified in its entirety by, and should be read in conjunction with, the full text of this Circular. Meanings of defined terms may be found in the Glossary on pages 46 to 55 of this Circular.

OVERVIEW

IPIT is a Singapore-based business trust registered by the Monetary Authority of Singapore (“**MAS**”) and its asset portfolio comprises two prime commercial development properties, One Indiabulls Centre and Indiabulls Finance Centre (formerly known as Elphinstone Mills) (collectively, the “**Properties**”), located in the upcoming business district of Lower Parel, Mumbai, India.

It should be noted that currently, other than the completion of certain works that are typically done to facilitate, or in parallel with, the fit-out works being performed by tenants at the Properties, and subject to any further announcements by the Trustee-Manager, construction work at the Properties has been suspended since December 2008 in light of the poor economic conditions and low visibility of global economic developments as well as the severe economic pressure on the Mumbai property market, while the Trustee-Manager monitors the take-up rate of the existing leasable space available at the completed sections of the Properties. Any decision to resume construction is ultimately subject to market conditions, and there is no assurance regarding when construction work is expected to resume. The Trustee-Manager will make the relevant announcement once construction work resumes.

SUMMARY OF APPROVALS SOUGHT

The Trustee-Manager seeks approvals from unitholders of IPIT (“**Unitholders**”) for the resolutions stated below:

- (1) Resolution 1: The Proposed Underwritten Renounceable Rights Issue (Ordinary Resolution) (Conditional upon Resolution 2);**
- (2) Resolution 2: The Proposed Whitewash Resolution (Ordinary Resolution); and**
- (3) Resolution 3: The Proposed Expansion of Principal Objectives of IPIT (Extraordinary Resolution).**

RESOLUTION 1: THE PROPOSED UNDERWRITTEN RENOUNCEABLE RIGHTS ISSUE

Overview of the Underwritten Renounceable Rights Issue

The proposed issue of approximately 1.25 billion Rights Units is made on a renounceable and underwritten basis to Eligible Unitholders (as defined herein) (the “**Rights Issue**”) on a basis of 53 Rights Units for every 100 existing Units (“**Existing Units**”, and the basis of the Rights Issue, the “**Rights Ratio**”) held as at 6 October 2009 at 5.00 p.m. (the “**Rights Issue Books Closure Date**”), at an issue price of S\$0.16 per Rights Unit (the “**Rights Issue Price**”), fractional entitlements to be disregarded.

The Rights Issue will raise gross proceeds of approximately S\$200.1 million, of which:

- (i) approximately S\$193.0 million¹ (which is equivalent to approximately 96.5% of the gross proceeds of the Rights Issue) will be used to repay and/or prepay any of the borrowings of IPIT existing at the relevant time of repayment and/or prepayment, as may be determined by the Trustee-Manager at its sole discretion, taking into consideration the economic environment, the terms of the various lenders (including interest rates) at the relevant time and the best interest of IPIT; and
- (ii) up to approximately S\$7.1 million (which is equivalent to approximately 3.5% of the gross proceeds of the Rights Issue) will be used to pay for the underwriting and selling commissions, the Management Fee, the Incentive Fee each as defined herein (if any) as well as the other fees and expenses (including the fee payable to the IFA) and professional fees and expenses incurred in connection with the Rights Issue. The remainder, if any, will be used for general corporate and working capital purposes.

Pending deployment, the net proceeds from the Rights Issue may be deposited with banks and/or financial institutions, or used for any other purpose on a short-term basis as the Trustee-Manager may, in its absolute discretion, deem fit.

The Rights Issue Price represents a discount of approximately 48.4% to the closing price of S\$0.310 per Unit on 9 September 2009 (the “**Closing Price**”), being the last trading day of the Units prior to the announcement of the Rights Issue.

The Rights Issue Price also represents a discount of approximately 38.0% to the theoretical ex-rights price (“**TERP**”) of approximately S\$0.258 per Unit. The TERP is calculated as follows:

$$\text{TERP} = \frac{\text{Market capitalisation of IPIT}^2 + \text{Gross proceeds from the Rights Issue}}{\text{Units outstanding after the Rights Issue}}$$

Underwriting of the Rights Issue

The Rights Issue is underwritten by the Sole Lead Manager and Underwriter on the terms and subject to the conditions of an underwriting agreement entered into between the Trustee-Manager and the Sole Lead Manager and Underwriter on 9 September 2009 (the “**Underwriting Agreement**”). The Sole Lead Manager and Underwriter will be entitled to a commission of:

- (i) 1.75% of the Rights Issue Price multiplied by:
 - (a) the number of Proportionate Rights Units (as defined herein) (which is equivalent to approximately S\$1.2 million); and
 - (b) the number of Ariston Units (as defined herein) (which is equivalent to approximately S\$0.4 million);
- (ii) 2.25% of the Rights Issue Price multiplied by the number of Commitment Rights Units (as defined herein) less the Ariston Units (which is equivalent to approximately S\$2.0 million); and

1 The amount of approximately S\$193.0 million includes the principal amount of the borrowings of IPIT, interest accrued until the date of such prepayment and/or repayment and any bank charges associated with any repayment and/or prepayment. However, this is only an estimate as the exact amount will be a function of the exact date on which borrowing is prepaid and/or repaid and also a function of the exact interest accrued until the relevant repayment and/or prepayment date, any associated charges that may be required to be paid in relation to the repayment and/or prepayment of the relevant facilities as well as the currency exchange rates at the relevant time.

2 Based on the Closing Price.

- (iii) 2.50% of the Rights Issue Price multiplied by the total number of Rights Units less the Proportionate Rights Units and the Commitment Rights Units (the “**Remaining Rights Units**”) (which is equivalent to approximately S\$0.5 million),

together with any goods and services tax payable thereon (collectively, the “**Underwriting Commission**”).

A management fee of 0.25% of the Rights Issue Price multiplied by the total number of Rights Units (which is equivalent to approximately S\$0.5 million) (the “**Management Fee**”) is payable by the Trustee-Manager to the Sole Lead Manager and Underwriter, together with any goods and services tax payable thereon.

Additionally, an incentive fee of up to 0.25% of the Rights Issue Price multiplied by the total number of Rights Units (which is equivalent to approximately S\$0.5 million) (the “**Incentive Fee**”), is payable by the Trustee-Manager to the Sole Lead Manager and Underwriter, together with any goods and services tax payable thereon, at the Trustee-Manager’s discretion depending on its assessment of the overall performance of the Sole Lead Manager and Underwriter in managing the Rights Issue and the outcome of the Rights Issue.

Commitment of Grapene

To demonstrate its support for IPIT and the Rights Issue, Grapene Limited (formerly known as Mixtel Co. Ltd) (“**Grapene**”) ¹, which owns 802,129,583 Units representing approximately 34.0% of the voting rights of IPIT as at 4 September 2009 being the latest practicable date prior to the issue of this Circular (the “**Latest Practicable Date**”):

- (i) provided an irrevocable undertaking to the Trustee-Manager² and the Sole Lead Manager and Underwriter (the “**Grapene Undertaking**”) on 9 September 2009, that it will take up its pro rata entitlement of 425,128,679 Rights Units, representing 34.0% of the total number of Rights Units in proportion to its unitholdings as at the date of the Grapene Undertaking (the “**Proportionate Rights Units**”), subject to the passing of the Whitewash Resolution; and
- (ii) entered into a standby commitment agreement (the “**Standby Commitment Agreement**”) with the Sole Lead Manager and Underwriter on 9 September 2009, pursuant to which it will subscribe for up to 700,419,892 Rights Units representing 90.0% of the total number of Rights Units (to the extent that they are not validly subscribed for under the Rights Issue) less the number of Proportionate Rights Units (“**Commitment Rights Units**”), subject to the passing of the Whitewash Resolution.

In relation to Grapene’s obligation to subscribe for Rights Units under the Grapene Undertaking and the Standby Commitment Agreement, Grapene is entitled to either subscribe for the Rights Units itself and/or procure Ariston Investments Limited (“**Ariston**”) ^{1, 3} and/or any of their respective associates (including Indiabulls Property Management Trustee Pte. Ltd.), existing subsidiaries and/or new subsidiaries set up by Grapene and/or Ariston to hold any of the Rights Units (collectively, the “**Subscribing Entities**”) to subscribe for the Rights Units.

Under the Standby Commitment Agreement, the Sole Lead Manager and Underwriter agrees that prior to allotting to Grapene any unsubscribed Rights Units under the Rights Issue, the Sole Lead Manager and Underwriter will first subscribe, or procure subscribers for, 10.0% of the total number of Rights Units less the Rights Units which are subscribed by Public Investors. For the purpose of the Standby

1 Each of Grapene, Ariston and the Trustee-Manager are indirect wholly-owned subsidiaries of IBREL.

2 The Trustee-Manager holds 3,086,058 Units representing approximately 0.1% of the voting rights of IPIT.

3 Ariston holds 259,498,242 Units representing approximately 11.0% of the voting rights of IPIT.

Commitment Agreement, the term “Public Investors” shall refer to all subscribers of the Rights Units, other than (i) the directors and the chief executive officer of the Trustee-Manager, (ii) the Trustee-Manager, (iii) any of the Subscribing Entities and (iv) FIM Ltd¹. and its related corporations, associates, affiliates and nominees².

Waiver of the Singapore Code of Take-overs and Mergers

The Securities Industry Council (the “**SIC**”) has granted a waiver (the “**SIC Waiver**”) of the requirement by Grapene and parties acting in concert with Grapene to make a mandatory offer (“**Mandatory Offer**”) for the remaining Units not owned or controlled by Grapene and parties acting in concert with Grapene, in the event that they incur an obligation to make a mandatory offer pursuant to Rule 14 of the Singapore Code of Take-overs and Mergers (the “**Code**”) as a result of the Subscribing Entities taking up provisional allotments of Rights Units allotted and issued to them and, if applicable, through (i) subscribing for the Commitment Rights Units pursuant to the Standby Commitment Agreement, (ii) applying for any Excess Rights Units (as defined herein) under the Rights Issue (the “**Grapene Excess Application**”) and the Excess Rights Units applied for under the Grapene Excess Application, the “**Grapene Excess Rights Units**”) and/or (iii) acquiring any Grapene Nil-Paid Rights (as defined herein) under the Rights Issue, subject to the satisfaction of the conditions specified in the SIC Waiver (as set out in paragraph 4.2 of the Letter to Unitholders) including the approval of the Whitewash Resolution by Independent Unitholders (as defined herein) at a general meeting of Unitholders (Resolution 2).

Assuming that all Unitholders (including the Subscribing Entities) accept their provisional allotments under the Rights Issue in full, the unitholdings of the Subscribing Entities immediately after the completion of the Rights Issue and upon the acceptance of all of their provisional allotments under the Rights Issue (being 564,298,358 Rights Units) will remain unchanged at approximately 45.1%.

In the scenario where the Subscribing Entities subscribe for not only their provisional allotments but also subscribe for all the Commitment Rights Units pursuant to the Standby Commitment Agreement (being an aggregate of 1,125,548,571 Rights Units) and assuming that the Subscribing Entities do not apply for any Excess Rights Units and/or acquire any Grapene Nil-Paid Rights under the Rights Issue, the aggregated unitholding of the Subscribing Entities immediately after the completion of the Rights Issue and upon the subscription for all of the Rights Units will be approximately 60.7%.

The maximum possible increase in the unitholdings of the Subscribing Entities would occur in the scenario where the Subscribing Entities (i) subscribe for their provisional allotments of Rights Units, (ii) subscribe for all of the Commitment Rights Units pursuant to the Standby Commitment Agreement and (iii) apply for and receive such maximum number of Excess Rights Units and/or acquire any Grapene Nil-Paid Rights Units under the Rights Issue, without breaching the “public” float requirement set out in Rule 723 of the Listing Manual, being an aggregate of 1,175,067,693³ Rights Units. In this case, the aggregated unitholding of the Subscribing Entities immediately after the completion of the Rights Issue will be approximately 62.0%.

1 FIM Ltd. is not related to any of Grapene, Ariston or IBREL.

2 Grapene and the Sole Lead Manager and Underwriter are proposing this arrangement to avoid any risk of breaching Rule 723 of the Listing Manual, which requires the Trustee-Manager to ensure that at least 10.0% of the total number of issued Units are at all times held by the “public”. The reference to “Public Investors” here is intended to generally reflect the definition of “public” as set out in the “Definitions and Interpretation” section of the Listing Manual. FIM Ltd. and its affiliates hold an aggregate of 1,009,443,544 Units, representing approximately 42.8% of the total Units in issue as at the Latest Practicable Date. Accordingly, FIM Ltd. is a “controlling” Unitholder and is not considered a “public” Unitholder as defined in the Listing Manual. Therefore, the unitholdings FIM Ltd. and its related corporations, associates, affiliates and nominees will not be included in the determination of the number of Units held by the “public” as defined in the “Definitions and Interpretation” section of the Listing Manual.

3 Assumes that there is no change to the number of Units currently held by FIM Ltd. and its affiliates (being 1,009,443,544 Units), *i.e.* FIM Ltd. (and its affiliates), as the only other Substantial Unitholder, does not divest any portion of its existing stake and does not take up any part of its entitlement in the Rights Issue.

RESOLUTION 2: THE PROPOSED WHITEWASH RESOLUTION

The Trustee-Manager proposes to seek approval from Unitholders other than Grapene, parties acting in concert with Grapene and parties which are not independent of Grapene (the “**Independent Unitholders**”) for a waiver of their right to receive a mandatory offer from Grapene and parties acting in concert with Grapene for the remaining issued Units not owned or controlled by Grapene and parties acting in concert with Grapene, in the event that they incur an obligation to make a Mandatory Offer as a result of the Subscribing Entities taking up provisional allotments of Rights Units allotted and issued to them and, if applicable, through (i) subscribing for the Commitment Rights Units pursuant to the Standby Commitment Agreement, (ii) applying for the Grapene Excess Rights Units under the Rights Issue and/or (iii) acquiring any Grapene Nil-Paid Rights under the Rights Issue.

Rule 14.1(b) of the Code states that Grapene and parties acting in concert with Grapene, being persons with aggregate unitholding of not less than 30.0% but not more than 50.0%, would be required to make a Mandatory Offer if the Subscribing Entities acquire additional Units which increases their aggregate unitholdings in IPIT by 1.0% or more in any period of six months.

Unless waived by the SIC, pursuant to Rule 14.1(b) of the Code, Grapene and parties acting in concert with Grapene would then be required to make a Mandatory Offer. The SIC has granted this waiver subject to the satisfaction of the conditions specified in the SIC Waiver (as set out in paragraph 4.2 of the Letter to Unitholders) including the Whitewash Resolution being approved by Independent Unitholders at the extraordinary general meeting of Unitholders to be held on 29 September 2009 at 4.00 p.m. (the “**EGM**”).

Independent Unitholders should note that by voting for the Whitewash Resolution, they are waiving their rights to receive a Mandatory Offer from Grapene and parties acting in concert with Grapene at the highest price paid or agreed to be paid by Grapene and parties acting in concert with Grapene for Units in the past six months preceding the taking up by the Subscribing Entities of provisional allotments of Rights Units allotted and issued to them, the subscription of Commitment Rights Units pursuant to the Standby Commitment Agreement, the subscription by the Subscribing Entities of the Grapene Excess Rights Units and/or acquisition of Grapene Nil-Paid Rights, resulting in an obligation to make a Mandatory Offer¹.

Independent Unitholders should further note that in the event that:

- (i) the Subscribing Entities subscribe for not only their provisional allotments but also subscribe for all the Commitment Rights Units pursuant to the Standby Commitment Agreement and assuming that the Subscribing Entities do not apply for any Excess Rights Units and/or acquire any Grapene Nil-Paid Rights under the Rights Issue, the aggregated unitholding of the Subscribing Entities immediately after the completion of the Rights Issue and upon the subscription for all of the Rights Units will be approximately 60.7%; and**
- (ii) the Subscribing Entities (i) subscribe for their provisional allotments of Rights Units, (ii) subscribe for all of the Commitment Rights Units pursuant to the Standby Commitment Agreement and (iii) apply for and receive such maximum number of Excess Rights Units and/or acquire any Grapene Nil-Paid Rights Units under the Rights Issue, without breaching the “public” float requirement set out in Rule 723 of the Listing Manual, the aggregated unitholding of the Subscribing Entities immediately after the completion of the Rights Issue will be approximately 62.0%².**

1 Save for the Units that have been issued to the Trustee-Manager as part payment of the management fee payable to it pursuant to the Trust Deed (the “Trustee-Manager’s Management Fee”) for the first quarter of FY 2010, the Subscribing Entities have not acquired any Units in the last six months prior to the Latest Practicable Date.

2 Assumes that there is no change to the number of Units currently held by FIM Ltd. and its affiliates (being 1,009,443,544 Units), *i.e.* FIM Ltd. (and its affiliates), as the only other Substantial Unitholder, does not divest any portion of its existing stake and does not take up any part of its entitlement in the Rights Issue.

As the Subscribing Entities would then hold more than 49.0% of the issued Units under both the scenarios (i) and (ii) above, they would be free to thereafter acquire further Units without incurring any obligation under Rule 14 of the Code to make a Mandatory Offer.

Assuming that all Unitholders (including the Subscribing Entities) accept their provisional allotments under the Rights Issue in full, the unitholdings of the Subscribing Entities immediately after the completion of the Rights Issue and upon the acceptance of all of their provisional allotments under the Rights Issue (being 564,298,358 Rights Units) will remain unchanged at approximately 45.1%.

The unitholdings of the Subscribing Entities under the Rights Issue are set out in paragraph 4.1 of the Letter to Unitholders.

(See paragraph 4 of the Letter to Unitholders for further details.)

UNITHOLDERS SHOULD NOTE THAT RESOLUTION 1 (THE RIGHTS ISSUE) IS SUBJECT TO AND CONTINGENT UPON THE PASSING OF RESOLUTION 2 (THE WHITEWASH RESOLUTION).

RESOLUTION 3: THE PROPOSED EXPANSION OF PRINCIPAL OBJECTIVES OF IPIT

Principal Objectives of IPIT

The prospectus (the “**Prospectus**”) dated 2 June 2008 (the “**Prospectus Date**”) issued in relation to the initial public offering (“**IPO**”) of Units, stated that IPIT was established with the principal objectives of:

- (i) investing, either directly or indirectly, primarily in income-producing office space in India;
- (ii) acquiring and developing primarily office space in India with the intention of holding such properties upon completion; and
- (iii) investing in real estate-related assets in connection with the foregoing.

Initial Plans

The Prospectus also stated that the estimated total lettable area of One Indiabulls Centre and Indiabulls Finance Centre, when fully completed, would comprise approximately 2,969,000 sq ft of lettable area for office space, 438,000 sq ft of lettable area for retail space and 119,000 sq ft of saleable area for residential space.

Consistent with the disclosure in the “Use of Proceeds” section of the Prospectus (see page 57 of the Prospectus), the proceeds of the IPO of IPIT were used to finance the acquisition of the Properties and to pay for issue expenses. The development of the properties was intended to be financed primarily by incurring additional external borrowings.

One Indiabulls Centre Tower 1 has been completed as scheduled. One Indiabulls Centre Tower 2 has been completed save for the top floors which are currently awaiting approval from the relevant regulatory authorities. As disclosed in the Prospectus, One Indiabulls Centre contains a residential component of over approximately 1.4 acres of land area the launch of which was announced by the Trustee-Manager on 22 August 2009.

Indiabulls Finance Centre Tower 1 has been completed in accordance with initial plans.

The Trustee-Manager has not made any firm decision to proceed with the development of any retail component at the Properties.

The total amount of space which is available and ready to be handed over to tenants for commencement of fit-out works is approximately 1.6 million sq ft, representing approximately 54.0% of the approximately 2,969,000 sq ft of lettable office space at the Properties, as stated in the Prospectus.

Subsequent Developments

(a) *Regulatory Developments*

On 6 November 2008, the Urban Development Department, Government of Maharashtra, issued a notification (Notification No. TPB 4305/2736/CR-338/05/UD-11) which increased the Floor Space Index (“**FSI**”) available to One Indiabulls Centre and Indiabulls Finance Centre from a maximum of 2.66 to a maximum of 4.00, subject to the satisfaction of certain conditions (the “**FSI Notification**”). Pursuant to a gazette for the period from 4 June 2009 to 10 June 2009, the Urban Development Department, Government of Maharashtra, issued a notification (Notification No. TPB 4307/815/CR-257/2003/UD-11) which increased the FSI of 5-star hotels built in certain areas, including in the Properties, to a maximum of 5.00, subject to the satisfaction of certain conditions and the payment of a certain premium (the “**Hotel Notification**”).

In order to take advantage of the FSI Notification, revised plans have been submitted to the relevant regulatory authorities, and these revised plans are currently pending approval¹. Since the FSI Notification is a new regulation and there are no precedents against which the Trustee-Manager can benchmark the time it would take to reach a conclusion under the relevant regulatory processes, the Trustee-Manager is unable to provide a specific timeframe regarding when it expects revised plans to be approved. Additionally, given that the additional floor space (as a result of the increased FSI) can be used for purposes including office, residential, retail or hospitality² developments, the Trustee-Manager will modify its plans in accordance with market conditions and demand in order to maximise returns for Unitholders, and not restrict development plans to only office space.

However, as noted below, in the current slow leasing environment, the development plans for the Properties are not held back pending receipt of regulatory approvals. Further, as noted below, should the Trustee-Manager decide to change the construction plans for the rest of the development, revised plans may need to be re-submitted for approval.

(b) *Economic Climate and Low Rentals*

Due to the global financial crisis, market conditions in India have deteriorated since the listing of IPIT on 11 June 2008 (the “**Listing Date**”) and rental rates for office space in Mumbai have dropped significantly. Leasing activity for the Properties has been much slower than what was projected in the Prospectus.

Certain tenants (other than IBREL, Indiabulls Power Limited (formerly known as Sophia Power Company Limited) (“**IBPL**”), Indiabulls Financial Services Limited (“**IBFSL**”) and Indiabulls Securities Limited (“**IBSL**”) and their respective subsidiaries, associates and affiliates) of One Indiabulls Centre which had originally executed letters of intent (“**LOIs**”) as at the Prospectus Date have recently renegotiated the terms of the LOIs³ to reduce the monthly rental charges from an earlier range of Rs. 274.0 to Rs. 325.0⁴ per sq ft to a revised rate of Rs. 175.0 per sq ft, and the Trustee-Manager is currently in negotiations with the remaining tenants. Some other terms such as deposits payable under the contract and size of office space to be leased to the tenants have

1 No plans in relation to the development of the additional floor space (as a result of the increased FSI) for hospitality, retail and/or residential purposes have been submitted to the relevant regulatory authorities.

2 Including hotels, motels, other lodging facilities, serviced residences and resorts.

3 It is market practice in India to secure pre-leasing through LOIs. The LOIs which have been entered into with the prospective tenants for One Indiabulls Centre as at and after the Listing Date and the renegotiated LOIs are not binding, and such prospective tenants may or may not enter into binding lease agreements or enter into agreements at terms that are different from the terms contained in the LOIs.

4 A majority of the LOIs were executed at a monthly rental rate of Rs. 275.0 per sq ft.

also been revised downwards. In addition, the Trustee-Manager has also recently executed LOIs with new tenants, a majority of which have been executed at the rental rate of Rs. 175.0 per sq ft per month.

Although a majority of the renegotiated LOIs as well as the LOIs entered into with new tenants has not resulted in definitive lease agreements, quite a few of the tenants have started paying rentals and others have invested resources into fit-outs. However, the Trustee-Manager expects leasing uptake to remain subdued in the near future.

(c) Construction Plans

Given sizeable existing leasable space available at the completed sections of the Properties, the Trustee-Manager is monitoring the take-up rate of such existing space to determine the optimal construction program for the rest of the Properties, subject to receipt of regulatory approvals. The Trustee-Manager believes that this cautious approach would save IPIT from being exposed to unnecessary debt as a result of construction costs, without clarity regarding the timing and likelihood of generating income from such additional construction.

Therefore, notwithstanding that regulatory approvals have not yet been granted in relation to the revised construction plans for the Properties, the Trustee-Manager wishes to state that any decision to commence construction is ultimately subject to market conditions. When the Trustee-Manager decides to proceed with the rest of the development, it will evaluate sources of financing suitable for those development plans. Hence, the construction plans for the additional space in the Properties can only be finalised after the Trustee-Manager has, subject to market conditions, decided to commence the development.

Notwithstanding the above, the Trustee-Manager continues to believe that the Properties are unique and prime properties in the Mumbai area, and that the Properties will attract quality tenants.

The Trustee-Manager believes that retaining flexibility in its development plans is critical given the uncertain economic environment and will focus on how best to use the additional floor space available (as a result of the increased FSI under the FSI Notification and the Hotel Notification or other development rules or regulatory changes that may be beneficial to IPIT in the future) to maximize returns for Unitholders. As such, the mix and proportion of any residential, retail, office and hospitality components to be developed on the increased floor space will, subject to Unitholders' approval of the proposed expansion of IPIT's principal objectives, be determined by the Trustee-Manager at its sole discretion. The Trustee-Manager will continue to monitor other developments rules or regulatory changes that may be beneficial to IPIT in the future.

It should be noted that currently, other than the completion of certain works that are typically done to facilitate, or in parallel with, the fit-out works being performed by tenants at the Properties, and subject to any further announcements by the Trustee-Manager, construction work at the Properties has been suspended since December 2008 in light of the poor economic conditions and low visibility of global economic developments as well as the severe economic pressure on the Mumbai property market while the Trustee-Manager monitors the take-up rate of the existing leasable space available at the completed sections of the Properties. Any decision to resume construction is ultimately subject to market conditions, and there is no assurance regarding when construction work is expected to resume. The Trustee-Manager will make the relevant announcement once construction work resumes.

Expansion of Principal Objectives of IPIT

The Trustee-Manager remains committed to developing the office component of the Properties when market conditions are favourable so that the Properties would have at least 2,969,000 sq ft of lettable/saleable area for office space.

In relation to the potential additional area¹ at the Properties which arose due to the FSI Notification and/or the Hotel Notification (and/or in relation to other developments rules or regulatory changes affecting IPIT's portfolio in the future), the Trustee-Manager is proposing to develop such additional area at the Properties for office, hospitality, retail and/or residential purposes where it is in the interest of Unitholders to do so.

The mix and proportion of any office, hospitality, retail and/or residential components that may be developed on the additional floor space at the Properties will be based on the general economic climate and market demand at the relevant time. Depending on such considerations, the Trustee-Manager may decide to utilise the additional floor space at the Properties for developments which are wholly or predominantly used for office, hospitality, retail and/or residential purposes. The Trustee-Manager is of the view that prevailing market conditions and demand are conducive for the development of residential components on the additional area at the Properties and it will continue to monitor market conditions and demand trends before finalising any plans for the development of residential components on the additional area at the Properties, including determining whether the entire additional area or a portion of it should be used for the development of residential components.

Given the sizeable development of office space in existing development plans, the Board believes that having the flexibility to change the development mix would be prudent especially in light of the current slowdown in rentals as well as the softening of market demand for office space.

The Trustee-Manager is seeking approval of Unitholders for the principal objectives of IPIT to be expanded to the following:

- (i) investing, either directly or indirectly, primarily in income-producing properties in India, with at least the majority² comprising income-producing office space;
- (ii) acquiring and/or developing properties in India (with at least the majority comprising office space) with the primary intention of holding such properties (other than residential properties) upon completion and selling residential properties upon completion; and
- (iii) investing in real estate-related assets in connection with the foregoing.

The Trustee-Manager intends that any retail, residential or hospitality components in its portfolio will form part of mixed-used developments, the majority of which shall comprise income-producing office space (including the Properties).

The term "investing" as used in the principal objectives of IPIT shall mean, where appropriate, the operation of the relevant property where such operation would be to the benefit of IPIT. For example, hospitality space held by IPIT and its subsidiaries (the "IPIT Group") may be directly operated by the IPIT Group with employees on the payroll of the IPIT Group and operating equipment which are necessary or desirable for the operation of such space (including cars) being owned by the IPIT Group.

1 In view of the potential additional area, the maximum area of the Properties is expected to increase from 3.4 million sq ft to 5.0 million sq ft. This is in addition to the saleable area at the land ear-marked for the residential component at One Indiabulls Centre as identified in the Prospectus.

2 For the avoidance of doubt, the term "majority" shall mean more than 50.0% of total lettable area.

Residential properties being developed by IPIT will be for the primary purpose of sale¹.

The reason for seeking Unitholders' approval, as stated in the Prospectus, is that in accordance with the requirements of the Listing Manual of the SGX-ST (the "**Listing Manual**"), the Trustee-Manager's investment strategy for IPIT would be adhered to for at least three years following the Listing Date, unless otherwise approved by an Extraordinary Resolution passed at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed (as defined herein).

(See paragraph 5 of the Letter to Unitholders for further details.)

¹ For the purpose of facilitating the sale of residential properties, the IPIT Group may agree to provide services (including 24-hour concierge and security, laundry, dry cleaning, service offices, maintenance services and other services) to the residential properties after their sale.

INDICATIVE TIMETABLE

The timetable for the events which are scheduled to take place after the EGM as set out below is indicative only and is subject to change at the Trustee-Manager's absolute discretion. Any changes (including any determination of the relevant dates) to the timetable below will be announced on the SGX-ST website at www.sgx.com.

Event	Date and Time
Last date and time for lodgement of Proxy Forms	: 27 September 2009 at 4.00 p.m.
Date and time of the EGM	: 29 September 2009 at 4.00 p.m.

If the approval for the Rights Issue is obtained at the EGM

Last day of "cum-rights" trading for the Rights Issue	: 1 October 2009
First day of "ex-rights" trading for the Rights Issue	: 2 October 2009
Rights Issue Books Closure Date	: 6 October 2009 at 5.00 p.m.
Commencement of "nil-paid" rights trading	: 9 October 2009
Last day of "nil-paid" rights trading	: 19 October 2009
Last day for acceptance/application of and payment for Right Units/Excess Rights Units and close of the Rights Issue	: 23 October 2009
Expected date of issue of Rights Units	: 28 October 2009
Expected date of commencement of trading of the Rights Units on the SGX-ST	: 29 October 2009

INDIABULLS PROPERTIES INVESTMENT TRUST

(a business trust constituted on 7 May 2008 under the laws of the Republic of Singapore)

Directors of the Trustee-Manager

Mr Chatri Trisiripisal (Chairman & Independent Director)
Mr Loo Yau Soon (Independent Director)
Mr Kalpesh Kapadia (Independent Director)
Mr Sameer Gehlaut (Non-Executive Director)
Mr Rajiv Rattan (Non-Executive Director)

Registered Office

36 Robinson Road
#17-01 City House
Singapore 068877

9 September 2009

To: Unitholders of Indiabulls Properties Investment Trust

Dear Sir/Madam

1. SUMMARY OF APPROVALS SOUGHT

The following paragraphs set forth a summary of the approvals which the Trustee-Manager seeks from Unitholders. Approval by way of an Ordinary Resolution (as defined herein) is required in respect of the resolution relating to the Rights Issue (Resolution 1) and the resolution relating to the Whitewash Resolution (Resolution 2). Approval by way of an Extraordinary Resolution is required in respect of the resolution relating to the expansion of principal objectives of IPIT (Resolution 3).

Unitholders should note that Resolution 1 (the Rights Issue) is subject to and contingent upon the passing of Resolution 2 (the Whitewash Resolution).

1.1 Resolution 1: The Proposed Underwritten Renounceable Rights Issue (Ordinary Resolution) (Conditional upon Resolution 2)

The Business Trusts Act, Chapter 31A of Singapore (the “**BTA**”), read together with the trust deed dated 7 May 2008 constituting IPIT (as amended by a supplemental deed dated 29 May 2008) (the “**Trust Deed**”) provides that specific prior approval of Unitholders by Ordinary Resolution is required for an issue of new Units. Accordingly, the Trustee-Manager is seeking the approval of Unitholders for an issue of the Rights Units under the Rights Issue.

Approval in-principle has been obtained from the SGX-ST for the Rights Issue and the listing and quotation of the Rights Units on the Main Board of the SGX-ST. The SGX-ST’s in-principle approval is not to be taken as an indication of the merits of IPIT, the Rights Issue and the Rights Units.

The Trustee-Manager intends to issue approximately 1.25 billion Rights Units on the basis of the Rights Ratio of 53 Rights Units for every 100 Existing Units, at the Rights Issue Price of S\$0.16 per Rights Unit so as to raise gross proceeds of approximately S\$200.1 million. The Rights Issue Price represents a discount of approximately 48.4% to the Closing Price and a discount of approximately 38.0% to the TERP.

(See paragraphs 2 and 3 below for further details.)

1.2 Resolution 2: The Proposed Whitewash Resolution (Ordinary Resolution)

The Trustee-Manager proposes to seek from Independent Unitholders a waiver of their rights to receive a Mandatory Offer from Grapene and parties acting in concert with Grapene for all the Units not already owned or controlled by them, in the event that they incur a mandatory bid obligation pursuant to Rule 14 of the Code as a result of the Subscribing Entities taking up provisional allotments of Rights Units allotted and issued to them and, if applicable, through (i) subscribing for the Commitment Rights Units pursuant to the Standby Commitment Agreement

and/or (ii) applying for the Grapene Excess Rights Units under the Rights Issue and/or (iii) acquiring any Grapene Nil-Paid Rights under the Rights Issue.

(See paragraph 4 below for further details.)

1.3 Resolution 3: The Proposed Expansion of Principal Objectives of IPIT (Extraordinary Resolution)

The Trustee-Manager proposes to seek the approval of Unitholders for the principal objectives of IPIT to be expanded to the following:

- (i) investing, either directly or indirectly, primarily in income-producing properties in India, with at least the majority¹ comprising income-producing office space;
- (ii) acquiring and/or developing properties in India (with at least the majority comprising office space) with the primary intention of holding such properties (other than residential properties) upon completion and selling residential properties upon completion; and
- (iii) investing in real estate-related assets in connection with the foregoing.

(See paragraph 5 below for further details.)

2. THE PROPOSED UNDERWRITTEN RENOUNCEABLE RIGHTS ISSUE

2.1 Use of Proceeds

The Rights Issue will raise gross proceeds of approximately S\$200.1 million of which:

- (i) approximately S\$193.0 million² (which is equivalent to approximately 96.5% of the gross proceeds of the Rights Issue) will be used to repay and/or prepay any of the borrowings of IPIT existing at the relevant time of repayment and/or prepayment, as may be determined by the Trustee-Manager at its sole discretion, taking into consideration the economic environment, the terms of the various lenders (including interest rate) at the relevant time and the best interest of IPIT; and
- (ii) up to approximately S\$7.1 million (which is equivalent to approximately 3.5% of the gross proceeds of the Rights Issue) will be used to pay for the underwriting and selling commissions, the Management Fee, the Incentive Fee (if any) as well as the other fees and expenses (including the fee payable to the IFA) and professional fees and expenses incurred in connection with the Rights Issue. The remainder, if any, will be used for general corporate and working capital purposes.

The existing borrowings of IPIT (the “**Borrowings**”) as at the Latest Practicable Date are set out in the table below. The Trustee-Manager is actively engaged in managing the costs and debt financing risks of IPIT for the benefit of Unitholders, and depending on the interest rates and other terms offered by different lenders, the Trustee-Manager may either reduce or increase the amounts drawn down under the facilities described below, or may alternatively take up new facilities. Hence, the borrowings that are expected to be repaid out of the offering, as identified in paragraph 2.1 (i) above, may be different from the ones listed in the table below.

1 For the avoidance of doubt, the term “majority” shall mean more than 50.0% of total lettable area.

2 The amount of approximately S\$193.0 million includes the principal amount of the borrowings of IPIT, interest accrued until the date of such prepayment and/or repayment and any bank charges associated with any repayment and/or prepayment. However, this is only an estimate as the exact amount will be a function of the exact date on which borrowing is repaid and/or repaid and also a function of the exact interest accrued until the relevant repayment and/or prepayment date, any associated charges that may be required to be paid in relation to the repayment and/or prepayment of the relevant facilities as well as the currency exchange rates at the relevant time.

Existing Borrowings of IPIT as at the Latest Practicable Date⁽¹⁾

Borrowings	Facility Amount		Facility Outstanding ⁽²⁾		Date of Facility	Maturity Date	Current Interest Rate (%)
	Rs. (million)	S\$ ⁽³⁾ (million)	Rs. (million)	S\$ ⁽³⁾ (million)			
Secured loan facility from ICICI Bank Limited (the "ICICI Loan Facility") ⁽⁴⁾	3,000.0	88.3	516.0	15.2	Drawdown in instalments between June 2005 and October 2007	June 2010	14.50
Secured loan facility from LIC Housing Finance Limited (the "LICHFL Facility") ⁽⁵⁾	2,000.0	58.9	1,703.9	50.2	Drawdown in instalments between February 2009 and August 2009	February 2013	14.50 ⁽⁶⁾
Secured loan facility from Housing Development Finance Corporation Limited (the "HDFC Facility") ⁽⁷⁾	3,000.0	88.3	3,000.0	88.3	Drawdown in instalments between February 2008 and March 2009	February 2016	12.75 to 13.50
Secured loan facility from HDFC Bank Limited (the "HDFC Bank Facility") ⁽⁸⁾	1,000.0	29.4	1,000.0	29.4	Drawdown in instalments between February 2008 and March 2009	February 2013	9.00 ⁽⁹⁾
Secured loan facility from Bank of India (the "Bank of India Facility")	500.0	14.7	—	—	Obtained on 4 June 2009 and has not yet been drawn down	Maturity will be at the end of 4 years from the date of first disbursement	12.00
Unsecured loan facility from IBFSL (the "IBFSL Facility")	4,000	117.7	2,563.5	75.5	Drawdown in various instalments between June 2009 and the Latest Practicable Date	December 2010	12.75 to 14.50

Notes:

- (1) The Borrowings as set out in the table are accurate as at the Latest Practicable Date. However, the amounts which are drawn down under each of the facilities set out in the table may vary from time to time as the Trustee-Manager utilises these facilities for the construction of the existing properties of the IPIT Group and for operational requirements or where the Trustee-Manager draws down one facility to reduce the borrowings under another facility if it is of the view that this is in the interests of Unitholders. The Trustee-Manager may also procure to take up one or more additional new credit facilities in addition to the ones mentioned above, if the Trustee-Manager is of the view that doing so would be in the interests of Unitholders. The figures and facilities set out in the above table may therefore change going forward.
- (2) **"Facility Outstanding"** refers to the amount of the relevant facility which has been drawn down and not repaid.
- (3) Based on the exchange rate of Rs. 33.97 is to S\$1.00 as at the Latest Practicable Date (Source: Bloomberg).
- (4) The ICICI Loan Facility was taken by Indiabulls Properties Private Limited ("**IPPL**"), an indirect wholly-owned subsidiary of IPIT, for the purpose of partially financing the acquisition and construction of One Indiabulls Centre at a floating rate of interest at the ICICI Bank benchmark advance rate less a discount. The interest rate shall be reset at the end of every 12 months from the date of disbursement. IPPL has executed a mortgage over the One Indiabulls Centre site in favour of IDBI Trusteeship Services Limited as the security trustee for holding *pari passu* charge on behalf of ICICI Bank Limited and LIC Housing Finance Limited. IPPL has fully drawn down Rs. 3,000 million (or approximately S\$88.3 million) under the ICICI Loan Facility and as at the Latest Practicable Date, IPPL has repaid and/or prepaid Rs. 2,484 million (or approximately S\$73.1 million). The loan outstanding as at the Latest Practicable Date under this facility is Rs. 516.0 million (or approximately S\$15.2 million). A scheduled payment of Rs 129.0 million (or approximately S\$3.8 million) for the ICICI Loan Facility is due on 15 September 2009. Hence, the amount outstanding after this scheduled payment will be reduced to Rs 387.0 million (or approximately S\$11.4 million).
- (5) The LICHFL Facility was taken by IPPL, an indirect wholly-owned subsidiary of IPIT, to meet part of the cost for the construction of One Indiabulls Centre at an interest rate based on the LIC Housing Prime Lending Rate plus spread on each disbursement. IPPL has executed a mortgage over the One Indiabulls Centre site in favour of IDBI Trusteeship Services Limited as the security trustee for holding *pari passu* charge on behalf of ICICI Bank Limited and LIC Housing Finance Limited. As at the Latest Practicable Date, IPPL has drawn down Rs. 2,000 million (or approximately S\$58.9 million). As at the Latest Practicable Date, IPPL has repaid and/or prepaid Rs. 296 million (or approximately S\$8.7 million) of the LICHFL Facility.
- (6) The interest was reduced from an earlier rate of 15.50% to 14.50% per annum with effect from 1 September 2009.
- (7) The HDFC Facility was taken by IRECPL, an indirect wholly-owned subsidiary of IPIT, to meet part of the cost for the construction of the Indiabulls Finance Centre at a market-linked benchmark rate plus spread on each disbursement. This rate of interest is reset annually. As at the Latest Practicable Date, IRECPL has fully drawn down Rs. 3,000 million (or approximately S\$88.3 million) under this facility. The HDFC Bank Facility and the HDFC Facility have been secured by a common indenture of the mortgage deed of Indiabulls Finance Centre for the aggregate amount of a loan amounting to Rs. 4,000 million (or approximately S\$117.7 million).
- (8) The HDFC Bank Facility was taken by IRECPL, an indirect wholly-owned subsidiary of IPIT, for the purpose of partially financing the cost of construction of Indiabulls Finance Centre, at a market-linked benchmark rate plus spread on each disbursement. This rate of interest is reset annually. As at the Latest Practicable Date, IRECPL has fully drawn down Rs. 1,000 million (or approximately S\$29.4 million) under this facility. The HDFC Bank Facility and the HDFC Facility have been secured by a common indenture of the mortgage deed of Indiabulls Finance Centre for the aggregate amount of a loan amounting to Rs. 4,000 million (or approximately S\$117.7 million).
- (9) The interest was reduced from an earlier range of between 12.75% and 13.50% per annum with effect from 15 July 2009. The interest rate is expected to be reviewed based on market conditions but by no later than 15 January 2010.

The repayment and/or prepayment of the borrowings of IPIT using the proceeds of the Rights Issue will allow IPIT to strengthen its balance sheet and reduce the IPIT Group's debt obligations and associated borrowing expenses. The Trustee-Manager believes that a reduction in aggregate leverage would provide greater financial flexibility to capitalise on future opportunities including asset enhancements. Additionally, the Trustee-Manager believes that by strengthening IPIT's balance sheet, IPIT will be in a stronger negotiating position with potential tenants as it would be able to pursue proposals which are in the best interests of IPIT and hence potentially achieve higher lease rates so that Unitholders may reap long-term yields without imprudent risk.

Pending deployment, the net proceeds from the Rights Issue may be deposited with banks and/or financial institutions, or used for any other purpose on a short-term basis as the Trustee-Manager may, in its absolute discretion, deem fit.

It should be noted that IPIT is currently not under pressure from its bankers to repay any of its existing Borrowings and has sufficient resources to meet its current capital commitments. The Trustee-Manager is of the opinion that, after taking into consideration IPIT's internal resources and its available loan facilities and the net proceeds of the Rights Issue, the working capital available to IPIT is sufficient to meet its present obligations as and when they fall due.

2.2 Principal Terms of the Rights Issue

The following is a summary of the principal terms and conditions of the Rights Issue:

Issue Size	:	<p>The Rights Issue is expected to raise gross proceeds of approximately S\$200.1 million.</p> <p>The number of Rights Units to be issued under the Rights Issue is approximately 1.25 billion.</p>
Basis of Provisional Allotment	:	<p>Each Eligible Unitholder is entitled to subscribe for 53 Rights Units for every 100 Existing Units standing to the credit of his Securities Account (as defined herein) as at the Rights Issue Books Closure Date, fractional entitlements to be disregarded.</p>
Rights Issue Price	:	<p>S\$0.16 for each Rights Unit. The Rights Units are payable in full upon acceptance and/or application.</p> <p>The Rights Issue Price represents a discount of approximately 48.4% to the Closing Price and a discount of approximately 38.0% to the TERP.</p>
Status of the Rights Units	:	<p>The Rights Units will, upon allotment and issue, rank <i>pari passu</i> in all respects with the existing Common Units in issue as at the date of issue of the Rights Units, including the right to any distributions which may accrue for the period from 1 April 2009 to 30 September 2009 as well as all distributions thereafter.</p> <p>Unitholders should note that by approving the Rights Issue, they are also approving the issuance of the Rights Units which will rank <i>pari passu</i> in all respects with the existing Common Units in issue as at the date of issue of the Rights Units, including the right to any distributions which may accrue for the period from 1 April 2009 to 30 September 2009, notwithstanding that the Rights Units are expected to be issued in October 2009.</p>

- Eligible Unitholders : Unitholders with Units standing to the credit of their Securities Accounts and (a) whose registered addresses with The Central Depository (Pte) Limited (“**CDP**”) are in Singapore as at a time and date to be determined by the directors of the Trustee-Manager for the purpose of determining the Unitholders’ entitlements under the Rights Issue or who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents or (b) who the Trustee-Manager considers, in its sole discretion, may be offered Rights Units without breaching applicable securities laws.
- Eligibility of Unitholders to participate in the Rights Issue : Eligible Unitholders are at liberty to accept in part or in full, decline, renounce or trade on the SGX-ST (during the “nil-paid” rights trading period prescribed by the SGX-ST) their provisional allotments of Rights Units and are eligible to apply for the Excess Rights Units.
- The procedures for acceptance, excess applications and payment by Eligible Unitholders will be set out in the offer information statement in connection with the Rights Issue to be lodged with the MAS and issued to Eligible Unitholders (the “**Offer Information Statement**”).
- No provisional allotment of Rights Units will be made to Ineligible Unitholders and no purported acceptance thereof or application thereof by Ineligible Unitholders will be valid.
- Ineligible Unitholders should refer to the paragraphs under the heading “Ineligible Unitholders” below.
- Trading of the Rights Units : Upon the listing and quotation of the Rights Units on the Main Board of the SGX-ST, the Rights Units will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the Main Board of the SGX-ST, each board lot of Units will comprise 1,000 Units. All dealings in and transactions (including transfers) of the Rights Units effected through the SGX-ST and/or the CDP shall be made in accordance with the “Terms and Conditions for Operation of Securities Account with CDP”, as the same may be amended from time to time, copies of which are available from CDP.
- Eligible Unitholders can trade in odd lots of Units on the SGX-ST’s Unit Share Market.
- Governing Law : Laws of the Republic of Singapore.

The above terms and conditions of the Rights Issue are subject to such changes as the Trustee-Manager may deem fit. The final terms and conditions of the Rights Issue will be set out in the Offer Information Statement to be despatched by the Trustee-Manager to Eligible Unitholders in due course, subject to the approval of the Unitholders for the Rights Issue and the Whitewash Resolution at the EGM.

The Rights Issue is conditional upon, *inter alia*, the following:

- (i) approval of the Unitholders at the EGM (which is subject to and conditional upon the passing of the Whitewash Resolution at the EGM); and
- (ii) lodgement of the Offer Information Statement with the MAS.

Approval-in-principle has been obtained from the SGX-ST for the listing and quotation of the Rights Units on the Main Board of the SGX-ST. The SGX-ST's in-principle approval is not an indication of the merits of IPIT, the Rights Issue or the Rights Units.

The Trustee-Manager has provided undertakings to the SGX-ST to:

- (i) make periodic announcements on the specific utilisation of the proceeds from the Rights Issue as and when such proceeds are materially disbursed; and
- (ii) provide a status report on the specific use of the proceeds from the Rights Issue in the annual report of IPIT to Unitholders.

AS THE RIGHTS ISSUE IS MADE ON A RENOUNCEABLE BASIS, THE PROVISIONAL ALLOTMENTS OF RIGHTS UNITS CAN BE RENOUNCED IN FAVOUR OF A THIRD PARTY OR TRADED ON THE SGX-ST.

The Rights Units represented by the provisional allotments (A) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or trade their provisional allotment of Rights Units under the Rights Issue (during the “nil-paid” rights trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders (as defined herein) which have not been sold during the “nil-paid” rights trading period or (B) that have not been validly taken up by the original allottees, renouncees of the provisional allotments or the purchasers of the “nil-paid” rights subject to the requirements or otherwise of the SGX-ST will be issued to satisfy Excess Rights Units applications as the Trustee-Manager may, in its discretion, deem fit.

In the allotment of Excess Rights Units, preference will be given to the rounding of odd lots. Each of the Subscribing Entities, other Substantial Unitholders (as defined herein), Directors and their respective associates will rank last in priority.

Eligible Unitholders

Eligible Unitholders whose Securities Accounts are credited with Units as at 5.00 p.m. on the Rights Issue Books Closure Date will be provisionally allotted the rights entitlements on the basis of the number of Units standing to the credit of their Securities Accounts with CDP as at the Rights Issue Books Closure Date.

Eligible Unitholders are Unitholders with Units standing to the credit of their Securities Accounts and (a) whose registered addresses with CDP are in Singapore as at a time and date to be determined by the directors of the Trustee-Manager for the purpose of determining the Unitholders' entitlements under the Rights Issue or who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents or (b) who the Trustee-Manager considers, in its sole discretion, may be offered Rights Units without breaching applicable securities laws.

Eligible Unitholders will be at liberty to accept in part or in full, decline or otherwise renounce or trade (during the “nil-paid” rights trading period prescribed by the SGX-ST) their provisional allotments of Rights Units and are eligible to apply for Excess Rights Units in excess of their provisional allotments under the Rights Issue.

Ineligible Unitholders

No provisional allotment of Rights Units will be made to Unitholders other than Eligible Unitholders (“**Ineligible Unitholders**”) and no purported acceptance thereof or application therefor by Ineligible Unitholders will be valid.

The making of the Rights Issue may be prohibited or restricted in certain jurisdictions under their relevant securities laws. Thus, for practical reasons and in order to avoid any violation of the securities legislation or other relevant laws applicable in countries (other than in Singapore) where Unitholders may have as their addresses registered with CDP, the Rights Issue will not be extended to Ineligible Unitholders. Ineligible Unitholders who wish to participate in the Rights Issue will have to provide CDP with addresses in Singapore for the service of notice and documents and any other evidence of eligibility that the Trustee-Manager, in its discretion, requires at least three Market Days prior to the Rights Issue Books Closure Date. Save as provided herein and for the avoidance of doubt, the Ineligible Unitholders are not eligible to participate in the Rights Issue.

The “nil-paid” rights and the Rights Units will not be registered under the Securities Act, or under any securities laws of any state or jurisdiction of the U.S. and, accordingly, they may not be offered, sold, resold, granted, delivered, allotted, taken up, transferred or renounced, directly or indirectly, in the U.S., except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or jurisdiction of the U.S. The “nil-paid” rights and the Rights Units will only be offered and sold in offshore transactions in reliance on Regulation S under the Securities Act.

If it is practicable to do so, the Trustee-Manager may, at its absolute discretion, arrange for “nil-paid” rights which would otherwise have been allotted to Ineligible Unitholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the “nil-paid” rights commence. Such sales may, however, only be effected if the Trustee-Manager, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Ineligible Unitholders in proportion to their respective unitholdings determined as at the Rights Issue Books Closure Date and sent to them by ordinary post, provided that where the amount to be distributed to any Ineligible Unitholder is less than S\$10.00, the Trustee-Manager shall be entitled to retain or deal with such net proceeds as the Trustee-Manager may, in its absolute discretion, deem fit for the sole benefit of IPIT and no Ineligible Unitholder shall have any claim whatsoever against the Trustee-Manager, the Sole Lead Manager and Underwriter or the CDP in connection herewith.

2.3 Rights Issue Price, Proceeds and Rights Units to be issued

The Trustee-Manager expects to raise gross proceeds of approximately S\$200.1 million under the Rights Issue.

Based on the 2,359,640,610 Units in issue as at the Latest Practicable Date, the Trustee-Manager intends to issue a total of approximately 1.25 billion Rights Units on the basis of the Rights Ratio, at the Rights Issue Price. The Rights Issue Price represents a discount of approximately 48.4% to the Closing Price and a discount of approximately 38.0% to the TERP.

2.4 Costs of the Rights Issue

If IPIT proceeds with the Rights Issue, the Trustee-Manager estimates that IPIT will have to bear:

- (i) management, underwriting and selling commissions and incentive fee¹ and related expenses of approximately S\$5.1 million (excluding goods and service taxes payable); and
- (ii) professional and other fees and expenses of approximately S\$2.0 million (excluding goods and service taxes payable) in connection with the Rights Issue.

2.5 Underwriting of the Rights Issue and the Commitment of Grapene

2.5.1 Underwriting of the Rights Issue

The Rights Issue is underwritten by the Sole Lead Manager and Underwriter which has agreed on the terms and subject to the conditions of the Underwriting Agreement to subscribe for, and/or procure the subscription for, at the Rights Issue Price, the Rights Units for which valid applications have not been submitted. The Sole Lead Manager and Underwriter will be entitled to a commission of:

- (i) 1.75% of the Rights Issue Price multiplied by:
 - (a) the number of Proportionate Rights Units (which is equivalent to approximately S\$1.2 million); and
 - (b) the number of Rights Units equivalent to the pro rata entitlement of Ariston in proportion to its unitholdings as at the date of the Standby Commitment Agreement (the “**Ariston Units**”) (which is equivalent to approximately S\$0.4 million);
- (ii) 2.25% of the Rights Issue Price multiplied by the number of Commitment Rights Units less the Ariston Units (which is equivalent to approximately S\$2.0 million); and
- (iii) 2.50% of the Rights Issue Price multiplied by the number of Remaining Rights Units (which is equivalent to approximately S\$0.5 million),

together with any goods and services tax payable thereon.

A Management Fee is payable by the Trustee-Manager to the Sole Lead Manager and Underwriter, together with any goods and services tax payable thereon.

Additionally, an Incentive Fee is payable by the Trustee-Manager to the Sole Lead Manager and Underwriter, together with any goods and services tax payable thereon, at the Trustee-Manager’s discretion depending on its assessment of the overall performance of the Sole Lead Manager and Underwriter in managing the Rights Issue and the outcome of the Rights Issue.

Instead of paying a fixed flat fee, the Trustee-Manager is of the view that it is in the interest of IPIT and its Unitholders to structure the fees payable to the Sole Lead Manager and Underwriter with an Underwriting Commission plus a management fee and an incentive fee. The rationale for the inclusion of the Management Fee and the Incentive Fee in the fee structure is to incentivise the Sole Lead Manager and Underwriter to manage and execute the entire Rights Issue process smoothly and successfully.

¹ Based on the assumption that the Trustee-Manager exercises its discretion to pay to the Sole Lead Manager and Underwriter in full the Incentive Fee.

It should be noted that the Underwriting Agreement may be terminated upon the occurrence of certain events, including those of a *force majeure* nature, but the Sole Lead Manager and Underwriter will not be entitled to rely on *force majeure* to terminate the Underwriting Agreement after the date on which ex-rights trading commences, in compliance with Rule 818 of the Listing Manual.

2.5.2 Commitment of Grapene

To demonstrate its support for IPIT and the Rights Issue, Grapene:

- (i) provided the Grapene Undertaking to the Trustee-Manager and the Sole Lead Manager and Underwriter on 9 September 2009, that it will take up the Proportionate Rights Units, subject to the passing of the Whitewash Resolution; and
- (ii) entered into the Standby Commitment Agreement with the Sole Lead Manager and Underwriter on 9 September 2009, pursuant to which it will subscribe for up to 90.0% of the total number of Rights Units (to the extent that they are not validly subscribed for under the Rights Issue) less the number of Proportionate Rights Units, subject to the passing of the Whitewash Resolution. In relation to Grapene's obligation to subscribe for Rights Units under the Grapene Undertaking and the Standby Commitment Agreement, Grapene is entitled to either subscribe for the Rights Units itself and/or procure Ariston and/or any of their associates, existing subsidiaries and/or new subsidiaries set up by Grapene and/or Ariston to hold any of the Rights Units to subscribe for the Rights Units.

Under the Standby Commitment Agreement, the Sole Lead Manager and Underwriter agrees that prior to allotting to Grapene any unsubscribed Rights Units under the Rights Issue, the Sole Lead Manager and Underwriter will first subscribe, or procure subscribers for, 10.0% of the total number of Rights Units less the Rights Units which are subscribed by Public Investors. For the purpose of the Standby Commitment Agreement, the term "Public Investors" shall refer to all subscribers of the Rights Units, other than (i) the directors and the chief executive officer of the Trustee-Manager, (ii) the Trustee-Manager, (iii) any of the Subscribing Entities and (iv) FIM Ltd.¹ and its related corporations, associates, affiliates and nominees².

Pursuant to the Standby Commitment Agreement, the Sole Lead Manager and Underwriter agrees to pay to Grapene:

- (a) a standby commitment fee of 1.75% of the Rights Issue Price multiplied by:
 - (i) the number of Proportionate Rights Units (which is equivalent to approximately S\$1.2 million); and
 - (ii) the number of Ariston Units (which is equivalent to approximately S\$0.4 million);

¹ FIM Ltd. is not related to any of Grapene, Ariston or IBREL.

² Grapene and the Sole Lead Manager and Underwriter are proposing this arrangement to avoid any risk of breaching Rule 723 of the Listing Manual, which requires the Trustee-Manager to ensure that at least 10.0% of the total number of issued Units are at all times held by the "public". The reference to "Public Investors" here is intended to generally reflect the definition of "public" as set out in the "Definitions and Interpretation" section of the Listing Manual. FIM Ltd. and its affiliates hold an aggregate of 1,009,443,544 Units, representing approximately 42.8% of the total Units in issue as at 19 June 2009. Accordingly, FIM Ltd. is a "controlling" Unitholder and is not considered a "public" Unitholder as defined in the Listing Manual. Therefore, the unitholdings of FIM Ltd. and its related corporations, associates, affiliates and nominees will not be included in the determination of the number of Units held by the "public" as defined in the "Definitions and Interpretation" section of the Listing Manual.

- (b) a standby commitment fee of 2.25% of the Rights Issue Price multiplied by the number of Commitment Rights Units less the Ariston Units (which is equivalent to approximately S\$2.0 million),

together with any goods and services tax payable thereon (collectively, the “**Standby Commitment Fees**”).

The Standby Commitment Fees payable to Grapene will be paid by the Sole Lead Manager and Underwriter out of the Underwriting Commission and the percentage level of the standby commitment fees payable by the Sole Lead Manager and Underwriter to Grapene pursuant to the Standby Commitment Agreement will not be more than the percentage level of the commission which the Sole Lead Manager and Underwriter receives pursuant to the Underwriting Agreement.

Given the current challenging market conditions, the Sole Lead Manager and Underwriter has indicated that it will only underwrite the Rights Issue if Grapene enters into the Grapene Undertaking and the Standby Commitment Agreement. By committing to this arrangement, Grapene is demonstrating its support for IPIT and facilitating the underwriting of the Rights Issue by the Sole Lead Manager and Underwriter, thereby enhancing the chances of a successful Rights Issue. As Grapene is making an upfront commitment, Grapene will be assuming market risks for the entire Rights Issue period.

2.5.3 Board Confirmation

The board of directors of the Trustee-Manager (the “**Board**”) has considered the terms of the:

- (i) Underwriting Agreement (including the Underwriting Commission) and is of the view that they have been entered into on an arm’s length basis and on normal commercial terms; and
- (ii) the Standby Commitment Agreement (including the Standby Commitment Fees) and is of the view that the terms are fair, and not prejudicial to IPIT and to other Unitholders and are in the interest of IPIT and its Unitholders as a whole,

on the basis that:

- (A) given the recent months of market uncertainty and volatility, the execution risks posed by the long rights issue execution period and the likely material adverse consequences of an unsuccessful rights issue, it is important for the Rights Issue to be underwritten;
- (B) the Sole Lead Manager and Underwriter has confirmed that it will only underwrite the Rights Issue if Grapene enters into the Grapene Undertaking and the Standby Commitment Agreement and that the entry into of the Grapene Undertaking and the Standby Commitment Agreement will facilitate the underwriting of the Rights Issue by the Sole Lead Manager and Underwriter, thereby enhancing the chances of a successful Rights Issue; and
- (C) as Grapene is making an upfront commitment, it will be assuming market risks for the entire Rights Issue period.

None of the Directors dissented with the above opinion.

2.5.4 Listing Approval

The details of the conditions imposed by the SGX-ST's in-principle approval of the listing and quotation of the Rights Units are, inter alia, as follows:

- (i) compliance with the SGX-ST's listing requirements;
- (ii) Unitholders' approval of the Rights Issue and the Whitewash Resolution;
- (iii) a written undertaking from IPIT that it will make periodic announcements on the use of proceeds from the Rights Issue and that it will provide a status report on the use of proceeds in the annual report;
- (iv) a written undertaking from IPIT that in the allotment of any Excess Rights Units, preference will be given to the rounding of odd lots, and Directors and Substantial Unitholders will rank last in priority;
- (v) a written confirmation from financial institution(s) that Grapene who has given the irrevocable undertaking have sufficient financial resources to fulfil its obligations under its undertakings; and
- (vi) clear disclosure via SGXNET and in this Circular of the breakdown of the rights proceeds for the repayment of IPIT Group's loans including the loan from IBFSL.

2.5.5 Waiver from the Singapore Code of Take-overs and Mergers

On 11 August 2009, the SIC granted the SIC Waiver in relation to the requirement by Grapene and parties acting in concert with Grapene to make a Mandatory Offer for the remaining Units not owned or controlled by Grapene and parties acting in concert with Grapene, in the event that they incur an obligation to make a Mandatory Offer as a result of the Subscribing Entities taking up provisional allotments of Rights Units allotted and issued to them and, if applicable, through (i) subscribing for the Commitment Rights Units pursuant to the Standby Commitment Agreement and/or (ii) applying directly and/or through the Subscribing Entities any Excess Rights Units under the Rights Issue and/or (iii) acquiring any Grapene Nil-Paid Rights under the Rights Issue, subject to the satisfaction of the conditions specified in the SIC Waiver (as set out in paragraph 4.2) including the approval of the Whitewash Resolution by Independent Unitholders at a general meeting of Unitholders (Resolution 2).

2.6 Excess Rights Units

The Subscribing Entities may, choose to apply for Rights Units represented by the provisional allotments (A) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or trade their provisional allotment of Rights Units under the Rights Issue (during the "nil-paid" rights trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders (as defined herein) which have not been sold during the "nil-paid" rights trading period or (B) that have not been validly taken up by the original allottees, renounees of the provisional allotments or the purchasers of the "nil-paid" rights Units (collectively, the "**Excess Rights Units**"). In the allotment of Excess Rights Units, preference will be given to the rounding of odd lots. Each of the Subscribing Entities, other Substantial Unitholders, Directors (as defined herein) and their respective associates will rank last in priority. Any remaining unsubscribed Rights Units will be underwritten by the Sole Lead Manager and Underwriter, subject to the terms of the Standby Commitment Agreement. (See paragraphs 2.5 and 4 of the Letter to Unitholders for further details.)

2.7 Nil-Paid Rights

The Subscribing Entities may acquire “nil-paid” rights entitlements on the open market and subsequently exercise the “nil-paid” rights entitlements to acquire Rights Units (the “**Grapene Nil-Paid Rights**”).

For the avoidance of doubt, the Grapene Excess Rights Units and the purchase of Grapene Nil-Paid Rights would be offset against the Proportionate Rights Units and the Commitment Rights Units which Grapene has committed to subscribe for pursuant to the Grapene Undertaking and the Standby Commitment Agreement.

2.8 Status of the Rights Units

The Rights Units will, upon allotment and issue, rank *pari passu* in all respects with the existing Common Units in issue as at the date of issue of the Rights Units, including the right to any distributions which may accrue for the period from 1 April 2009 to 30 September 2009 as well as all distributions thereafter.

Unitholders should note that by approving the Rights Issue, they are also approving the issuance of the Rights Units which will rank *pari passu* in all respects with the existing Common Units in issue as at the date of issue of the Rights Units, including the right to any distributions which may accrue for the period from 1 April 2009 to 30 September 2009, notwithstanding that the Rights Units are expected to be issued in October 2009.

2.9 The Vendor Special Units and the Common Units

Currently, Units in IPIT are divided into Vendor Special Units (as defined herein) and Common Units. The Mixtel 1 Units and the Mixtel 2 Units (each as defined herein) (collectively, the “**Vendor Special Units**”) rank *pari passu* with, and have the same rights as, the Common Units, save that the Vendor Special Units are subject to the Distribution Entitlement and Subordination Arrangement (as defined herein) and in all other respects the Vendor Special Units shall be treated the same as the Common Units except as provided in the Trust Deed and the Agreement to Extend the Distribution Entitlement and Subordination Arrangement (as defined herein).

The Trustee-Manager has on 7 September 2009, pursuant to the Distribution Entitlement and Subordination Arrangement, converted all the FIM 1 Units and the FIM 2 Units to Common Units which have started trading on 8 September 2009. As a result of the conversion of the FIM 1 Units and the FIM 2 Units to Common Units, there is now a total of 1,610,533,504 Common Units in issue and listed on the SGX-ST and no more FIM 1 Units and FIM 2 Units.

2.9.1 The Distribution Entitlement and Subordination Arrangement for FY 2010

Under the Distribution Entitlement and Subordination Arrangement disclosed in the Prospectus, Grapene has agreed to subordinate its entitlement to distribution for the financial year ending 31 March 2010 (“**FY 2010**”) in favour of the Common Units, FIM 1 Units and the FIM 2 Units¹ to the minimum extent necessary so that the distribution per Unit in Rs. (prior to any conversion to S\$) payable in respect of the Common Units for the Projection Year 2010 is not less than the Rs equivalent of 9.82 Singapore cents (based on a fixed exchange rate of Rs. 29.02 = S\$1.00). Such subordination, to the extent required, will be made equally per Mixtel 1 Unit and Mixtel 2 Unit (*i.e.* on a per unit basis).

¹ The Trustee-Manager has on 7 September 2009, pursuant to the Distribution Entitlement and Subordination Arrangement converted all the FIM 1 Units and the FIM 2 Units to Common Units which have started trading on 8 September 2009. As a result of the conversion of the FIM 1 Units and the FIM 2 Units to Common Units, there are no more FIM 1 Units and FIM 2 Units.

2.9.2 The Distribution Entitlement and Subordination Arrangement for Projection Year 2011

Grapene has entered into an agreement with the Trustee-Manager to extend the distribution entitlement and subordination arrangement in respect of the Mixtel 1 Units and the Mixtel 2 Units for a further 12-month period commencing on 1 April 2010 and ending on 31 March 2011 (the “**Projection Year 2011**”) (the “**Agreement to Extend the Distribution Entitlement and Subordination Arrangement**”). Pursuant to the Agreement to Extend the Distribution Entitlement and Subordination Arrangement, the entitlement to distribution of the Mixtel 1 Units and the Mixtel 2 Units for the Projection Year 2011 shall be subordinated in favour of the Common Units, the FIM 1 Units and the FIM 2 Units¹ to the minimum extent necessary so that the distribution per unit in Rs. (prior to any conversion to S\$) payable in respect of Common Units for the Projection Year 2011 is not less than the Rs. equivalent of 9.82 Singapore cents (based on a fixed exchange rate of Rs. 29.02 = S\$1.00). Such subordination, to the extent needed, will be made equally per Mixtel 1 Unit and Mixtel 2 Unit (*i.e.* on a per unit basis).

The above is in no way an indication of the Trustee-Manager’s expectation of the income of IPIT for the Projection Year 2011, nor does it constitute a guarantee that there would be a distribution of 9.82 Singapore cents (based on a fixed exchange rate of Rs. 29.02 = S\$1.00), or any distribution at all for Projection Year 2011. For the avoidance of doubt, if the distribution per Unit does not exceed 9.82 Singapore cents (based on a fixed exchange rate of Rs. 29.02 = S\$1.00), the Mixtel 1 Units and the Mixtel 2 Units will not be entitled to any distribution.

2.9.3 Conversion of the Mixtel 1 Units and the Mixtel 2 Units

The Mixtel 1 Units and the Mixtel 2 Units shall remain listed on the SGX-ST but will not be traded on the SGX-ST.

While any Distribution in respect of FY 2010 and the Projection Year 2011 remains unpaid, the Trustee-Manager may be instructed to procure the conversion of some or all of the Mixtel 1 Units and/or Mixtel 2 Units into Common Units (the “**Mixtel Converted Units**”) by Grapene. In such an event, Grapene shall place a refundable deposit with the Trustee-Manager in cash (which shall then be deposited by the Trustee-Manager in a bank account solely for this purpose, with any interest generated from such deposit being for the benefit of Grapene) or in lieu thereof an unconditional on-demand bank guarantee issued by a Singapore-licensed bank which shall be satisfactory to the Trustee-Manager for a sum of money equivalent to the sum of the following (the “**Mixtel Subordination Amount**”):

- (a) the maximum amount of Distributions with respect to the Mixtel Converted Units which are subject to the Distribution Entitlement and Subordination Arrangement; and
- (b) in the event that the Mixtel Subordination Amount is subject to Singapore income tax in the hands of the Trustee-Manager, acting in its capacity as the trustee-manager of IPIT, an additional amount to be computed in accordance with the formula:

$$\frac{A \times R}{(100\% - R)}$$

¹ The Trustee-Manager has on 7 September 2009, pursuant to the Distribution Entitlement and Subordination Arrangement converted all the FIM 1 Units and the FIM 2 Units to Common Units which have started trading on 8 September 2009. As a result of the conversion of the FIM 1 Units and the FIM 2 Units to Common Units, there are no more FIM 1 Units and FIM 2 Units.

Where

A: is the Mixtel Subordination Amount; and

R: is the Singapore corporate tax rate prevailing for the year of assessment in which the Mixtel Subordination Amount falls to be assessed to tax.

On the date immediately after the date of each announcement of Distribution in respect of a financial period which covers all or part of the period between 1 April 2009 and 31 March 2011 (both dates inclusive), the Mixtel Subordination Amount:

- (A) shall vest in the Trustee-Manager to the extent necessary for the purpose of the Distribution Entitlement and Subordination Arrangement; and
- (B) shall, to the extent that any part of such amount is not vested with the Trustee-Manager in accordance with sub-paragraph (A) immediately above:
 - (i) (in the case of cash) be refunded, together with any interest which has been generated from the deposit of the Mixtel Subordination Amount; or
 - (ii) (in the case of a bank guarantee) be released or returned.

Upon the earlier of (a) the conversion of a Mixtel 1 Unit or Mixtel 2 Unit into a Common Unit or (b) the expiration of the Distribution Entitlement and Subordination Arrangement with respect to the Mixtel 1 Units and Mixtel 2 Units, such Mixtel 1 Unit and/or Mixtel 2 Unit (as the case may be) will become a Common Unit and shall automatically rank *pari passu* with, and have the same rights as, the other Common Units in all respects, and may be sold by Grapene to any third party without any restriction.

2.9.4 Automatic Conversion of the Mixtel 1 Units and the Mixtel 2 Units

Upon payment of the Distribution in respect of the last six months of the Projection Year 2011, the Trustee-Manager shall be required, as soon as reasonably practicable, to procure the conversion of all of the remaining Mixtel 1 Units and Mixtel 2 Units into Common Units.

Unitholders should note that the Rights Units will, upon allotment and issue, rank *pari passu* in all respects with the existing Common Units in issue as at the date of issue of the Rights Units and not be subject to any existing or new distribution and subordination arrangements.

2.10 Lock-up Arrangements

2.10.1 Trustee-Manager

Pursuant to the Underwriting Agreement, the Trustee-Manager has agreed that it will not, without the prior written consent of the Sole Lead Manager and Underwriter, directly or indirectly offer, issue, contract to issue, grant any option to purchase any Units (or any securities convertible into or exchangeable for Units or which carry rights to subscribe for Units), enter into a transaction (including a derivative transaction) with a similar economic effect to the foregoing or publicly announce any intention to do any of the above, during the period commencing from the date of the Underwriting Agreement until the date falling 90 days after the date on which the Rights Units are listed on the SGX-ST, other than as required by applicable laws and regulations. The restrictions set out in this paragraph do

not apply to the Rights Units to be offered under the Rights Issue and the Units to be issued to the Trustee-Manager in full or part payment of the Trustee-Manager's fees under the Trust Deed.

2.10.2 Grapene

Pursuant to the Standby Commitment Agreement, Grapene has agreed that, unless required by applicable laws and regulations, it will not, without the prior written consent of the Sole Lead Manager and Underwriter, offer, pledge, sell or contract to sell, grant any option, right or warrant to purchase, lend, hypothecate or encumber or otherwise transfer or dispose of (whether directly or indirectly) any Units held as at the settlement date of the Rights Issue by it and/or any of its associates, existing subsidiaries and/or new subsidiaries to be set up by Grapene to hold any of the Rights Units to or in favour of any party other than its related corporations, enter into a transaction (including a derivative transaction) with a similar economic effect to the foregoing and make any announcements in connection with any of the foregoing transactions, from the date of the Standby Commitment Agreement until the date falling 90 days after the date on which the Rights Units are listed on the SGX-ST. The restrictions set out in this paragraph do not apply to the pledge or grant of any security over the Units subject to the lock-up for Grapene's general financing purposes, provided that the person in whose favour such pledge or security is made has executed and delivered to the Sole Lead Manager and Underwriter an undertaking that the restrictions described in this paragraph will remain in effect for the remainder of the lock-up.

2.10.3 Ariston

Pursuant to the lock-up undertaking entered into between Ariston and the Sole Lead Manager and Underwriter on 9 September 2009 in relation to the Units held by Ariston (the "**Ariston Lock-up Undertaking**"), Ariston has agreed that, unless required by applicable laws and regulations, it will not, without the prior written consent of the Sole Lead Manager and Underwriter, offer, pledge, sell or contract to sell, grant any option, right or warrant to purchase, lend, hypothecate or encumber or otherwise transfer or dispose of (whether directly or indirectly) any Units held as at the settlement date of the Rights Issue by it and/or any of its associates, existing subsidiaries and/or new subsidiaries to be set up by it to hold any of the Rights Units to or in favour of any party other than its related corporations, enter into a transaction (including a derivative transaction) with a similar economic effect to the foregoing and make any announcements in connection with any of the foregoing transactions, from the date of the Ariston Lock-Up undertaking until the date falling 90 days after the date on which the Rights Units are listed on the SGX-ST. The restrictions set out in this paragraph do not apply to the pledge or grant of any security over the Units subject to the lock-up for Ariston's general financing purposes, provided that the person in whose favour such pledge or security is made has executed and delivered to the Sole Lead Manager and Underwriter an undertaking that the restrictions described in this paragraph will remain in effect for the remaining unexpired period of the lock-up.

2.11 Rationale for the Rights Issue

The Trustee-Manager believes that the Rights Issue will bring the following benefits to Unitholders.

2.11.1 Strengthen IPIT's Balance Sheet and Enhance Financial Flexibility

The global financial crisis has negatively affected the Mumbai office space market. Occupancy and rental rates have both declined due to the global financial crisis. In particular, demand for office space in the banking, finance, securities and insurance sector (which is the main targeted sector of the IPIT's properties) has faced a severe decline. Potential tenants of office space in the Mumbai market are also waiting for signs of economic recovery before making decisions regarding their office space needs. As a result, a number of India property developers have abandoned planned projects.

In light of the poor economic conditions and low visibility of global economic developments as well as the severe economic pressure on the Mumbai property market, the Board believes it is prudent to minimise risk by way of debt reduction in order to preserve long-term value creation opportunities for Unitholders.

Notwithstanding the above, the Board believes that IPIT's long-term prospects are strong. While IPIT has also been negatively affected by the global financial crisis in terms of lower occupancy and rental rates, its balance sheet has remained relatively strong compared to those of many other India property developers and the lower lease rates of the Properties have not been due to the status of IPIT's balance sheet but is a commercial decision taken by IPIT in line with deteriorated market conditions. As a result, the Trustee-Manager believes that IPIT will be able to continue to pursue its plans for the development of the Properties.

The Trustee-Manager also believes that if, while competitors have abandoned projects, IPIT continues with its planned developments at One Indiabulls Centre and Indiabulls Finance Centre, both of which are prime high-end developments compared with other developments in their vicinity, IPIT will be able to emerge from the current financial crisis with developments which will be superior to that of its competitors in Mumbai.

In order to capitalise on this opportunity, IPIT believes that it needs to minimise its debt obligations to be in a better position to make commercial decisions. The Trustee-Manager believes that the most appropriate method of achieving this objective is to strengthen IPIT's balance sheet and reduce the IPIT Group's debt obligations and associated borrowing expenses while allowing Unitholders to maintain their unitholdings in IPIT.

Additionally, the Trustee-Manager believes that by strengthening IPIT's balance sheet, IPIT will be in a stronger negotiating position with potential tenants as it would be able to pursue proposals which are in the best interests of IPIT and hence potentially achieve higher lease rates so that Unitholders may reap long-term yields without imprudent risk.

2.11.2 Provide Unitholders with pro rata entitlement to Rights Units

The Rights Issue would provide Unitholders with the opportunity to subscribe for their pro rata entitlement to the Rights Units at a Rights Issue Price of S\$0.16 which is at a discount of 48.4% to the Closing Price which also represents a discount of approximately 38.0% to the TERP.

In comparison with the pro forma net asset value ("**NAV**") per Unit¹ after completion of the Rights Issue, the Rights Issue Price is at a discount of approximately 70.4%, while the TERP is at a discount of approximately 52.3% to the pro forma NAV.

¹ Please see paragraph 3.3 below.

Unitholders who do not wish to subscribe for the Rights Units may choose to renounce their provisional allotment of Rights Units in favour of a third party or sell their “nil-paid” rights during the “nil-paid” Rights trading period to realise the value of their “nil-paid” rights. In addition, Unitholders are entitled to apply for Excess Rights Units.

3. FINANCIAL IMPACT OF THE RIGHTS ISSUE

3.1 Assumptions

The pro forma financial effects of the Rights Issue on the distribution per Unit (“DPU”) and NAV per Unit and the pro forma capitalisation of IPIT presented below, are strictly for illustrative purposes and were prepared based on the unaudited consolidated financial statements of the IPIT Group for the three months period ended 30 June 2009 (the “**IPIT Group First Quarter ended 2009 Unaudited Financial Statements**”), taking into account the estimated costs of the Rights Issue and assuming that (i) the Rights Ratio is 53 Rights Units for every 100 Existing Units (53 for 100) and that 1.25 billion Rights Units are issued at a Rights Issue Price of S\$0.16 per Rights Unit under the Rights Issue, and (ii) approximately S\$193.0 million¹ of the net proceeds from the Rights Issue is used to repay and/or prepay the Borrowings in proportion to the amounts of short-term and long-term secured and unsecured debt outstanding.

It should be noted that the pro forma financial information in this Circular has not been prepared in connection with an offering registered with the U.S. Securities and Exchange Commission (the “SEC”) under the Securities Act and consequently is not compliant with the SEC’s rules on presentation of pro forma financial statements. Furthermore, this exercise has not been carried out in accordance with accounting standards generally accepted in the U.S. and accordingly should not be relied upon as if it has been carried out in accordance with those standards.

3.2 Pro Forma DPU

The pro forma financial effects of the Rights Issue on IPIT’s DPU for the first quarter ended 30 June 2009, based on the IPIT Group First Quarter ended 2009 Unaudited Financial Statements, as if the Rights Issue was completed on 1 April 2009 and held throughout the first quarter ended 30 June 2009, are as follows:

	Effects of the Rights Issue	
	As at First Quarter ended 30 June 2009	As Adjusted
Distributable Income ⁽¹⁾ (S\$)	0	0
Issued Units ('000)	2,356,555 ⁽²⁾	3,610,250 ⁽³⁾
DPU (cents)	0	0

Notes:

- (1) There has been no distributable income over the period.
- (2) Number of Units issued as at 30 June 2009.
- (3) Based on the total number of Units in issue upon completion of the Rights Issue which includes the 3,086,058 Units issued to the Trustee-Manager on 20 August 2009 as payment of management fees.

¹ The amount of approximately S\$193.0 million includes the principal amount of the borrowings of IPIT. This does not include interest accrued until the date of such prepayment and/or repayment and any bank charges associated with any repayment and/or prepayment as these amounts will be a function of the exact date on which borrowing is prepaid and/or repaid and also a function of the exact interest accrued until the relevant repayment and/or prepayment date, any associated charges that may be required to be paid in relation to the repayment and/or prepayment of the relevant facilities. This will also depend upon the currency exchange rates at the relevant time.

3.3 Pro Forma NAV

The pro forma financial effects of the Rights Issue on the NAV per Unit as at 30 June 2009, as if the Rights Issue was completed on 30 June 2009, are as follows:

	Effects of the Rights Issue	
	As at 30 June 2009	As Adjusted ⁽¹⁾
NAV (S\$'000)	1,758,208	1,951,208
Issued Units ('000)	2,356,555 ⁽²⁾	3,610,250 ⁽³⁾
NAV per Unit (S\$)	0.75	0.54

Notes:

- (1) Assuming that:
- the NAV as at the Latest Practicable Date remains unchanged from NAV as at 30 June 2009; and
 - the total rights issue costs are S\$7.1 million, which includes the estimated Management Fee and Incentive Fee (on the basis that the Trustee-Manager exercises its discretion to pay the sole Lead Manager and Underwriter in full the Incentive Fee), underwriting and selling commissions and other professional expenses.
- (2) Number of Units issued as at 30 June 2009.
- (3) Based on the total number of Units in issue upon completion of the Rights Issue which includes the 3,086,058 Units issued to the Trustee-Manager on 20 August 2009 as payment of the Trustee-Manager's Management Fee.

3.4 Pro Forma Capitalisation

The following table sets forth the pro forma capitalisation of IPIT as at 30 June 2009 adjusted to the Latest Practicable Date and as if the Rights Issue was completed on the Latest Practicable Date.

	As at 30 June 2009 ⁽¹⁾ (S\$ million)	As at the Latest Practicable date (S\$ million) ⁽⁴⁾	As at the Latest Practicable Date adjusted for the Rights Issue ⁽³⁾ (S\$ million) ⁽⁴⁾
Short-term debt:			
Secured debt	67.3	23.6	6.0
Unsecured debt	—	—	—
Total short-term debt	67.3	23.6	6.0
Long-term debt:			
Secured debt	169.5	159.5	40.5
Unsecured debt	21.5	75.5	19.1
Total long-term debt	191.0	235.0	59.6
Total debt:	258.3	258.6	65.6
Unitholders' funds	1,758.2	1,758.2 ⁽²⁾	1,958.3
Expenses relating to Rights Issue	—	—	(7.1)
Total Unitholders' funds	1,758.2	1,758.2	1,951.2
Total capitalisation	2,016.5	2,016.8	2,016.8

Notes:

- (1) The amounts are based on the results announced for the first quarter ended 30 June 2009 and are based on the exchange rate as on that date.

- (2) Assuming that Unitholders' funds as at the Latest Practicable Date is equal to the Unitholders' funds as at 30 June 2009.
- (3) Assuming that approximately S\$193.0 million of the net proceeds from the Rights Issue is used to repay and/or prepay the Borrowings, in proportion to the amounts of short-term and long-term secured and unsecured debt outstanding as at the Latest Practicable Date. The actual amounts to be repaid/prepaid will be determined by the Trustee-Manager at its sole discretion, taking into consideration the economic environment, the terms of the various lenders (including interest rate) at the relevant time and the best interest of IPIT. The amounts repaid/prepaid does not include repayment/prepayment charges of approximately 2.0% of the amount repaid/prepaid which can be assessed by the creditors (except for the IBFSL Facility which has no repayment/prepayment charges). The amounts repaid/prepaid also does not include interest accrued until the date of such prepayment and/or repayment as these amounts will be a function of the exact date on which borrowing is prepaid and/or repaid and also a function of the exact interest accrued until the relevant repayment and/or prepayment date. This will also depend upon the currency exchange rates at the relevant time.
- (4) Based on the exchange rate of Rs. 33.97 is to S\$1.00 as at the Latest Practicable Date (Source: Bloomberg). However, actual amounts will be dependent on the exchange rates at the relevant time.

4. THE PROPOSED WHITEWASH RESOLUTION

4.1 Rule 14 of the Code

The Trustee-Manager proposes to seek approval from Independent Unitholders for a waiver of their right to receive a Mandatory Offer from Grapene and parties acting in concert with Grapene for the remaining issued Units not owned or controlled by Grapene and parties acting in concert with Grapene, in the event that they incur an obligation to make Mandatory Offer as a result of the Subscribing Entities taking up provisional allotments of Rights Units allotted and issued to them and, if applicable, through (i) subscribing for the Commitment Rights Units pursuant to the Standby Commitment Agreement, (ii) applying for the Grapene Excess Rights Units under the Rights Issue and/or (iii) acquiring any Grapene Nil-Paid Rights under the Rights Issue.

Rule 14.1(b) of the Code. Rule 14.1(b) of the Code states that Grapene and parties acting in concert with Grapene, being persons with aggregate unitholding of not less than 30.0% but not more than 50.0%, would be required to make a Mandatory Offer if the Subscribing Entities acquire additional Units which increases their aggregate unitholding in IPIT by 1.0% or more in any period of 6 months.

Unless waived by the SIC, pursuant to Rule 14.1(b) of the Code, Grapene and parties acting in concert with Grapene would then be required to make a Mandatory Offer. The SIC has granted this waiver subject to the satisfaction of the conditions specified in the SIC Waiver (as set out in paragraph 4.2) including the Whitewash Resolution being approved by Independent Unitholders at an EGM.

As at the Latest Practicable Date, Ariston, Grapene¹ and the Trustee-Manager hold an aggregate direct interest of approximately 45.1% in IPIT as follows:

- (i) Ariston holds 259,498,242 Units representing approximately 11.0% of the voting rights of IPIT;
- (ii) Grapene holds 802,129,583 Units representing approximately 34.0% of the voting rights of IPIT; and
- (iii) the Trustee-Manager holds 3,086,058 Units representing approximately 0.1% of the voting rights of IPIT.

¹ Grapene, Ariston and the Trustee-Manager are "sister" corporations — each of them is a wholly-owned subsidiary of IBREL. Each of Grapene, Ariston and the Trustee-Manager is neither a holding company nor a subsidiary of the other two companies.

Assuming that all Unitholders (including the Subscribing Entities) accept their provisional allotments under the Rights Issue in full, the unitholdings of the Subscribing Entities immediately after the completion of the Rights Issue and upon the acceptance of all of their provisional allotments under the Rights Issue (being 564,298,358 Rights Units) will remain unchanged at approximately 45.1% (“**Whitewash Scenario 1**”).

In the scenario where the Subscribing Entities subscribe for not only their provisional allotments but also subscribe for all the Commitment Rights Units pursuant to the Standby Commitment Agreement (being on aggregate of 1,125,548,571 Rights Units) and assuming that the Subscribing Entities do not apply for any Excess Rights Units and/or acquire any Grapene Nil-Paid Rights under the Rights Issue, the aggregated unitholding of the Subscribing Entities immediately after the completion of the Rights Issue and upon the subscription for all of the Rights Units will be approximately 60.7% (“**Whitewash Scenario 2**”).

The maximum possible increase in the unitholdings of the Subscribing Entities would occur in the scenario where the Subscribing Entities (i) subscribe for their provisional allotments of Rights Units, (ii) subscribe for all of the Commitment Rights Units pursuant to the Standby Commitment Agreement and (iii) apply for and receive such maximum number of Excess Rights Units and/or acquire any Grapene Nil-Paid Rights Units under the Rights Issue, without breaching the “public” float requirement set out in Rule 723 of the Listing Manual, being an aggregate of 1,175,067,693¹ Rights Units. In this case, the aggregated unitholding of the Subscribing Entities immediately after the completion of the Rights Issue will be approximately 62.0% (“**Whitewash Scenario 3**”).

The following table sets out the respective unitholdings of the Subscribing Entities in the scenarios outlined above, based on the Rights Ratio for the Rights Issue.

	Before the Rights Issue	After the Rights Issue		
		Whitewash Scenario 1	Whitewash Scenario 2	Whitewash Scenario 3
Issued Units	2,359,640,610	3,610,250,133	3,610,250,133	3,610,250,133
Number of Units held by the Subscribing Entities	1,064,713,883	1,629,012,241	2,190,262,454	2,239,781,576 ⁽¹⁾
Number of Units held by Unitholders, other than the Subscribing Entities	1,294,926,727	1,981,237,892	1,419,987,679	1,370,468,557
% of issued Units held by the Subscribing Entities	45.1%	45.1%	60.7%	62.0%
% of Issued Units held by Unitholders, other than the Subscribing Entities	54.9%	54.9%	39.3%	38.0%

Note:

(1) Assumes that there is no change to the number of Units currently held by FIM Ltd. and its affiliates (being 1,009,443,544 Units), i.e. FIM Ltd. (and its affiliates), as the only other Substantial Unitholder, does not divest any portion of its existing stake and does not take up any part of its entitlement in the Rights Issue.

1 Assumes that there is no change to the number of Units currently held by FIM Ltd. and its affiliates (being 1,009,443,544 Units), i.e. FIM Ltd. (and its affiliates), as the only other Substantial Unitholder, does not divest any portion of its existing stake and does not take up any part of its entitlement in the Rights Issue.

To the best knowledge of the Trustee-Manager and based on the notifications by Substantial Unitholders announced on the SGXNET, the only other Substantial Unitholder (other than the Subscribing Entities) as at the Latest Practicable Date is FIM Ltd¹.

4.2 Application for waiver from Rule 14 of the Code

An application was made to the SIC on 7 July 2009 for the waiver of the obligation of Grapene and parties acting in concert with Grapene to make a Mandatory Offer should the obligation to do so arise as a result of the Rights Issue. The SIC granted the waiver on 11 August 2009, subject to the satisfaction of the following conditions:

- (i) a majority of Independent Unitholders approving by way of a poll in a general meeting, held before the issue of Rights Units to the Subscribing Entities, the Whitewash Resolution to waive their rights to receive a general offer from Grapene and parties acting in concert with Grapene;
- (ii) the Whitewash Resolution is separate from other resolutions tabled at the EGM;
- (iii) Grapene, parties acting in concert with Grapene and parties not independent of Grapene abstain from voting on the Whitewash Resolution;
- (iv) Grapene and parties acting in concert with Grapene did not acquire and are not to acquire any Units or instruments convertible into and options in respect of Units (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Units which have been disclosed in this Circular):
 - (a) during the period between the date of the announcement in connection with the Rights Issue (the “**Rights Issue Announcement**”) and the date Unitholders’ approval is obtained for the Whitewash Resolution; and
 - (b) in the six months prior to the Rights Issue Announcement but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Trustee-Manager in relation to the Rights Issue;
- (v) IPIT appoints an independent financial adviser to advise the Independent Unitholders on the Whitewash Resolution;
- (vi) IPIT sets out clearly in this Circular:
 - (a) the details of the Rights Issue including the Grapene Undertaking and the Standby Commitment Agreement;
 - (b) the dilutive effect of issuing the Rights Units to existing Unitholders of voting rights in IPIT;
 - (c) the number and percentage of Units in IPIT as well as the number of instruments convertible into, rights to subscribe for and options in respect of Units held by Grapene and parties acting in concert with Grapene as at the Latest Practicable Date;
 - (d) the number and percentage of voting rights to be issued to Grapene and its concert parties under the Rights Issue;

¹ FIM Ltd. and its affiliates hold an aggregate of 1,009,443,544 Units representing approximately 42.8% of the total Units in issue as at the Latest Practicable Date.

- (e) a specific and prominent reference to the fact that and the acquisition of the Rights Units by the Subscribing Entities could result in the Subscribing Entities holding Units carrying over 49.0% of the voting rights of IPIT based on its enlarged issued Unitholdings and the Subscribing Entities will be free to acquire further Units without incurring any obligation under Rule 14 of the Code to make a general offer for IPIT; and
- (f) that Unitholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from Grapene and parties acting in concert with Grapene at the highest price paid or agreed to be paid by Grapene and parties acting in concert with Grapene for voting Units in the six months preceding the commencement of the offer;
- (vii) this Circular states that the waiver granted by SIC to Grapene and parties acting in concert with Grapene from the requirement to make a general offer under Rule 14 of the Code is subject to the conditions set out in sub-paragraphs 4.2(i) to 4.2(vi)(a)-(f) above;
- (viii) Grapene obtain SIC's approval in advance for the paragraphs of this Circular that refer to the Whitewash Resolution; and
- (ix) to rely on the Whitewash Resolution, the acquisition of the Rights Units by the Subscribing Entities under the Rights Issue must be completed within three months of the approval of the Whitewash Resolution.

To the best of the knowledge of the Trustee-Manager, Grapene and parties acting in concert with Grapene hold, in aggregate, 1,064,713,883 Units representing approximately 45.1% of the voting rights of IPIT as at the Latest Practicable Date. As at the Latest Practicable Date, no instruments convertible into, rights to subscribe for and options in respect of Units have been issued.

Independent Unitholders should note that by voting for the Whitewash Resolution, they are waiving their rights to receive a Mandatory Offer from Grapene and parties acting in concert with Grapene at the highest price paid or agreed to be paid by Grapene and parties acting in concert with Grapene for Units in the six months preceding the taking up by the Subscribing Entities of provisional allotments of Rights Units allotted and issued to them, the subscription by the Subscribing Entities of the Grapene Excess Rights Units and/or the subscription of Commitment Rights Units pursuant to the Standby Commitment Agreement and/or acquisition of Grapene Nil-Paid Rights, resulting in an obligation to make a Mandatory Offer¹.

Independent Unitholders should further note that in the event that:

- (i) the Subscribing Entities subscribe for not only their provisional allotments but also subscribe for all the Commitment Rights Units pursuant to the Standby Commitment Agreement and assuming that the Subscribing Entities do not apply for any Excess Rights Units and/or acquire any Grapene Nil-Paid Rights under the Rights Issue, the aggregated unitholding of the Subscribing Entities immediately after the completion of the Rights Issue and upon the subscription for all of the Rights Units will be approximately 60.7%; and**
- (ii) the Subscribing Entities (i) subscribe for their provisional allotments of Rights Units, (ii) subscribe for all of the Commitment Rights Units pursuant to the Standby Commitment Agreement and (iii) apply for and receive such maximum number of Excess Rights Units and/or acquire any Grapene Nil-Paid Rights Units under the Rights Issue, without breaching the "public" float requirement set out in Rule 723 of**

¹ Save for the Units that have been issued to the Trustee-Manager as part payment of the Trustee-Manager's Management Fee for the first quarter of FY 2010, the Subscribing Entities have not acquired any Units in the last six months prior to the Latest Practicable Date.

the Listing Manual, the aggregated unitholding of the Subscribing Entities immediately after the completion of the Rights Issue will be approximately 62.0%¹.

As the Subscribing Entities would then hold more than 49.0% of the issued Units under both the scenarios (i) and (ii) above, they would be free to thereafter acquire further Units without incurring any obligation under Rule 14 of the Code to make a Mandatory Offer.

4.3 Rationale for the Whitewash Resolution

The rationale for the Whitewash Resolution are set out below.

Rationale to subscribe for the Proportionate Rights Units and Commitment Rights Units

Given the current challenging market conditions, the Sole Lead Manager and Underwriter has indicated that it will only underwrite the Rights Issue if Grapene enters into the Grapene Undertaking and the Standby Commitment Agreement. By committing to this arrangement, Grapene is demonstrating its support for IPIT and facilitating the underwriting of the Rights Issue by the Sole Lead Manager and Underwriter, thereby enhancing the chances of a successful Rights Issue.

Rationale to apply for Excess Rights Units

The Trustee-Manager is of the view that the Subscribing Entities should not be treated differently from any other Unitholder and should be given the opportunity to apply for Excess Rights Units under the Rights Issue.

In the allotment of Excess Rights Units, preference will be given to the rounding of odd lots. Each of the Subscribing Entities, other Substantial Unitholders, Directors and their respective associates will rank last in priority.

Rationale to acquire Grapene Nil-Paid Rights

The Trustee-Manager is of the view that the Subscribing Entities should not be treated differently from any other Unitholder and should be given the opportunity to acquire Grapene Nil-Paid Rights under the Rights Issue.

The Trustee-Manager is also of the view that allowing the Subscribing Entities to acquire Grapene Nil-Paid Rights in the open market would enhance liquidity in relation to the “nil-paid” rights. The liquidity of the market in “nil-paid” rights is an important issue because any illiquidity will impact upon the ability of a Unitholder that wishes to realise part or all of its “nil-paid” rights to do so without losing value.

Unitholders should note that Resolution 1 (the Rights Issue) is subject to and contingent upon the passing of Resolution 2 (the Whitewash Resolution).

1 Assumes that there is no change to the number of Units currently held by FIM Ltd. and its affiliates (being 1,009,443,544 Units), *i.e.* FIM Ltd. (and its affiliates), as the only other Substantial Unitholder, does not divest any portion of its existing stake and does not take up any part of its entitlement in the Rights Issue.

4.4 Advice of the Independent Financial Adviser

The Trustee-Manager has appointed Deloitte Touche Corporate Finance Pte Ltd as the IFA to advise the Independent Directors¹ in relation to the Whitewash Resolution. A copy of the letter issued by the IFA (the “**IFA Letter**”) to the Independent Directors, containing its advice in full, is set out in **Appendix A** of this Circular and Unitholders are advised to read the IFA Letter carefully.

Having considered the factors set out in the IFA Letter and subject to the assumptions and qualifications set out therein and taking into account the prevailing conditions as at the Latest Practicable Date, the IFA is of the opinion that the Whitewash Resolution is on normal commercial terms and is not prejudicial to IPIT and the Independent Unitholders. Accordingly, the IFA advises the Independent Directors to recommend that the Independent Unitholders vote in favour of the Whitewash Resolution.

5. THE PROPOSED EXPANSION OF PRINCIPAL OBJECTIVES OF IPIT

5.1 Principal Objectives of IPIT

The Prospectus stated that IPIT was established with the principal objectives of:

- (i) investing, either directly or indirectly, primarily in income-producing office space in India;
- (ii) acquiring and developing primarily office space in India with the intention of holding such properties upon completion; and
- (iii) investing in real estate-related assets in connection with the foregoing.

5.2 Initial Plans

The Prospectus also stated that the estimated total lettable area of One Indiabulls Centre and Indiabulls Finance Centre (formerly known as Elphinstone Mills), when fully completed, would comprise approximately 2,969,000 sq ft of lettable area for office space, 438,000 sq ft of lettable area for retail space and 119,000 sq ft of saleable area for residential space.

Consistent with the disclosure in the “Use of Proceeds” section of the Prospectus (see page 57 of the Prospectus), the proceeds of the IPO of IPIT were used to finance the acquisition of the Properties and to pay for issue expenses. The development of the properties was intended to be financed primarily by incurring additional external borrowings.

One Indiabulls Centre Tower 1 has been completed as scheduled. One Indiabulls Centre Tower 2 has been completed save for the top floors which are currently awaiting approval from the relevant regulatory authorities. As disclosed in the Prospectus, One Indiabulls Centre contains a residential component of over approximately 1.4 acres of land area the launch of which was announced by the Trustee-Manager on 22 August 2009.

Indiabulls Finance Centre Tower 1 has been completed in accordance with initial plans.

The Trustee-Manager has not made any firm decision to proceed with the development of any retail component at the Properties.

The total amount of space which is available and ready to be handed over to tenants for commencement of fit-out works is approximately 1.6 million sq ft, representing approximately 54.0% of the approximately 2,969,000 sq ft of lettable office space at the Properties, as stated in the Prospectus.

¹ The Independent Directors, being Mr Chatri Trisiripisal, Mr Loo Yau Soon and Mr Kalpesh Kapadia.

5.3 Subsequent Developments

5.3.1 Regulatory Developments

On 6 November 2008, the Urban Development Department, Government of Maharashtra, issued the FSI Notification which increased the FSI available to One Indiabulls Centre and Indiabulls Finance Centre from a maximum of 2.66 to a maximum of 4.00, subject to the satisfaction of certain conditions. Pursuant to a gazette for the period from 4 June 2009 to 10 June 2009, the Urban Development Department, Government of Maharashtra, issued the Hotel Notification which increased the FSI of 5 star hotels built in certain areas, including in the Properties to a maximum of 5.00, subject to the satisfaction of certain conditions, and the payment of a certain premium.

In order to take advantage of the FSI Notification, revised plans have been submitted to the relevant regulatory authorities, and these revised plans are currently pending approval¹. Since the FSI Notification is a new regulation and there are no precedents against which the Trustee-Manager can benchmark the time it would take to reach a conclusion under the relevant regulatory processes, the Trustee-Manager is unable to provide a specific timeframe regarding when it expects revised plans to be approved. Additionally, given that the additional floor space (as a result of the increased FSI) can be used for purposes including office, residential, retail or hospitality² developments, the Trustee-Manager will modify its plans in accordance with market conditions and demand in order to maximise returns for Unitholders, and not restrict development plans to only office space.

However, as noted below, in the current slow leasing environment, the development plans for the Properties are not held back pending receipt of regulatory approvals. Further, as noted below, should the Trustee-Manager decide to change the construction plans for the rest of the development, revised plans may need to be re-submitted for approval.

5.3.2 Economic Climate and Low Rentals

Due to the global financial crisis, market conditions in India have deteriorated since the Listing Date and rental rates for office space in Mumbai have dropped significantly. Leasing activity has been much slower than what was projected in the Prospectus.

Certain tenants (other than IBREL, IBPL, IBFSL and IBSL and their respective subsidiaries, associates and affiliates) of One Indiabulls Centre which had originally executed LOIs as at the Prospectus Date have recently renegotiated the terms of the LOIs³ to reduce the monthly rental charges from an earlier range of Rs. 274.0 to Rs. 325.0⁴ per sq ft to a revised rate of Rs. 175.0 per sq ft, and the Trustee-Manager is currently in negotiations with the remaining tenants. Some other terms such as deposits payable under the contract and size of office space to be leased to the tenants have also been revised downwards. In addition, the Trustee-Manager has also recently executed LOIs with new tenants, a majority of which have been executed at the rental rate of Rs. 175.0 per sq ft per month.

1 No plans in relation to the development of the additional floor space (as a result of the increased FSI) for hospitality, retail and/or residential purposes have been submitted to the relevant regulatory authorities.

2 Including hotels, motels, other lodging facilities, serviced residences and resorts.

3 It is market practice in India to secure pre-leasing through LOIs. The LOIs which have been entered into with the prospective tenants for One Indiabulls Centre as at and after the Listing Date and the renegotiated LOIs are not binding, and such prospective tenants may or may not enter into binding lease agreements or enter into agreements at terms that are different from the terms contained in the LOIs.

4 A majority of the LOIs were executed at a monthly rental rate of Rs. 275.0 per sq ft.

Although a majority of the renegotiated LOIs as well as the LOIs entered into with new tenants has not resulted in definitive lease agreements, quite a few of the tenants have started paying rentals and others have invested resources into fit-outs. However, the Trustee-Manager expects leasing uptake to remain subdued in the near future.

5.3.3 Construction Plans

Given sizeable existing leasable space available at the completed sections of the Properties, the Trustee-Manager is monitoring the take-up rate of such existing space to determine the optimal construction program for the rest of the Properties, subject to receipt of regulatory approvals. The Trustee-Manager believes that this cautious approach would save IPIT from being exposed to unnecessary debt as a result of construction costs, without clarity regarding the timing and likelihood of generating income from such additional construction.

Therefore, notwithstanding that regulatory approvals have not yet been granted in relation to the revised construction plans for the Properties, the Trustee-Manager wishes to state that any decision to commence construction is ultimately subject to market conditions. When the Trustee-Manager decides to proceed with the rest of the development, it will evaluate sources of financing suitable for those development plans. Hence, the construction plans for the additional space in the Properties can only be finalised after the Trustee-Manager has, subject to market conditions, decided to commence the development.

Notwithstanding the above, the Trustee-Manager continues to believe that the Properties are unique and prime properties in the Mumbai area, and that the Properties will attract quality tenants.

The Trustee-Manager believes that retaining flexibility in its development plans is critical given the uncertain economic environment and will focus on how best to use the additional floor space available (as a result of the increased FSI under the FSI Notification and the Hotel Notification or other development rules or regulatory changes that may be beneficial to IPIT in the future) to maximize returns for Unitholders. As such, the mix and proportion of any residential, retail, office and hospitality components to be developed on the increased floor space will, subject to Unitholders' approval of the proposed expansion of IPIT's principal objectives, be determined by the Trustee-Manager at its sole discretion. The Trustee-Manager will continue to monitor other developments rules or regulatory changes that may be beneficial to IPIT in the future.

It should be noted that currently, other than the completion of certain works that are typically done to facilitate, or in parallel with, the fit-out works being performed by potential tenants at the Properties, and subject to any further announcements by the Trustee-Manager, construction work at the Properties has been suspended since December 2008 in light of the poor economic conditions and low visibility of global economic developments as well as the severe economic pressure on the Mumbai property market while the Trustee-Manager monitors the take-up rate of the existing leasable space available at the completed sections of the Properties. Any decision to resume construction is ultimately subject to market conditions, and there is no assurance regarding when construction work is expected to resume. The Trustee-Manager will make the relevant announcement once construction work resumes.

5.4 Expansion of Principal Objectives of IPIT

The Trustee-Manager remains committed to developing the office component of the Properties when market conditions are favourable so that the Properties would have at least 2,969,000 sq ft of lettable/saleable area for office space.

In relation to the potential additional area¹ at the Properties which arose due to the FSI Notification and/or the Hotel Notification (and/or in relation to other developments rules or regulatory changes affecting IPIT's portfolio in the future), the Trustee-Manager is proposing to develop such additional area at the Properties for office, hospitality, retail and/or residential purposes where it is in the interest of Unitholders to do so.

The mix and proportion of any office, hospitality, retail and/or residential components that may be developed on the additional floor space at the Properties will be based on the general economic climate and market demand at the relevant time. Depending on such considerations, the Trustee-Manager may decide to utilise the additional floor space at the Properties for developments which are wholly or predominantly used for office, hospitality, retail and/or residential purposes. The Trustee-Manager is of the view that prevailing market conditions and demand are conducive for the development of residential components on the additional area at the Properties and it will continue to monitor market conditions and demand trends before finalising any plans for the development of residential components on the additional area at the Properties, including determining whether the entire additional area or a portion of it should be used for the development of residential components.

Given the sizeable development of office space in existing development plans, the Board believes that having the flexibility to change the development mix would be prudent especially in light of the current slowdown in rentals as well as the softening of market demand for office space.

The Trustee-Manager is seeking approval of Unitholders for the principal objectives of IPIT to be expanded to the following:

- (i) investing, either directly or indirectly, primarily in income-producing properties in India, with at least the majority² comprising income-producing office space;
- (ii) acquiring and/or developing properties in India (with at least the majority comprising office space) with the primary intention of holding such properties (other than residential properties) upon completion and selling residential properties upon completion; and
- (iii) investing in real estate-related assets in connection with the foregoing.

The Trustee-Manager intends that any retail, residential or hospitality components in its portfolio will form part of mixed-used developments, the majority of which shall comprise income-producing office space (including the Properties).

The term "investing" as used in the principal objectives of IPIT shall mean, where appropriate, the operation of the relevant property where such operation would be to the benefit of IPIT. For example, hospitality space held by the IPIT Group may be directly operated by the IPIT Group with employees on the payroll of the IPIT Group and operating equipment which are necessary or desirable for the operation of such space (including cars) being owned by the IPIT Group.

1 In view of the potential additional area, the maximum area of the Properties is expected to increase from 3.4 million sq ft to 5.0 million sq ft. This is in addition to the saleable area at the land ear-marked for the residential component at One Indiabulls Centre as identified in the Prospectus.

2 For the avoidance of doubt, the term "majority" shall mean more than 50.0% of total lettable area.

Residential properties being developed by IPIT will be for the primary purpose of sale¹.

The reason for seeking Unitholders' approval, as stated in the Prospectus, is that in accordance with the requirements of the Listing Manual, the Trustee-Manager's investment strategy for IPIT would be adhered to for at least three years following the Listing Date, unless otherwise approved by an Extraordinary Resolution passed at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

5.5 Rationale for the Proposed Expansion of Principal Objectives of IPIT

Diversification

The Trustee-Manager believes that the proposed expansion of principal objectives of IPIT will complement IPIT's existing focus on investments in real estate assets in the office space sector, improve the diversification of the types of assets which IPIT may invest in and allow IPIT to benefit from exposure to the Indian hospitality, retail and/or residential markets. In view of the current weak economic climate and low rentals for office space, the Trustee-manager believes that such diversification will enhance IPIT's performance.

Position One Indiabulls Centre and/or Indiabulls Finance Centre favourably relative to other office buildings

The Trustee-Manager believes that where any hospitality, retail and/or residential component is built to complement the office space in the Properties, such hospitality, retail and/or residential component will position the relevant Property favourably relative to other comparable properties in the vicinity. The Trustee-Manager believes that this is particularly important in the current uncertain economic environment.

Efficient use of space and in line with international commercial developments

The Trustee-Manager believes that the development of complementary hospitality, retail and/or residential components would enhance the use of space at the Properties and create further value for Unitholders.

The Trustee-Manager also believes that the development of complementary hospitality, retail and/or residential facilities is in line with other international commercial developments which also have such complementary components, and that such complementary components will add to the long term value of the Properties.

Enhance marketability of other components of IPIT's portfolio

The Trustee-Manager believes that any development of complementary components to the Properties will have a synergistic effect on and enhance the marketability of the other components at the Properties, as complementary facilities will add to the vibrancy of the Properties. In particular, the Trustee-Manager believes that residential units will serve as one of the key selling points in the marketing of other components in mixed-use developments.

1 For the purpose of facilitating the sale of residential properties, the IPIT Group may agree to provide services (including 24-hour concierge and security, laundry, dry cleaning, service offices, maintenance and other services) to the residential properties after their sale.

Residential Component will strengthen IPIT's cash-flow and balance sheet

Unlike the office, hospitality and retail components of a development, transactions in residential units typically involve the payment by purchasers of cash deposits of a certain percentage of the purchase price of such residential units before such units are completed. As such, the Trustee-Manager believes that any residential component in IPIT's portfolio could improve IPIT's cash-flow and reduce IPIT's borrowing needs and associated borrowing expenses, which will in turn strengthen IPIT's balance sheet. The Trustee-Manager believes that a strong balance sheet and enhanced cash-flow is essential in the current weak economic climate and low rentals.

5.6 Launch of Residential Developments

As disclosed in the Prospectus, One Indiabulls Centre contains a residential component of over approximately 1.4 acres of land area (the "**Residential Component**"). On 22 August 2009, the Trustee-Manager announced the launch of the Residential Component under the brand name of "Indiabulls Sky", which is expected to be a 65-storey building with managed private residences.

The Trustee-Manager may also launch other residential developments at the Properties very shortly, subject to the obtaining of any approvals where necessary (including Unitholders' approval for the resolution on the Proposed Expansion of Principal Objectives of IPIT).

The actual development of the Residential Component and other residential developments at the Properties will be subject to approval from the relevant authorities in India.

6. RECOMMENDATIONS

6.1 On the Proposed Rights Issue

In light of the poor economic conditions and low visibility of global economic developments as well as the severe economic pressure on the Mumbai property market, the Board believes it is prudent to minimise risk by way of debt reduction in order to preserve long-term value creation opportunities for Unitholders.

Notwithstanding the above, the Board believes that IPIT's long-term prospects are strong. While IPIT has also been negatively affected by the global financial crisis in terms of lower occupancy and rental rates, its balance sheet has remained relatively strong compared to those of many other India property developers and the lower lease rates of the Properties have not been due to the status of IPIT's balance sheet but is a commercial decision taken by IPIT in line with deteriorated market conditions. As a result, the Trustee-Manager believes that IPIT will be able to continue to pursue its plans for the development of the Properties.

The Board also believes that if, while competitors have abandoned projects, IPIT continues with its planned developments at One Indiabulls Centre and Indiabulls Finance Centre, both of which are prime high-end developments compared with other developments in their vicinity, IPIT will be able to emerge from the current financial crisis with developments which will be superior to that of its competitors in Mumbai.

In order to capitalise on this opportunity, the Board believes that it needs to minimise IPIT's debt obligations to be in a better position to make commercial decisions. The Board believes that the most appropriate method of achieving this objective is to strengthen IPIT's balance sheet and reduce the IPIT Group's debt obligations and associated borrowing expenses while allowing Unitholders to maintain their unitholdings in IPIT.

Additionally, the Board believes that by strengthening IPIT's balance sheet, IPIT will be in a stronger negotiating position with potential tenants as it would be able to pursue proposals which are in the best interests of IPIT and hence potentially achieve higher lease rates so that Unitholders may reap long-term yields without imprudent risk.

(See paragraph 2.11 above for details of the rationale for the Rights Issue.)

Accordingly, the Board recommends that Unitholders vote at the EGM in favour of the resolution relating to the issue of Rights Units under the Rights Issue (Resolution 1).

6.2 On the Proposed Whitewash Resolution

The Independent Directors have considered and concurred with the advice of the IFA in relation to the Whitewash Resolution. The Independent Directors believe that the Whitewash Resolution would be beneficial to, and is in the interests of IPIT and its minority Unitholders.

(See paragraph 4.3 above for details of the Rationale for the Whitewash Resolution.)

Accordingly, the Independent Directors recommend that Independent Unitholders vote in favour of the resolution relating to the Whitewash Resolution (Resolution 2).

Unitholders should note that Resolution 1 (the Rights Issue) is subject to and contingent upon the passing of Resolution 2 (the Whitewash Resolution).

6.3 On the Proposed Expansion of Principal Objectives of IPIT

Having regard to the rationale for the proposed expansion of the principal objectives of IPIT as set out above, the Board believes that the proposed expansion of the principal objectives of IPIT would be beneficial to, and is in the interests of IPIT.

Accordingly, the Board recommends that Unitholders vote in favour of the resolution relating to the proposed expansion of the principal objectives of IPIT.

(See paragraph 5.5 above for details of the Rationale for the proposed expansion of principal objectives of IPIT.)

7. EXTRAORDINARY GENERAL MEETING

The EGM will be held on 29 September 2009 at 4.00 p.m. at Conference Hall GHJ Level 1, 1 Expo Drive #01-01, Singapore 486150, for the purpose of considering and, if thought fit, passing with or without modification, the resolutions set out in the Notice of EGM, which is set out on pages B-1 to B-3 of this Circular. The purpose of this Circular is to provide Unitholders with relevant information about each of these resolutions. Approval by way of an Ordinary Resolution is required in respect of the resolution relating to the Rights Issue (Resolution 1) and the Whitewash Resolution (Resolution 2). Approval by way of an Extraordinary Resolution is required in respect of the resolution relating to the expansion of principal objectives of IPIT (Resolution 3).

A Depositor shall not be regarded as a Unitholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Units entered against his name in the Depository Register, as certified by CDP as at 48 hours before the EGM.

8. ABSTENTIONS FROM VOTING

Abstention from voting by Grapene and parties acting in concert with Grapene

Pursuant to the SIC Waiver granted in relation to the Whitewash Resolution, Grapene, parties acting in concert with Grapene (as determined for the purposes of the Rights Issue and includes Ariston and the Trustee-Manager) and parties not independent of Grapene are required to abstain from voting on the Whitewash Resolution (Resolution 2).

9. ACTION TO BE TAKEN BY UNITHOLDERS

Unitholders will find enclosed in this Circular the Notice of EGM and a Proxy Form.

If a Unitholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the enclosed Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Trustee-Manager's registered office at 36 Robinson Road, #17-01 City House, Singapore 068877 not later than 4.00 p.m. on 27 September 2009, being 48 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Unitholder will not prevent him from attending and voting in person at the EGM if he so wishes.

Persons who have an interest in the approval of one or more of the resolutions must decline to accept appointment as proxies unless the Unitholder concerned has specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of such resolutions.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy of the information given in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular are fair and accurate in all material respects as at the date of this Circular and there are no omission of material facts which would make any statement in this Circular misleading in any material respect. Where information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Circular.

11. SOLE LEAD MANAGER AND UNDERWRITER'S RESPONSIBILITY STATEMENT

The Sole Lead Manager and Underwriter confirms that, having made all reasonable enquiries and to the best of its knowledge and belief, based on information made available by the Trustee-Manager, the information about the Rights Issue contained in paragraphs 2.2, 2.5.1 and 2.5.2 above constitutes true disclosure of all material facts about the Rights Issue as at the date of this Circular and that there are no omission of material facts which would make any statement about the Rights Issue contained in the said paragraphs misleading in any material respect as at the date of this Circular.

12. CONSENT

The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and the IFA Letter and all references thereto, in the form and context in which they are included in this Circular.

13. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Trustee-Manager at 36 Robinson Road, #17-01 City House, Singapore 068877¹ from the date of this Circular up to and including the date falling three months after the date of this Circular:

- (i) the IFA Letter;
- (ii) the IPIT Group First Quarter ended 2009 Unaudited Financial Statements;
- (iii) the Grapene Undertaking; and
- (iv) the written consent of the IFA.

The Trust Deed will also be available for inspection at the registered office of the Trustee-Manager for so long as IPIT is in existence.

Yours faithfully

Indiabulls Property Management Trustee Pte. Ltd.
(as trustee-manager of Indiabulls Properties Investment Trust)
Company Registration No. 200720456G

Mr Chatri Trisiripisal
Chairman

¹ Prior appointment with the Trustee-Manager (telephone: +65 6725 6577) will be appreciated.

IMPORTANT NOTICE

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Trustee-Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Trustee-Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of IPIT is not necessarily indicative of the future performance of IPIT.

This Circular may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Trustee-Manager's current view of future events.

If you have sold or transferred all your Units, you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular is not for distribution, directly or indirectly, in or into the U.S. It is not an offer of securities for sale into the U.S. The "nil-paid" rights and the Rights Units have not been and will not be, registered under the Securities Act or under any securities laws of any state or jurisdiction of the U.S. and, accordingly, the "nil-paid" rights and the Rights Units may be offered, delivered and sold in the U.S. only pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the U.S.

GLOSSARY

In this Circular, the following definitions apply throughout unless otherwise stated:

Agreement to Extend the Distribution Entitlement and Subordination Arrangement	:	The agreement dated 14 August 2009 entered into between the Trustee-Manager and Grapene to extend the Distribution Entitlement and Subordination Arrangement for the Projection Year 2011
Ariston	:	Ariston Investments Limited, a company incorporated under the laws of Mauritius
Ariston Lock-up Undertaking	:	The lock-up undertaking entered into between Ariston and the Sole Lead Manager and Underwriter on 9 September 2009 in relation to the Units held by Ariston
Ariston Units	:	The number of Rights Units equivalent to the pro rata entitlement of Ariston in proportion to its unitholdings as at the date of the Standby Commitment Agreement
Bank of India Facility	:	Rs. 500 million (S\$14.7 million) secured loan facility from Bank of India
Base Fee	:	Has the meaning ascribed to it in the Trust Deed
Board	:	The board of directors of the Trustee-Manager
Borrowings	:	Comprise: <ul style="list-style-type: none">(i) Rs. 3.0 billion (S\$88.3 million) secured loan facility from ICICI Bank Limited of which Rs. 516.0 million (S\$15.2 million) is outstanding;(ii) Rs. 2.0 billion (S\$58.9 million) secured loan facility from LIC Housing Finance Limited of which Rs. 1,703.9 million (S\$50.2 million) is outstanding;(iii) Rs. 3.0 billion (S\$88.3 million) secured loan facility from Housing Development Finance Corporation Limited, which has been fully drawn down;(iv) Rs. 1.0 billion (S\$29.4 million) secured loan facility from HDFC Bank Limited, which has been fully drawn down;(v) Rs. 500 million (S\$14.7 million) secured loan facility from Bank of India, which has not been draw down; and(vi) Rs. 4,000 million (S\$117.7 million) unsecured loan facility from Indiabulls Financial Services Limited of which Rs. 2,563.5 million (S\$75.5 million) is outstanding
BTA	:	Business Trusts Act, Chapter 31A of Singapore
CDP	:	The Central Depository (Pte) Limited
Circular	:	This circular to Unitholders dated 10 September 2009

Closing Price	:	The closing price of S\$0.310 per Unit on 9 September 2009
Code	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
Commitment Rights Units	:	700,419,892 Rights Units representing 90.0% of the total number of Rights Units less the Proportionate Rights Units
Common Unit	:	A Unit other than a Vendor Special Unit issued in accordance with the Trust Deed
Directors	:	The directors of the Trustee-Manager
Distribution	:	As referred to in the Distribution Entitlement and Subordination Arrangement, means distribution by IPIT of profits, income of other payments or returns, whether in the nature of income or capital excluding any distribution, being a distribution to return capital to Unitholders, or unit buy-back which may be carried out by IPIT, or any distribution of Units by IPIT or in connection with any merger, de-merger, re-organisation or recapitalisation of IPIT
Distribution Entitlement and Subordination Arrangement	:	In respect of the Financial Period 2009 and FY 2010, the distribution entitlement and subordination arrangement set out in Schedule 2 to the Trust Deed which the Vendor Special Units are subject to and in respect of the Projection Year 2011, means the distribution entitlement and subordination arrangement set out in the Agreement to Extend the Distribution Entitlement and Subordination Arrangement which the Mixtel 1 Units and Mixtel 2 Units are subject to. (See paragraph 2.9 of the Letter to Unitholders)
DPU	:	Distribution per Unit
EGM	:	The extraordinary general meeting of Unitholders to be held on 29 September 2009 at 4.00 p.m. at Conference Hall GHJ Level 1, 1 Expo Drive #01-01, Singapore 486150, to approve the matters set out in the Notice of Extraordinary General Meeting on pages B-1 to B-3 of this Circular
Eligible Unitholders	:	Unitholders with Units standing to the credit of their Securities Accounts and (a) whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents or (b) who the Trustee-Manager considers, in its sole discretion, may be offered Rights Units without breaching applicable securities laws

Excess Rights Units	:	The Rights Units represented by the provisional allotments (A) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or trade their provisional allotment of Rights Units under the Rights Issue (during the “nil-paid” rights trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders which have not been sold during the “nil-paid” rights trading period or (B) that have not been validly taken up by the original allottees, renounees of the provisional allotments or the purchasers of the “nil-paid” rights
Existing Units	:	The outstanding Units in issue as at the Rights Issue Books Closure Date
Extraordinary Resolution	:	A resolution proposed and passed as such by a majority consisting of 75.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
FIM 1 Units	:	523,155,111 Units issued to FIM Ltd. which were subject to the Distribution Entitlement and Subordination Arrangement for the Financial Period 2009 The Trustee-Manager has on 7 September 2009, pursuant to the Distribution Entitlement and Subordination Arrangement converted all the FIM 1 Units and the FIM 2 Units to Common Units which have started trading on 8 September 2009. As a result of the conversion of the FIM 1 Units and the FIM 2 Units to Common Units, there are no more FIM 1 Units
FIM 2 Units	:	225,951,995 Units issued to FIM Ltd. which were subject to the Distribution Entitlement and Subordination Arrangement for the Financial Period 2009 The Trustee-Manager has on 7 September 2009, pursuant to the Distribution Entitlement and Subordination Arrangement converted all the FIM 1 Units and the FIM 2 Units to Common Units which have started trading on 8 September 2009. As a result of the conversion of the FIM 1 Units and the FIM 2 Units to Common Units, there are no more FIM 2 Units
Financial Period 2009	:	7 May 2008, being the date of constitution of IPIT, to 31 March 2009 (both dates inclusive)
FSI	:	Floor space index
FSI Notification	:	The notification number TPB4305/2736/CR-338/05/UD-11) issued on 6 November 2008 by the Urban Development Department, Government of Maharashtra
FY	:	Financial year
FY 2009	:	The financial year ended 31 March 2009
FY 2010	:	The financial year ending 31 March 2010
Grapene	:	Grapene Limited (formerly known as Mixtel Co. Ltd.), a company incorporated under the laws of Cyprus

Grapene Excess Application	:	The application(s) by the Subscribing Entities, for any Rights Units not subscribed for at the close of the Rights Issue after satisfaction of all other applications and excess applications (if any) for the Rights Units
Grapene Excess Rights Units	:	Excess Rights Units acquired by the Subscribing Entities
Grapene Nil-Paid Rights	:	The “nil-paid” rights entitlements which the Subscribing Entities may acquire on the open market and subsequently exercise to acquire Rights Units
Grapene Undertaking	:	The undertaking dated 9 September 2009 provided by Grapene to the Trustee-Manager and the Sole Lead Manager and Underwriter pursuant to which Grapene will accept, and/or procure Ariston, any of their associates, existing subsidiaries and/or new subsidiaries set up by Grapene and/or Ariston to hold any of the Rights Units to subscribe for, Grapene’s provisional allotment of Rights Units
HDFC Bank Facility	:	Rs. 1.0 billion (S\$29.4 million) secured loan facility from HDFC Bank Limited
HDFC Facility	:	Rs. 3.0 billion (S\$88.3 million) secured loan facility from Housing Development Finance Corporation Limited
Hotel Notification	:	The notification number TPB 4307/815/CR-257/2003/UD-11 issued by the Urban Development Department, Government of Maharashtra, pursuant to a gazette for the period from 4 June 2009 to 10 June 2009
IBFSL	:	Indiabulls Financial Services Limited
IBFSL Facilities	:	Rs. 4.0 billion (S\$117.7 million) unsecured loan facilities from IBFSL
IBREL	:	Indiabulls Real Estate Limited
ICICI Loan Facility	:	Rs. 3.0 billion (S\$88.3 million) secured loan facility from ICICI Bank Limited
IFA	:	Deloitte & Touche Corporate Finance Pte Ltd
IFA Letter	:	The letter from the IFA to the Independent Directors containing its advice
Incentive Fee	:	The incentive fee of up to 0.25% of the Rights Issue Price multiplied by the total number of Rights Units (which is equivalent to approximately S\$0.5 million) payable by the Trustee-Manager to the Sole Lead Manager and Underwriter, together with any goods and services tax payable thereon, at the Trustee-Manager’s discretion depending on its assessment of the overall performance of the Sole Lead Manager and Underwriter in managing the Rights Issue and the outcome of the Rights Issue
Independent Directors	:	The independent directors of the Trustee-Manager, being Mr Chatri Trisiripisal, Mr Loo Yau Soon and Mr Kalpesh Kapadia

Independent Unitholders	:	Unitholders other than Grapene, parties acting in concert with Grapene and parties which are not independent of Grapene
Ineligible Unitholders	:	Unitholders other than Eligible Unitholders
IPIT	:	Indiabulls Properties Investment Trust
IPIT Group	:	IPIT and its subsidiaries
IPIT Group First Quarter ended 2009 Unaudited Financial Statements	:	The unaudited consolidated financial statements of the IPIT Group for the first quarter ended 30 June 2009
IPO	:	Initial public offering
IPPL	:	Indiabulls Properties Private Limited
IRECPL	:	Indiabulls Real Estate Company Private Limited
Latest Practicable Date	:	4 September 2009, being the latest practicable date prior to the printing of this Circular
LICHFL Facility	:	Rs. 2.0 billion (S\$58.9million) secured loan facility from LIC Housing Finance Limited
Listing Date	:	11 June 2008, being the listing date of IPIT on the SGX-ST
Listing Manual	:	The Listing Manual of the SGX-ST
LOIs	:	Letters of intent
Management Fee	:	The management fee of 0.25% of the Rights Issue Price multiplied by the total number of Rights Units (which is equivalent to approximately S\$0.5 million) payable by the Trustee-Manager to the Sole Lead Manager and Underwriter, together with any goods and services tax payable thereon
Mandatory Offer	:	Mandatory offer made pursuant to Rule 14 of the Code
Market Day	:	A day on which the SGX-ST is open for trading in securities
MAS	:	Monetary Authority of Singapore
Mixel 1 Units	:	523,155,111 Units which: <ul style="list-style-type: none"> (i) (together with the Mixel 2 Units) have their entitlement to Distribution in respect of FY 2010 subordinated in favour of the Common Units, the FIM 1 Units and the FIM 2 Units to the minimum extent necessary so that the DPU in Rs. (prior to any conversion to dollars\$) payable in respect of the Common Units, the FIM 1 Units and the FIM 2 Units for FY 2010 is not less than the Rs. equivalent of 9.82 Singapore cents (based on a fixed exchange rate of Rs. 29.02 = S\$1.00) for FY 2010; and

- (ii) (together with Mixtel 2 Units) have their entitlement to Distribution in respect of the Projection Year 2011 subordinated in favour of the Common Units, the FIM 1 Units and the FIM 2 Units to the minimum extent necessary so that the DPU in Rs. (prior to any conversion to dollars\$) payable in respect of the Common Units, the FIM 1 Units and the FIM 2 Units for the Projection Year 2011 is not less than the Rs. equivalent of 9.82 Singapore cents (based on a fixed exchange rate of Rs. 29.02 = S\$1.00) for the Projection Year 2011

Mixtel 2 Units : 225,951,995 Units which:

- (i) (together with the Mixtel 1 Units) have their entitlement to Distribution in respect of FY 2010 subordinated in favour of the Common Units, the FIM 1 Units and the FIM 2 Units to the minimum extent necessary so that the DPU in Rs. (prior to any conversion to S\$) payable in respect of the Common Units, the FIM 1 Units and the FIM 2 Units for FY 2010 is not less than the Rs. equivalent of 9.82 Singapore cents (based on a fixed exchange rate of Rs. 29.02 = S\$1.00) for FY 2010;
- (ii) (together with Mixtel 1 Units) have their entitlement to Distribution in respect of the Projection Year 2011 subordinated in favour of the Common Units, the FIM 1 Units and the FIM 2 Units to the minimum extent necessary so that the DPU in Rs. (prior to any conversion to S\$) payable in respect of the Common Units, the FIM 1 Units and the FIM 2 Units for the Projection Year 2011 is not less than the Rs. equivalent of 9.82 Singapore cents (based on a fixed exchange rate of Rs. 29.02 = S\$1.00) for the Projection Year 2011

Mixtel Converted Units : The Mixtel 1 Units and/or Mixtel 2 Units that may be converted into Common Units by the holder of such Units pursuant to the Distribution Entitlement and Subordination Arrangement

Mixtel Subordination Amount : The maximum amount of Distribution available for the Common Units, the FIM 1 Units and the FIM 2 Units represented by the Mixtel Converted Units under the Distribution Entitlement and Subordination Arrangement

Morgan Stanley : Morgan Stanley Asia (Singapore) Pte.

NAV : Net asset value

NTA : Net tangible asset

Offer Information Statement : The offer information statement to be lodged with the MAS in connection with the Rights Issue

Ordinary Resolution : A resolution proposed and passed as such by a majority being greater than 50.0% of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed

Performance Fee	:	Has the meaning ascribed to it in the Trust Deed
Projection Year 2011	:	The 12-month period commencing on 1 April 2010 and ending on 31 March 2011
Properties	:	One Indiabulls Centre and Indiabulls Finance Centre
Proportionate Rights Units	:	The provisional allotment of Grapene of 425,128,679 Rights Units representing 34.0% of the total number of Rights Units
Prospectus	:	The prospectus dated 2 June 2008 issued in relation to the initial public offering of Units
Prospectus Date	:	The date of issue of the Prospectus, being 2 June 2008
Remaining Rights Units	:	All the approximately 1.25 billion Rights Units less the Proportionate Rights Units and the Commitment Rights Units
Residential Component	:	The residential component of over approximately 1.4 acres of land area the launch of which was announced on 22 August 2009 under the brand name of "Indiabulls Sky"
Rights Issue	:	The proposed issue of new Units on a renounceable and underwritten basis to Eligible Unitholders
Rights Issue Announcement	:	The announcement in connection with the Rights Issue
Rights Issue Books Closure Date	:	6 October 2009 at 5.00 p.m., being the date and time on which the Transfer Books and Register of Unitholders will be closed to determine the provisional allotments of Eligible Unitholders under the Rights Issue
Rights Issue Price	:	S\$0.16 being the issue price per Rights Unit
Rights Ratio	:	The Rights Ratio of 53 Rights Units for every 100 Existing Units
Rights Units	:	The new Units proposed to be issued by way of the Rights Issue
SEC	:	Securities and Exchange Commission
Securities Account	:	Unitholders' securities accounts with the CDP
Securities Act	:	U.S. Securities Act of 1933, as amended
SGX-ST	:	Singapore Exchange Securities Trading Limited
SIC	:	Securities Industry Council
SIC Waiver	:	The waiver granted by the SIC dated 11 August 2009
Sole Lead Manager and Underwriter	:	Morgan Stanley
Standby Commitment Agreement	:	The standby commitment agreement entered into between Grapene and the Sole Lead Manager and Underwriter on 9 September 2009

Standby Commitment Fees	:	<p>The fee payable by Sole Lead Manager and Underwriter to Grapene pursuant to the Standby Commitment Agreement which comprise:</p> <p>(i) a standby commitment fee of 1.75% of the Rights Issue Price multiplied by:</p> <p style="margin-left: 40px;">(a) the number of Proportionate Rights Units; and</p> <p style="margin-left: 40px;">(b) the number of Ariston Units; and</p> <p>(ii) a standby commitment fee of 2.25% of the Rights Issue Price multiplied by the number of Commitment Rights Units less the Ariston Units,</p> <p>together with any goods and services tax payable thereon</p>
Subscribing Entities	:	<p>Comprises:</p> <p>(i) Grapene;</p> <p>(ii) Ariston;</p> <p>(iii) Indiabulls Property Management Trustee Pte. Ltd.</p> <p>(iv) any of the associates and/or existing subsidiaries of Grapene and/or Ariston; and</p> <p>(v) any of the new subsidiaries set up by Grapene and/or Ariston to hold any of the Rights Units</p>
Substantial Unitholder	:	A Unitholder with an interest in one or more Units constituting not less than 5.0% of all outstanding Units
TERP	:	<p>The theoretical ex-rights price which is calculated as follows:</p> $\text{TERP} = \frac{\text{Market capitalisation of IPIT based on the Closing Price} + \text{Gross proceeds from the Rights Issue}}{\text{Units outstanding after the Rights Issue}}$
Trust Deed	:	The trust deed dated 7 May 2008 constituting IPIT, as supplemented by the first supplemental deed dated 29 May 2008, made by Trustee-Manager, as amended, varied, or supplemented from time to time
Trustee-Manager	:	Indiabulls Property Management Trustee Pte. Ltd., in its capacity as trustee-manager of IPIT
Trustee-Manager's Management Fee	:	The Base Fee and Performance Fee payable to the Trustee-Manager under the Trust Deed
Underwriting Agreement	:	The underwriting agreement entered into between the Trustee-Manager and the Sole Lead Manager and Underwriter on 9 September 2009

Underwriting Commission	:	<p>The underwriting commission which the Sole Lead Manager and Underwriter will be entitled to pursuant to the Underwriting Agreement which comprise:</p> <p>(i) 1.75% of the Rights Issue Price multiplied by:</p> <p style="padding-left: 40px;">(a) the number of Proportionate Rights Units; and</p> <p style="padding-left: 40px;">(b) the number of Ariston Units;</p> <p>(ii) 2.25% of the Rights Issue Price multiplied by the number of Commitment Rights Units less the Ariston Units; and</p> <p>(iii) 2.50% of the Rights Issue Price multiplied by the number of Remaining Rights Units,</p> <p>together with any goods and services tax payable thereon</p>
Unit	:	A unit representing an undivided interest in IPIT
Unitholder	:	The registered holder for the time being of a Unit, including person(s) so registered as joint holders, except where the registered holder is CDP, the term “Unitholder” shall, in relation to Units registered in the name of CDP, mean, where the context requires, the Depositor whose Securities Account with CDP is credited with Units
U.S.	:	United States of America
Vendor Special Units	:	The Mixtel 1 Units and the Mixtel 2 Units
Whitewash Resolution	:	The proposed whitewash resolution for the waiver of the rights of Independent Unitholders to receive a Mandatory Offer from Grapene and parties acting in concert with Grapene for the remaining Units not owned or controlled by them
Whitewash Scenario 1	:	The scenario which assumes that all Unitholders accept their provisional allotments under the Rights Issue in full
Whitewash Scenario 2	:	The scenario which assumes that the Subscribing Entities subscribe for not only their provisional allotments but also subscribes for all the Commitment Rights Units pursuant to the Standby Commitment Agreement and assuming that the Subscribing Entities do not apply for any Excess Rights Units and/or acquire any Grapene Nil-Paid Rights under the Rights Issue
Whitewash Scenario 3	:	The scenario where the Subscribing Entities (a) subscribe for their provisional allotments of Rights Units, (b) subscribe for all of the Commitment Rights Units pursuant to the Standby Commitment Agreement and (c) apply for and receive such maximum number of Excess Rights Units and/or acquire any Grapene Nil-Paid Rights Units under the Rights Issue, without breaching the “public” float requirement set out in Rule 723 of the Listing Manual, assuming the number of units held by FIM Ltd. and its affiliates remain at 1,009,443,544 after the Rights Issue

Rs.	:	Indian Rupee, the lawful currency of the Republic of India
S\$ and cents	:	Singapore dollars and cents, the lawful currency of Singapore
%	:	Per centum or percentage

The terms “Depositor” and “Depository Register” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act, Chapter 50 of Singapore.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place.

INDEPENDENT FINANCIAL ADVISER'S LETTER**DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD**

(Incorporated in the Republic of Singapore)
Company Registration Number: 200200144N)

10 September 2009

The Independent Directors of
Indiabulls Property Management Trustee Pte. Ltd.
as Trustee-Manager of Indiabulls Properties Investment Trust
36 Robinson Road #17-01
City House
Singapore 068877

Dear Sirs

THE PROPOSED WHITEWASH RESOLUTION

*For the purpose of this letter, capitalised terms not otherwise defined shall have the meaning given to them in the circular dated 10 September 2009 to the Unitholders of IPIT (the "**Circular**").*

1. INTRODUCTION

IPIT is a Singapore-based business trust registered by the MAS and established with the principal investment objectives of: (a) investing, either directly or indirectly, primarily in income-producing office space in India; (b) acquiring and developing primarily office space in India with the intention of holding such properties upon completion; and (c) investing in real estate-related assets in connection with the foregoing.

The Trustee-Manager is proposing the Rights Issue to raise gross proceeds of approximately S\$200.1 million of which approximately S\$193.0 million will be used to repay and/or prepay any of the borrowings of IPIT existing at the relevant time of repayment and/or prepayment, as may be determined by the Trustee-Manager at its sole discretion, taking into consideration the economic environment, the terms of the various lenders (including interest rate) at the relevant time, up to approximately S\$7.1 million will be used to pay for expenses incurred in connection with the Rights Issue and the remainder, if any, will be used for general corporate and working capital purposes.

The Rights Issue comprises the proposed renounceable and fully underwritten rights issue of approximately 1.25 billion Rights Units to Eligible Unitholders on the basis of 53 Rights Units for every 100 existing Units held as at the Rights Issue Books Closure Date at an issue price of S\$0.16 per Rights Unit, fractional entitlements to be disregarded.

To demonstrate its support for IPIT and the Rights Issue, Grapene, which owns interests of approximately 34.0% in IPIT as at the Latest Practicable Date, has, subject to the Whitewash Resolution being approved, provided the Grapene Undertaking to the Trustee-Manager and the Sole Lead Manager and Underwriter as well as entered into the Standby Commitment Agreement with the Sole Lead Manager and Underwriter. Further details of the Rights Issue are set out in paragraph 3 of this letter.

The Trustee-Manager proposes to seek approval from Independent Unitholders for a waiver of their right to receive a Mandatory Offer from Grapene and parties acting in concert with Grapene for the remaining issued Units not owned or controlled by Grapene and parties acting in concert with Grapene, in the event that they incur an obligation to make Mandatory Offer as a result of the

Subscribing Entities taking up provisional allotments of Rights Units allotted and issued to them and, if applicable, through (i) subscribing for the Commitment Rights Units pursuant to the Standby Commitment Agreement, (ii) applying for the Grapene Excess Rights Units under the Rights Issue and/or (iii) acquiring any Grapene Nil-Paid Rights under the Rights Issue.

2. TERMS OF REFERENCE

We have been appointed as the independent financial adviser to the Independent Directors to advise them in respect of recommendation as to whether the terms of the Whitewash Resolution are on normal commercial terms and are not prejudicial to the interests of IPIT and its Independent Unitholders.

We were neither a party to the negotiations entered into in relation to the Rights Issue, nor were we involved in the deliberations leading up to the decision on the part of the Directors to propose the Rights Issue.

We do not, by this letter or otherwise, advise or form any judgement on the strategic, commercial or financial merits or risks of the Rights Issue and/or the Whitewash Resolution. All such evaluations, advice, judgements or comments remain the sole responsibility of the Directors and their advisors. We have however drawn upon such evaluations, judgements and comments as we deem necessary and appropriate in arriving at our opinion. The scope of our appointment does not require us to express, and nor do we express, a view on the future growth prospects, earnings potential or value of IPIT. We do not express any view as to the price at which the Units may trade upon completion of the Rights Issue nor on the future value, financial performance or condition of IPIT after the Rights Issue. It is also not within our terms of reference to compare the merits of the Rights Issue to any alternative transaction that was or may have been available to IPIT. Such comparison and consideration remain the responsibility of the Directors, the Trustee-Manager and their advisors.

We have relied upon the assurances of the Directors who have accepted full responsibility for the accuracy and completeness of the information provided to us. The Directors have confirmed to us that, to the best of their knowledge, information and belief, all material information available to them in connection with the Rights Issue and the Whitewash Resolution has been disclosed to us and that such information constitutes full and true disclosure of all material information relating to those transactions and that there is no other information the omission of which would cause any of the information disclosed to us or relied on by us in making our recommendation to be inaccurate, incomplete, untrue or misleading in any material respect. We have assumed that all statements of fact, belief, opinion and intention made by the Directors in the Circular have been reasonably made after due and careful enquiry. Accordingly, no representation or warranty (whether express or implied) is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information. We have nonetheless made reasonable enquiries and used our judgement in assessing such information and have found no reason to doubt the reliability of such information.

We have not made any independent evaluation or appraisal of the assets and liabilities (including, without limitation, the real properties) of IPIT. Our views are based on market, economic, industry, monetary and other conditions (where applicable) prevailing on, and our analysis of the information made available to us as at, the Latest Practicable Date. We assume no responsibility to update, revise or re-affirm our opinion, factors or assumptions in light of any subsequent development after the Latest Practicable Date that may affect our opinion or factors or assumptions contained herein. Unitholders should take note of any announcements relevant to their considerations of the Rights Issue and the Whitewash Resolution which may be released by the Trustee-Manager after the Latest Practicable Date.

This letter, which sets out our evaluation for the Independent Directors in respect of this engagement, is an integral part of the Circular. The Trustee-Manager has been separately advised by its own legal adviser in the preparation of the Circular other than this letter. We have had no role or involvement and have not provided any advice whatsoever in the preparation, review and verification of the Circular other than this letter. Accordingly, we take no responsibility for, and express no views, whether express or implied, on the contents of the Circular except for this letter.

Our opinion in relation to the Whitewash Resolution as set out in paragraph 7 of this letter should be considered in the context of the entirety of our advice. While a copy of this letter may be reproduced in the Circular, the Trustee-Manager may not reproduce, disseminate or quote this letter or any part thereof for any purpose other than for the purpose stated herein without our prior written consent in each instance.

We have not had regard to the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any Unitholder. As Unitholders will have different investment objectives, we advise the Independent Directors to recommend that any Unitholder who may require specific advice in relation to his or her specific investment objectives or portfolio should consult his or her stockbroker, bank Trustee-Manager, solicitor, accountant, tax adviser or other professional advisers.

3. THE RIGHTS ISSUE

The details of the Rights Issue are set out in paragraph 2 of the Letter to Unitholders in the Circular. We recommend that the Independent Directors advise the Unitholders to read this paragraph of the Circular very carefully. **We highlight that the Rights Issue is subject to, and contingent upon, the passing of the Whitewash Resolution.**

4. UNDERWRITING OF THE RIGHTS ISSUE

The full text of the situation as regards the underwriting of the Rights Issue, Grapene's commitment and the Board confirmation is set out in paragraph 2.5 of the Letter to Unitholders in the Circular.

The Rights Issue is underwritten by the Sole Lead Manager and Underwriter on the terms and subject to the conditions of, the Underwriting Agreement.

Grapene Commitment

To demonstrate its support both for IPIT and for the Rights Issue, Grapene has:

- (i) provided the Grapene Undertaking to the Trustee-Manager and the Sole Lead Manager and Underwriter on 9 September 2009, that it will take up the Proportionate Rights Units subject to the passing of the Whitewash Resolution; and
- (ii) entered into the Standby Commitment Agreement with the Sole Lead Manager and Underwriter on 9 September 2009, pursuant to which it will subscribe for up to 90.0% of the total number of Rights Units to the extent that they are not validly subscribed for under the Rights Issue, less the number of Proportionate Rights Units, subject to the passing of the Whitewash Resolution. In relation to Grapene's obligation to subscribe for Rights Units under the Grapene Undertaking and the Standby Commitment Agreement, Grapene is entitled to either subscribe for the Rights Units itself and/or procure Ariston and/or any of the associates, existing subsidiaries and/or new subsidiaries set up by Grapene and/or Ariston to hold any of the Rights Units to subscribe for the Rights Units.

Board Confirmation

The Board has considered the terms of the Underwriting Agreement (including the Underwriting Commission) and is of the view that it has been entered into on an arm's length basis and is on normal commercial terms. The Board has also considered the terms of the Standby Commitment Agreement (including the Standby Commitment Fees) and is of the view that the terms are fair and not prejudicial to IPIT and to other Unitholders and are in the interest of IPIT and its Unitholders as a whole.

These views have been arrived at on the basis that:

- (A) given the recent months of market uncertainty and volatility, the execution risks posed by the long rights issue execution period and the likely material adverse consequences of an unsuccessful rights issue, it is important for the Rights Issue to be underwritten;
- (B) the Sole Lead Manager and Underwriter has confirmed that it will only underwrite the Rights Issue if Grapene enters into the Grapene Undertaking and the Standby Commitment Agreement and that the entry into of the Grapene Undertaking and Standby Commitment Agreement will facilitate the underwriting of the Rights Issue by the Sole Lead Manager and Underwriter, thereby enhancing the chances of a successful Rights Issue; and
- (C) as Grapene is making an upfront commitment, it will be assuming market risks for the entire Rights Issue period.

None of the Directors dissented with the above opinion.

Trustee-Manager, Grapene and Ariston Lock-up

The full text of the lock-up arrangements between the Trustee-Manager, Grapene and Ariston and the Sole Lead Manager and the Underwriter are set out in paragraph 2.10 of the Letter to Unitholders in the Circular.

The lock-up arrangements serve to restrict the Trustee-Manager from issuing or contracting to issue new Units, as well as to restrict Grapene and Ariston from divesting the Units issued to them pursuant to the Standby Commitment Agreement (and the Ariston Lock-up Undertaking respectively) until the date falling 90 days after the date on which the Rights Units are listed on the SGX-ST.

5. THE PROPOSED WHITEWASH RESOLUTION

As at the Latest Practicable Date, Ariston, Grapene¹ and the Trustee-Manager hold approximately 11.0%, 34.0% and 0.1% respectively of the voting rights of IPIT.

Rule 14.1(b) of the Code states that Grapene and parties acting in concert with Grapene, being persons with aggregate unitholding of not less than 30.0% but not more than 50.0%, would be required to make a Mandatory Offer if the Subscribing Entities acquire additional Units which increases their aggregate unitholding in IPIT by 1.0% or more in any period of 6 months unless waived by the SIC.

The Trustee-Manager proposes to seek approval from Independent Unitholders for a waiver of their right to receive a Mandatory Offer from Grapene and parties acting in concert with Grapene for the remaining issued Units not owned or controlled by Grapene and parties acting in concert

¹ Grapene, Ariston and the Trustee-Manager are "sister" corporations — each of them is a wholly-owned subsidiary of IBREL. Each of Grapene, Ariston and the Trustee-Manager is neither a holding company nor a subsidiary of the other two companies.

with Grapene, in the event that they incur an obligation to make Mandatory Offer as a result of the Subscribing Entities taking up provisional allotments of Rights Units allotted and issued to them and, if applicable, through (i) subscribing for the Commitment Rights Units pursuant to the Standby Commitment Agreement, (ii) applying for the Grapene Excess Rights Units under the Rights Issue and/or (iii) acquiring any Grapene Nil-Paid Rights under the Rights Issue.

The SIC has granted its approval for this waiver subject to, *inter alia*, the Whitewash Resolution being approved by the Independent Unitholders at an EGM.

The details of the conditions imposed by the SIC for its approval are set out in paragraph 4.2 of the Letter to Unitholders in the Circular. We recommend that the Independent Directors advise the Unitholders to read this paragraph of the Circular very carefully.

The prospective level of unitholdings of the Subscribing Entities on the following scenarios have been set out in paragraph 4.1 of the Letter to Unitholders in the Circular:

- (i) Whitewash Scenario 1, whereby all Unitholders (including the Subscribing Entities) accept their provisional allotments under the Rights Issue in full;
- (ii) Whitewash Scenario 2, whereby the Subscribing Entities subscribe for not only their provisional allotments but also subscribe for all the Commitment Rights Units pursuant to the Standby Commitment Agreement, and assuming that the Subscribing Entities do not apply for any Excess Rights Units and/or acquire any Grapene Nil-Paid Rights under the Rights Issue; and
- (iii) Whitewash Scenario 3, where the Subscribing Entities (i) subscribe for their provisional allotments of Rights Units, (ii) subscribe for all of the Commitment Rights Units pursuant to the Standby Commitment Agreement and (iii) apply for and receive such maximum number of Excess Rights Units and/or acquire any Grapene Nil-Paid Rights Units under the Rights Issue, without breaching the “public” float requirement set out in Rule 723 of the Listing Manual, being an aggregate of 1,175,067,693¹ Rights Units.

To the best knowledge of the Trustee-Manager and based on the notifications by Substantial Unitholders announced on the SGXNET, the only other Substantial Unitholder (other than the Subscribing Entities) as at the Latest Practicable Date is FIM Ltd.

Independent Unitholders should note that by voting for the Whitewash Resolution, they are waiving their rights to receive a Mandatory Offer from Grapene and parties acting in concert with Grapene at the highest price paid or agreed to be paid by Grapene and parties acting in concert with Grapene for Units in the six months preceding the taking up by the Subscribing Entities of provisional allotments of Rights Units allotted and issued to them, the subscription by the Subscribing Entities of the Grapene Excess Rights Units and/or the subscription of Commitment Rights Units pursuant to the Standby Commitment Agreement and/or acquisition of Grapene Nil-Paid Rights, resulting in an obligation to make a Mandatory Offer².

1 Assumes that there is no change to the number of Units currently held by FIM Ltd. and its affiliates (being 1,009,443,544 Units), i.e. FIM Ltd. (and its affiliates), as the only other Substantial Unitholder, does not divest any portion of its existing stake and does not take up any part of its entitlement in the Rights Issue.

2 Save for the Units that have been issued to the Trustee-Manager as part payment of the Trustee-Manager’s Management Fee for the first quarter FY2010, the Subscribing Entities have not acquired any Units in the last six months prior to the Latest Practicable Date.

Independent Unitholders should further note that in the event that:

- (i) the Subscribing Entities subscribe for not only their provisional allotments but also subscribe for all the Commitment Rights Units pursuant to the Standby Commitment Agreement and assuming that the Subscribing Entities do not apply for any Excess Rights Units and/or acquire any Grapene Nil-Paid Rights under the Rights Issue, the aggregated unitholding of the Subscribing Entities immediately after the completion of the Rights Issue and upon the subscription for all of the Rights Units will be approximately 60.7%; and
- (ii) the Subscribing Entities (i) subscribe for their provisional allotments of Rights Units, (ii) subscribe for all of the Commitment Rights Units pursuant to the Standby Commitment Agreement and (iii) apply for and receive such maximum number of Excess Rights Units and/or acquire any Grapene Nil-Paid Rights Units under the Rights Issue, without breaching the “public” float requirement set out in Rule 723 of the Listing Manual, the aggregated unitholding of the Subscribing Entities immediately after the completion of the Rights Issue will be approximately 62.0%.

As the Subscribing Entities would then hold more than 49.0% of the issued Units under both the scenarios (i) and (ii) above, they would be free to thereafter acquire further Units without incurring any obligation under Rule 14 of the Code to make a Mandatory Offer.

By voting in favour of the Whitewash Resolution, Independent Unitholders could also be foregoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer as a result of the acceptance by the Subscribing Entities in respect of their provisional allotments and (i) the subscription of Commitment Rights Units pursuant to the Standby Commitment Agreement and/or (ii) (if the Subscribing Entities so choose) the application by the Subscribing Entities for Excess Rights Units and/or (iii) (if the Subscribing Entities so choose) acquiring the Grapene Nil-Paid Rights under the Rights Issue.

6. EVALUATION OF THE WHITEWASH RESOLUTION

In reaching our recommendation in respect of the Whitewash Resolution in connection with the Rights Issue, we have given consideration to the following factors:

- (1) The Rationale for the Rights Issue;
- (2) Offering of Rights Units on a Pro Rata Basis;
- (3) The Renounceable Basis for the Rights Issue;
- (4) The Rationale for the Whitewash Resolution;
- (5) The Impact of the Rights Issue on Percentage Shareholdings;
- (6) The Pricing of the Rights Units; and
- (7) The Financial Effects of the Rights Issue.

6.1 The Rationale for the Rights Issue

The rationale for the Rights Issue as set out in paragraph 2.11 of the Letter to Unitholders in the Circular is reproduced below.

“The Trustee-Manager believes that the Rights Issue will bring the following benefits to Unitholders.

2.11.1 Strengthen IPIT's Balance Sheet and Enhance Financial Flexibility

The global financial crisis has negatively affected the Mumbai office space market. Occupancy and rental rates have both declined due to the global financial crisis. In particular, demand for office space in the banking, finance, securities and insurance sector (which is the main targeted sector of the IPIT's properties) has faced a severe decline. Potential tenants of office space in the Mumbai market are also waiting for signs of economic recovery before making decisions regarding their office space needs. As a result, a number of India property developers have abandoned planned projects.

In light of the poor economic conditions and low visibility of global economic developments as well as the severe economic pressure on the Mumbai property market, the Board believes it is prudent to minimise risk by way of debt reduction in order to preserve long-term value creation opportunities for Unitholders.

Notwithstanding the above, the Board believes that IPIT's long-term prospects are strong. While IPIT has also been negatively affected by the global financial crisis in terms of lower occupancy and rental rates, its balance sheet has remained relatively strong compared to those of many other India property developers and the lower lease rates of the Properties have not been due to the status of IPIT's balance sheet but is a commercial decision taken by IPIT in line with deteriorated market conditions.

As a result, the Trustee-Manager believes that IPIT will be able to continue to pursue its plans for the development of the Properties.

The Trustee-Manager also believes that if, while competitors have abandoned projects, IPIT continues with its planned developments at One Indiabulls Centre and Indiabulls Finance Centre, both of which are prime high-end developments compared with other developments in their vicinity, IPIT will be able to emerge from the current financial crisis with developments which will be superior to that of its competitors in Mumbai.

In order to capitalise on this opportunity, IPIT believes that it needs to minimise its debt obligations to be in a better position to make commercial decisions. The Trustee-Manager believes that the most appropriate method of achieving this objective is to strengthen IPIT's balance sheet and reduce the IPIT Group's debt obligations and associated borrowing expenses while allowing Unitholders to maintain their unitholdings in IPIT.

Additionally, the Trustee-Manager believes that by strengthening IPIT's balance sheet, IPIT will be in a stronger negotiating position with potential tenants as it would be able to pursue proposals which are in the best interests of IPIT and hence potentially achieve higher lease rates in order that Unitholders are able to reap long-term yields without imprudent risk.

2.11.2 Provide Unitholders with pro rata entitlement to Rights Units

The Rights Issue would provide Unitholders with the opportunity to subscribe for their pro rata entitlement to the Rights Units at a Rights Issue Price of S\$0.16 which is at a discount of 48.4% to the Closing Price which also represents a discount of approximately 38.0% to the TERP.

In comparison with the pro forma net asset value ("NAV") per Unit after completion of the Rights Issue, the Rights Issue Price is at a discount of approximately 70.4%, while the TERP is at a discount of approximately 52.3% to the pro forma NAV.

Unitholders who do not wish to subscribe for the Rights Units may choose to renounce their provisional allotment of Rights Units in favour of a third party or sell their “nil-paid” rights during the “nil-paid” Rights trading period to realise the value of their “nil-paid” rights. In addition, Unitholders are entitled to apply for Excess Rights Units.”

6.2 Offering of Rights Units on a Pro Rata Basis

The Rights Issue is being offered to all Eligible Unitholders on a pro rata basis. Eligible Unitholders will therefore have a first right of refusal to subscribe to their provisional allotments under the Rights Issue based on their unitholdings as at the Right Issue Books Closure Date.

Eligible Unitholders may apply for additional Rights Units in excess of their provisional allotments under the Rights Issue (other than preference being given to the rounding of odd lots). Each of the Subscribing Entities, other Substantial Unitholders, Directors and their respective associates will rank last in priority. By offering Rights Issue in this manner, Independent Unitholders will not be disadvantaged relative to other Unitholders either for the Rights Issue itself or in the process for allotment of Excess Rights Units.

6.3 The Renounceable Basis for the Rights Issue

The Rights Issue is undertaken on a renounceable basis. As a result, the provisional allotments of new Units can be either renounced by Eligible Unitholders in favour of a third party or traded on the SGX-ST. Eligible Unitholders will be at liberty to accept in part or in full, decline or otherwise renounce or trade (during the “nil-paid” rights trading period prescribed by the SGX-ST) their provisional allotments of Rights Units and are eligible to apply for Excess Rights Units in excess of their provisional allotments under the Rights Issue.

6.4 The Rationale for the Whitewash Resolution

The rationale for the Whitewash Resolution in connection with the Rights Issue is set out in paragraph 4.3 of the Letter to Unitholders in the Circular. We recommend that the Independent Directors advise Unitholders to read this paragraph of the Circular very carefully. Specifically, we highlight that the resolution relating to the Rights Issue is subject to and conditional upon the passing of the resolution relating to the Whitewash Resolution (Resolution 2).

We highlight that the Trustee-Manager is seeking the Whitewash Resolution, *inter alia*, to enable the Subscribing Entities to acquire the Grapene Nil-Paid Rights under the Rights Issue as the Trustee-Manager believes that the Subscribing Entities should not be treated differently from any other Unitholder and should be given the opportunity to acquire Grapene Nil-Paid Rights under the Rights Issue. The Trustee-Manager is also of the view that allowing the Subscribing Entities to acquire Grapene Nil-Paid Rights in the open market enhances liquidity in relation to the “nil-paid” rights. This is important as illiquidity will impact upon the ability of a Unitholder wishing to realise part or all of its “nil-paid” rights to do so without losing value.

Independent Unitholders who wish to apply for excess rights as a means of acquiring Rights Units in excess of their proportionate entitlement and are of the view that their excess subscription may not be granted in part or in whole could also consider acquiring the “nil-paid” rights if they deem appropriate.

6.5 Impact of the Rights Issue on Percentage Shareholdings

The impact of the Rights Issue to the Independent Unitholders in three scenarios is set out in paragraph 4.1 of the Letter to Unitholders in the Circular. The following table sets out the respective unitholdings of the Subscribing Entities and the Independent Unitholders in three scenarios, based on the Rights Ratio for the Rights Issue:

	Before the Rights Issue	After the Rights Issue		
		Whitewash Scenario 1	Whitewash Scenario 2	Whitewash Scenario 3
Issued Units	2,359,640,610	3,610,250,133	3,610,250,133	3,610,250,133
Number of Units held by the Subscribing Entities	1,064,713,883	1,629,012,241	2,190,262,454	2,239,781,576 ⁽¹⁾
Number of Units held by Unitholders, other than the Subscribing Entities	1,294,926,727	1,981,237,892	1,419,987,679	1,370,468,557
% of issued Units held by the Subscribing Entities	45.1%	45.1%	60.7%	62.0%
% of Issued Units held by Unitholders, other than the Subscribing Entities	54.9%	54.9%	39.3%	38.0%

Note:

(1) Assumes that there is no change to the number of Units currently held by FIM Ltd. and its affiliates (being 1,009,443,544 Units), i.e. FIM Ltd. (and its affiliates), as the only other Substantial Unitholder, does not divest any portion of its existing stake and does not take up any part of its entitlement in the Rights Issue.

As at the Latest Practicable Date, Ariston, Grapene and the Trustee-Manager hold an aggregate direct interest of 45.1% in IPIT. The Independent Unitholders collectively own the remaining 54.9% of IPIT.

In Whitewash Scenario 1, the aggregate unitholding of the Subscribing Entities immediately after the Rights Issue will remain unchanged at approximately 45.1%. There will be no dilution in the percentage unitholdings of Independent Unitholders in this case.

In Whitewash Scenario 2, the aggregated unitholding of the Subscribing Entities immediately after the completion of the rights issue and upon the subscription for all of the Rights Units will be approximately 60.7% immediately after the Rights Issue. The percentage unitholdings of Independent Unitholders would be diluted to approximately 39.3%.

In Whitewash Scenario 3, the aggregated unitholding of the Subscribing Entities immediately after the completion of the Rights Issue will be approximately 62.0%. In this circumstance, the percentage unitholdings of Independent Unitholders would be diluted to approximately 38.0%.

There is no certainty that the Subscribing Entities would be required to make a Mandatory Offer for the remaining Units not held by the Subscribing Entities pursuant to Rule 14 of the Code, upon subscription for the Proportionate Rights Units and the Commitment Rights Units by the Subscribing Entities, as the percentage increase in the unitholdings of the Subscribing Entities immediately after the completion of the Rights Issue would depend on the subscription rates of the Rights Units by the Independent Unitholders.

6.6 The Pricing of the Rights Units

The Rights Issue is to be undertaken at a Price of S\$0.16 per Rights Unit. Details of the pricing of the Rights Issue are set out in paragraph 2.2 of the Letter to Unitholders in the Circular.

We note that the Rights Issue Price represents a discount of approximately:

- 48.4% to the Closing Price of S\$0.310 per Unit; and
- 38.0% to the TERP of S\$0.258 per Unit.

In assessing the Rights Issue Price, we have considered precedent rights issues and the historical price performance of the Units in our evaluation.

(i) Selected Precedent Rights Issues

We have reviewed selected, precedent rights issues announced by real estate investment trust (“**REITs**”), business trusts and property development and investment companies listed on the SGX-ST for the period from 1 January 2007 to the Latest Practicable Date.

For each rights issue, we have considered the discount implied by the issue price to the respective Last Traded Price (“**LTP**”), the theoretical ex-rights price (“**TERP**”) and the 30 day volume weighted average prices (“**VWAP**”) prior to the announcement date.

Company Name	Date of announcement	Terms of rights issue	Issue price of rights shares	LTP ⁽¹⁾	Discount of Issue Price to LTP (%)	30 Day VWAP ⁽²⁾	Discount of Issue Price to 30 Day VWAP (%)	TERP ⁽³⁾	Discount of Issue Price to TERP (%)
Japan Land Ltd	25-Jan-07	2 for 10	S\$0.050	S\$0.085	41.2	S\$0.084	40.6	S\$0.079	36.8
Bonvests Holdings Ltd	26-Feb-07	1 for 5	S\$0.615	S\$1.970	68.8	S\$1.758	65.0	S\$1.744	64.7
Top Global Ltd	16-Mar-07	4 for 1	S\$0.030	S\$0.120	75.0	S\$0.120	75.0	S\$0.048	37.5
Guocoland Ltd	20-Apr-07	1 for 3	S\$2.500	S\$5.000	50.0	S\$4.457	43.9	S\$4.375	42.9
Hotel Properties Ltd	18-May-07	1 for 10	S\$2.200	S\$6.150	64.2	S\$6.130	64.1	S\$5.791	62.0
Frasers Commercial Trust	25-May-07	2 for 5	S\$1.040	S\$1.270	18.1	S\$1.328	21.7	S\$1.204	13.6
Shangri-La Asia Ltd	04-Jul-07	1 for 9	HK\$18.00	HK\$18.80	4.3	HK\$19.402	7.2	HK\$18.720	3.8
Wing Tai Holdings Ltd	29-Aug-07	1 for 10	S\$2.050	S\$3.460	40.8	S\$3.286	37.6	S\$3.332	38.5
Hong Fok Corp Ltd	28-Sep-07	1 for 10	S\$0.600	S\$1.570	61.8	S\$1.516	60.4	S\$1.482	59.5
Hotel Plaza Ltd	26-Oct-07	1 for 2	S\$1.700	S\$2.120	19.8	S\$2.195	22.5	S\$1.980	14.1
K-REIT Asia	23-Jan-08	8 for 5	S\$1.390	S\$1.480	6.1	S\$1.838	24.4	S\$1.425	2.4
AVJennings Ltd	02-May-08	1 for 3	A\$0.670	A\$0.710	5.6	A\$0.711	5.8	A\$0.700	4.3
Hiap Hoe Ltd	14-May-08	1 for 4	S\$0.280	S\$0.420	33.3	S\$0.433	35.4	S\$0.392	28.6
Evergro Properties Ltd	30-May-08	3 for 2	S\$0.180	S\$0.190	5.3	S\$0.244	26.3	S\$0.184	2.2
Mapletree Logistics Trust	24-Jun-08	3 for 4	S\$0.730	S\$0.930	21.5	S\$0.952	23.3	S\$0.844	13.5
Australand Property Group	28-Jul-08	1 for 1	A\$0.600	A\$1.570	61.8	A\$1.070	43.9	A\$1.085	44.7
Soilbuild Group Holdings Ltd	14-Aug-08	1 for 10	S\$0.750	S\$0.945	20.6	S\$0.954	21.4	S\$0.927	19.1
Saizen REIT	31-Dec-08	11 for 10	S\$0.090	S\$0.125	28.0	S\$0.097	7.6	S\$0.107	15.6
CapitaMall Trust	09-Feb-09	9 for 10	S\$0.820	S\$1.450	43.4	S\$1.501	45.4	S\$1.152	28.8
CapitaLand Ltd	09-Feb-09	1 for 2	S\$1.300	S\$2.360	44.9	S\$2.504	48.1	S\$2.007	35.2
Bukit Sembawang Estates Ltd	14-Feb-09	1 for 1	S\$2.300	S\$3.800	39.5	S\$3.868	40.5	S\$3.050	24.6
Sing Holdings Ltd	11-Mar-09	1 for 2	S\$0.100	S\$0.165	39.4	S\$0.176	43.1	S\$0.143	30.2
Keppel Land Ltd	24-Apr-09	9 for 10	S\$1.090	S\$1.880	42.0	S\$1.657	34.2	S\$1.506	27.6
CapitaCommercial Trust	22-May-09	1 for 1	S\$0.509	S\$1.060	44.3	S\$1.007	41.4	S\$0.825	28.5
Frasers Commercial Trust	29-Jun-09	3 for 1	S\$0.095	S\$0.240	60.4	S\$0.250	62.0	S\$0.131	27.6
Fortune REIT	24-Aug-09	1 for 1	HK\$2.290	HK\$4.10	44.1	HK\$4.010	42.9	HK\$3.195	28.3
			Maximum		75.0		75.0		64.7
			Minimum		4.3		5.8		2.2
			Average		37.9		37.8		28.3
			Median		41.0		40.6		28.4
IPIT		53 for 100	S\$0.16	S\$0.310	48.4	S\$0.294	45.5	S\$0.258	38.0

Source: Bloomberg. Rights issue announcements of companies on SGX-ST website.

Notes:

- (1) Last traded price prior to the announcement date of the rights issue price.
- (2) 30 Day VWAP is the volume weighted average traded price averaged across the 30 trading days prior to and including the date of announcement ("LPD").
- (3) The TERP is calculated as follows:
$$\text{TERP} = (\text{Market capitalisation prior to the announcement date of the rights issue price} + \text{gross proceeds from the rights issue}) \div \text{total shares/units outstanding after the rights issue}.$$

Based on the Rights Issue Price, the 2,359,640,610 outstanding Units in issue as at the Latest Practicable Date and the information in the table above:

- (1) the discount of the Rights Issue Price to the LTP on S\$0.310 of approximately 48.4% is within the range of discounts of 4.3% and 75.0% for the selected precedent rights issues and is higher than the average and median discounts for precedent rights issues of approximately 37.9% and 41.0%, respectively;
- (2) the discount of the Rights Issue Price to the VWAP of 30 trading dates prior and including the LPD of approximately 45.5% is within the range of discounts of 5.8% and 75.0% for the selected precedent rights issues and is higher than the average and median discounts for the precedent rights issues of approximately 37.8% and 40.6%, respectively;
- (3) the discount of the Rights Issue Price to the TERP of approximately 38.0% is within the range of discounts of 2.2% and 64.7% for the selected precedent rights issues and is higher than the average and median discounts for the precedent rights issues of approximately 28.3% and 28.4%, respectively.

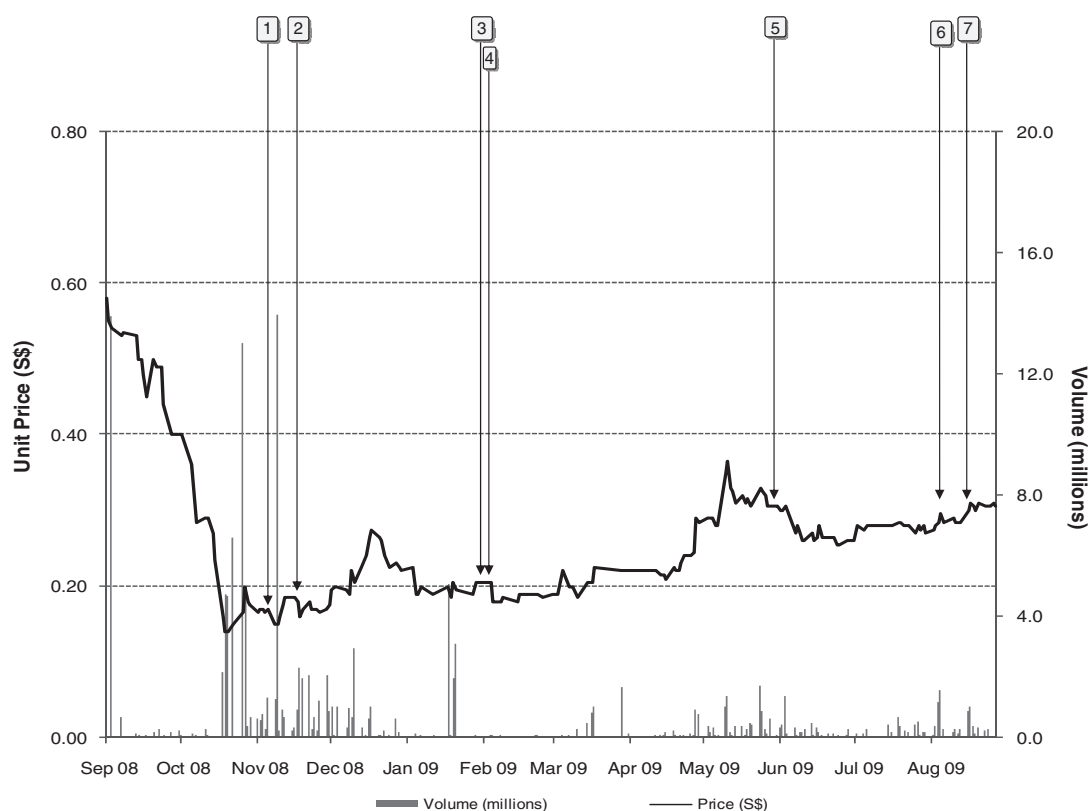
The Independent Directors should take note that certain circumstances and terms relating to the selected precedent rights issues are different from the proposed Rights Issue and largely dependent on prevailing market sentiments at the time of such precedent rights issues. In addition, IPIT is not directly comparable to the REITs, business trusts and property development/investment companies which had carried out the selected precedent rights issues.

IPIT may be different from the selected REITs and business trusts in terms of investment strategies/preferences (risk profile, geographical focus, sub-sector focus, etc), composition of assets in portfolio, track record and future prospects. Moreover, as IPIT does not conduct exactly the same business activities as the selected property development/investment companies, there are differences in terms of product offerings, scale of operations, geographical spread of activities, accounting policies, track record and future prospects.

Accordingly, the Independent Directors should note that the above comparison is for illustrative purposes and serves as a general guide.

(ii) Price performance of the Units

The following is a chart of the closing price of the Units for the 12 months up to the Latest Practicable Date:



Source: Bloomberg and IPIT's announcements on the SGX-ST.

Notes:

- (1) 14 November 2008: IPIT reported a net loss of S\$359,000 for the six months period ended 30 September 2008.
- (2) 26 November 2008: Mumbai suffered more than ten coordinated shooting and bombing attacks across the city.
- (3) 4 February 2009: IPIT announced that it has secured a four-year S\$61.8 million loan and it plans to build a five star hotel in Mumbai.
- (4) 14 February 2009: IPIT reported a net loss of S\$649,000 for the third quarter from 1 October to 31 December 2008.
- (5) 30 May 2009: IPIT reported net loss of S\$960,097,000 for the period from 7 May 2008 to 31 March 2009.
- (6) 14 August 2009: IPIT reported a net loss of S\$7,891,000 for First Quarter Ended 30 June 2009.
- (7) 24 August 2009: In clarifying market rumours, IPIT announced that it has submitted to SGX-ST an additional listing application for the listing and quotation of new Units to be issued under a rights issue for purpose of raising up to S\$200 million of gross proceeds.

We note that the Rights Issue Price represents a discount to the VWAP per Unit over the 30-day, 60-day, 90-day and 180-day periods up to the Latest Practicable Date:

Historical Trading Days ⁽¹⁾	VWAP (S\$)	Discount (%)
30-Day VWAP	0.2906	44.9
60-Day VWAP	0.2915	45.1
90-Day VWAP	0.2984	46.4
180-Day VWAP	0.1998	19.9

Note:

- (1) Trading days up to the Latest Practicable Date.

6.7 The Financial Effects of the Rights Issue

The pro forma financial effects of the Rights Issue on the distribution per Unit (“DPU”) and NAV per Unit and the pro forma capitalisation of IPIT presented below, are strictly for illustrative purposes and were prepared based on the unaudited consolidated financial statements of the IPIT Group for the three months period ended 30 June 2009 (the “**IPIT Group First Quarter ended 2009 Unaudited Financial Statements**”), taking into account the estimated costs of the Rights Issue and assuming that (i) the Rights Ratio is 53 Rights Units for every 100 Existing Units (53 for 100) and that 1.25 billion Rights Units are issued at a Rights Issue Price of S\$0.16 per Unit under the Rights Issue, and (ii) S\$193.0 million of the net proceeds from the Rights Issue is used to repay and/or prepay part of the Borrowings.

Pro Forma DPU and DPU Yield

The pro forma financial effects of the Rights Issue on IPIT’s DPU for the first quarter ended 30 June 2009, based on the IPIT Group First Quarter ended 2009 Unaudited Financial Statements, as if the Rights Issue was completed on 1 April 2009 and held throughout the first quarter ended 30 June 2009, are as follows:

	Effects of the Rights Issue	
	As at first quarter ended 30 June 2009	As Adjusted
Distributable Income ⁽¹⁾ (S\$’000)	0	0
Issued Units (’000)	2,356,555 ⁽²⁾	3,610,250 ⁽³⁾
DPU (cents)	0	0

Notes:

- (1) There has been no distributable income over the period.
- (2) Number of Units issued as at 30 June 2009.
- (3) Based on the total number of Units in issue upon completion of the Rights Issue which includes the 3,086,058 Units issued to the Trustee-Manager on 20 August 2009 as payment of management fees.

On the basis of the assumptions set out, we note there is no change in the pro forma distributable income and the pro forma DPU after the Rights Issue as IPIT had nil distributions for the period.

Pro Forma NAV

The pro forma financial effects of the Rights Issue on the NAV per Unit as at 30 June 2009, as if the Rights Issue was completed on 30 June 2009, are as follows:

	Effects of the Rights Issue	
	As at 30 June 2009	As Adjusted ⁽¹⁾
NAV (S\$’000)	1,758,208	1,951,208
Issued Units (’000)	2,356,555 ⁽²⁾	3,610,250 ⁽³⁾
NAV per Unit (S\$)	0.75	0.54

Notes:

- (1) Assuming that:
 - (a) the NAV as at the Latest Practicable Date remains unchanged from NAV as at 30 June 2009; and
 - (b) the total rights issue costs are S\$7.1 million, which includes the estimated Management Fee and Incentive Fee (on the basis that the Trustee-Manager exercises its discretion to pay the sole Lead Manager and Underwriter in full the Incentive Fee), underwriting and selling commissions and other professional expenses.
- (2) Number of Units issued as at 30 June 2009.
- (3) Based on the total number of Units in issue upon completion of the Rights Issue which includes the 3,086,058 Units issued to the Trustee-Manager on 20 August 2009 as payment of the Trustee-Manager’s Management Fee.

On the basis of the assumptions set out, we note the following:

- (i) the pro forma NAV increases by S\$193.0 million (or 11.0%) due to gross proceeds of S\$200.1 million raised from the Rights Issue; and
- (ii) the pro forma NAV decreases by 21 cents (or 28.0%) after the Rights Issue, which is largely due to the Rights Issue Price being at a significant discount of S\$0.59 (or approximately 78.7%) to the NAV per Unit S\$0.75 as at 30 June 2009.

Pro Forma Capitalisation

The following tables set forth the pro forma capitalisation of IPIT as at 30 June 2009 adjusted to the Latest Practicable Date and as if the Rights Issue was completed on the Latest Practicable Date.

	As at 30 June 2009 ⁽¹⁾ (S\$ million)	As at the Latest Practicable date (S\$ million) ⁽⁴⁾	As adjusted for the Rights Issue ⁽³⁾ (S\$ million) ⁽⁴⁾
Short-term debt:			
Secured debt	67.3	23.6	6.0
Unsecured debt	—	—	—
Total short-term debt	<u>67.3</u>	<u>23.6</u>	<u>6.0</u>
Long-term debt:			
Secured debt	169.5	159.5	40.5
Unsecured debt	21.5	75.5	19.1
Total long-term debt	<u>191.0</u>	<u>235.0</u>	<u>59.6</u>
Total debt:	258.3	258.6	65.6
Unitholders' funds	1,758.2	1,758.2 ⁽²⁾	1,958.3
Expenses relating to Rights Issue	—	—	(7.1)
Total Unitholders' funds	<u>1,758.2</u>	<u>1,758.2</u>	<u>1,951.2</u>
Total Capitalisation	<u><u>2,016.5</u></u>	<u><u>2,016.8</u></u>	<u><u>2,016.8</u></u>

Notes:

- (1) The amounts are based on the results announced for the first quarter ended 30 June 2009 and are based on the exchange rate as on that date.
- (2) Assuming that Unitholders' funds as at the Latest Practicable Date is equal to the Unitholders' funds as at 30 June 2009.
- (3) Assuming that approximately S\$193.0 million of the net proceeds from the Rights Issue is used to repay and/or prepay the Borrowings, in proportion to the amounts of short-term and long-term secured and unsecured debt outstanding as at the Latest Practicable Date. The actual amounts to be repaid/prepaid will be determined by the Trustee-Manager at its sole discretion, taking into consideration the economic environment, the terms of the various lenders (including interest rate) at the relevant time and the best interest of IPIT. The amounts repaid/prepaid does not include repayment/prepayment charges of approximately 2.0% of the amount repaid/prepaid which can be assessed by the creditors (except for the IBFSL Facility which has no repayment/prepayment charges). The amounts repaid/prepaid also does not include interest accrued until the date of such prepayment and/or repayment as these amounts will be a function of the exact date on which borrowing is prepaid and/or repaid and also a function of the exact interest accrued until the relevant repayment and/or prepayment date. This will also depend upon the currency exchange rates at the relevant time.
- (4) Based on the exchange rate of Rs. 33.97 is to S\$1.00 as at the Latest Practicable Date (Source: Bloomberg). However, actual amounts will be dependent on the exchange rates at the relevant time.

On the basis of the assumptions set out, we note the following:

- (i) the total debt decreases from S\$258.3 million as at 30 June 2009 to S\$65.6 million following the Rights Issue, which is largely due to the repayment of existing debt amounting to approximately S\$193.0 million from the Rights Issue proceeds; and
- (ii) the pro forma total Unitholders' funds increases by S\$193.1 million (or 11.0%) after the Rights Issue, which is largely due to the S\$200.1 million from the Rights Issue proceeds.

7. OUR RECOMMENDATIONS

In arriving at our recommendations on whether the Whitewash Resolution is on normal commercial terms and is not prejudicial to the interests of IPIT and the Independent Unitholders, we have taken into account the following factors which we consider to have a significant bearing on our overall assessment of the Whitewash Resolution:

- (a) The rationale for the Rights Issue;
- (b) The Rights Issue is being offered on a pro rata basis to all Eligible Unitholders who will have the first right of refusal to subscribe to their provisional allotments under the Rights Issue based on their unitholdings as at the Rights Issue Books Closure Date. In addition, Eligible Unitholders are eligible to apply for additional Rights Units in excess of their provisional allotments under the Rights Issue except preference will be given to the rounding of odd lots. Substantial Unitholders (including the Subscribing Entities) and Directors will rank last in priority;
- (c) The Rights Issue is being undertaken on a renounceable basis. The provisional allotments of new Units can be renounced by Eligible Unitholders in favour of a third party or traded on the SGX-ST. Eligible Unitholders are at liberty to accept in part or in full, decline or otherwise renounce or trade (during the "nil-paid" rights trading period prescribed by the SGX-ST) their provisional allotments of Rights Units and are eligible to apply for Excess Rights Units;
- (d) The rationale for the Whitewash Resolution in connection with the Rights Issue;
- (e) The impact of the Rights Issue on the respective unitholdings of the Subscribing Entities and the Independent Unitholders in the three scenarios as set out in paragraph 6.5 of this letter;
- (f) The discount of approximately 48.4% of the Rights Issue Price to the LTP of S\$0.310 is within the range of discounts of 4.3% and 75.0% for the selected precedent rights issues and higher than the average discount of approximately 37.9% and the median discount of approximately 41.0% for the selected precedent rights issues;
- (g) The discount of approximately 45.5% of the Rights Issue Price to the VWAP of 30 trading dates prior to and including the LPD is within the range of discounts of 5.8% and 75.0% for the selected precedent rights issues and slightly higher than the average discount of approximately 37.8% and the median discount of approximately 40.6% for the selected precedent rights issues;
- (h) The discount of approximately 38.0% of the Rights Issue Price to the TERP is within the range of discounts of 2.2% and 64.7% for the selected precedent rights issues and higher than the average discount of approximately 28.3% and the median discount of approximately 28.4% for the selected precedent rights issues;
- (i) The Rights Issue Price represents a discount to the VWAP per Unit over the 30-day, 60-day, 90-day and 180-day periods up to the Latest Practicable Date; and

(j) The financial impact of the Rights Issue.

Having considered the above and subject to the assumptions and qualifications set out herein and taking into account the prevailing conditions as at the Latest Practicable Date, we are of the opinion that the Whitewash Resolution is on normal commercial terms and is not be prejudicial to IPIT and the Independent Unitholders. Accordingly, we advise the Independent Directors to recommend that the Independent Unitholders vote in favour of the Whitewash Resolution.

In arriving at our recommendations, we wish to emphasize that we have, *inter alia*, relied on representations made by the Directors and the Trustee-Manager in relation to the current intentions and future direction of IPIT. In addition, Independent Directors should note that we have arrived at these conclusions based on information made available to us prior to and including the Latest Practicable Date.

Our recommendations are addressed to the Independent Directors for their benefit, in connection with and for the purposes of their consideration of the Whitewash Resolution. Any recommendations made by the Independent Directors in respect of the Whitewash Resolution shall remain their responsibility.

Our recommendations may not be used and/or relied on by any other person for any purpose at any time and in any manner except with our prior written consent in each specific case. Our recommendations are governed by the laws of Singapore and are strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully

Deloitte & Touche Corporate Finance Pte Ltd

Jeff Pirie
Executive Director

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of Indiabulls Properties Investment Trust (“**IPIT**”) will be held on 29 September 2009 at 4.00 p.m. at Conference Hall GHJ Level 1, 1 Expo Drive #01-01, Singapore 486150 for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions:

ORDINARY RESOLUTION

1. THE PROPOSED UNDERWRITTEN RENOUNCEABLE RIGHTS ISSUE

That subject to and contingent upon the passing of Resolution 2:

- (i) approval be and is hereby given for the issue of new units in IPIT (“**Rights Units**”) under the renounceable and underwritten rights issue (the “**Rights Issue**”) on a basis of 53 Rights Units for every 100 existing units in IPIT (“**Existing Units**”, and the basis of the Rights Issue, the “**Rights Ratio**”) held as at 5.00 p.m. on 6 October 2009, in the manner described in the circular to unitholders of IPIT (“**Unitholders**”) dated 10 September 2009 (the “**Circular**”) issued by Indiabulls Property Management Trustee Pte. Ltd., as trustee-manager of IPIT (the “**Trustee-Manager**”);
- (ii) the Rights Issue shall be carried out on the terms of and subject to the conditions set out below and/or otherwise on such terms and conditions as the Trustee-Manager may think fit:
 - (a) that the provisional allotments of the Rights Units under the Rights Issue shall be made on a renounceable and underwritten basis to Unitholders with Units standing to the credit of their securities accounts with The Central Depository (Pte) Limited (“**CDP**”) and (a) whose registered addresses with CDP are in Singapore as at a time and date to be determined by the directors of the Trustee-Manager (“**Directors**”) for the purpose of determining the Unitholders’ entitlements under the Rights Issue (“**Rights Issue Books Closure Date**”) or who have, at least three market days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents or (b) who the Trustee-Manager considers, in its sole discretion, may be offered Rights Units without breaching applicable securities laws (“**Eligible Unitholders**”);
 - (b) no provisional allotment of Rights Units shall be made in favour of Unitholders other than Eligible Unitholders;
 - (c) the provisional allotments of Rights Units not taken up or allotted for any reason shall be used to satisfy applications for excess Rights Units (“**Excess Rights Units**”) (if any) as the Trustee-Manager may, in its discretion, deem fit; and
 - (d) the Rights Issue shall be underwritten by Morgan Stanley Asia (Singapore) Pte. (the “**Sole Lead Manager and Underwriter**”), on the terms of the underwriting agreement entered into between the Trustee-Manager and the Sole Lead Manager and Underwriter on 9 September 2009, and

- (iii) the Trustee-Manager and any Director be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Trustee-Manager or such Director of the Trustee-Manager may consider expedient or necessary or in the interests of IPIT to give effect to the Rights Issue and to allow the Rights Units to participate in any distributions which may accrue for the period from 1 April 2009 to 30 September 2009, notwithstanding that the Rights Units is expected to be issued sometime in October 2009.

2. THE PROPOSED WHITEWASH RESOLUTION

That subject to the conditions in the letter from the Securities Industry Council dated 11 August 2009 being fulfilled, the Unitholders, other than Grapene Limited (formerly known as Mixtel Co. Ltd) ("**Grapene**"), parties acting in concert with Grapene and parties which are not independent of Grapene, hereby (on a poll taken) waive their rights to receive a mandatory offer from Grapene and parties acting in concert with Grapene, which includes (i) Ariston Investments Limited ("**Ariston**"), and (ii) any of the associates (including Indiabulls Property Management Trustee Pte. Ltd.) and/or existing subsidiaries of Grapene and/or Ariston and/or new subsidiaries set up by Grapene and/or Ariston to hold Units (collectively the "**Subscribing Entities**"), which will be subscribing for Rights Units under the Rights Issue, for all the units in IPIT not already owned by Grapene and parties acting in concert with Grapene, in the event that they incur a mandatory bid obligation pursuant to Rule 14 of the Singapore Code on Take-overs and Mergers as a result of the Subscribing Entities taking up provisional allotments of Rights Units allotted and issued to them and, if applicable, through (i) subscribing for the Commitment Rights Units (as defined in the Circular) pursuant to the Standby Commitment Agreement (as defined in the Circular), (ii) applying for the Grapene Excess Rights Units (as defined in the Circular) under the Rights Issue and/or (iii) acquiring the Grapene Nil-Paid Rights (as defined in the Circular) on the open market and subsequently exercising the "nil-paid" rights to acquire Rights Units under the Rights Issue.

EXTRAORDINARY RESOLUTION

3. THE PROPOSED EXPANSION OF PRINCIPAL OBJECTIVES OF IPIT

That:

- (i) approval be and is hereby given for the expansion of principal objectives of IPIT to the following:
 - (a) investing, either directly or indirectly, primarily in income-producing properties in India, with at least the majority¹ comprising income-producing office space;
 - (b) acquiring and/or developing properties in India (with at least the majority comprising office space) with the primary intention of holding such properties (other than residential properties) upon completion and selling residential properties upon completion; and
 - (c) investing in real estate-related assets in connection with the foregoing; and

¹ For the avoidance of doubt, the term "majority" shall mean more than 50.0% of total lettable area.

- (ii) the Trustee-Manager and any Director be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Trustee-Manager or such Director of the Trustee-Manager may consider expedient or necessary or in the interests of IPIT to give effect to the expansion of the principal objectives of IPIT.

BY ORDER OF THE BOARD

Indiabulls Property Management Trustee Pte. Ltd.
(as trustee-manager of Indiabulls Properties Investment Trust)
Company Registration No. 200720456G

Chatri Trisiripisal
Chairman and Independent Director
Singapore
10 September 2009

Important Notice:

- (1) A Unitholder entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a Unitholder.
- (2) The instrument appointing a proxy must be lodged at the Trustee-Manager's registered office at 36 Robinson Road, #17-01 City House, Singapore 068877 not later than 4.00 p.m. on 27 September 2009, being 48 hours before the time fixed for the Extraordinary General Meeting.

IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes to Proxy Form

1. A Unitholder of IPIT (“**Unitholder**”) entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one or two proxies to attend and vote in his stead.
2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A proxy need not be a Unitholder.
4. A Unitholder should insert the total number of Units held. If the Unitholder has Units entered against his name in the Depository Register maintained by The Central Depository (Pte) Limited (“**CDP**”), he should insert that number of Units. If the Unitholder has Units registered in his name in the Register of Unitholders of IPIT, he should insert that number of Units. If the Unitholder has Units entered against his name in the said Depository Register and registered in his name in the Register of Unitholders, he should insert the aggregate number of Units. If no number is inserted, this form of proxy will be deemed to relate to all the Units held by the Unitholder.
5. The instrument appointing a proxy or proxies must be deposited at the Trustee-Manager’s registered office at 36 Robinson Road, #17-01 City House, Singapore 068877 not less than 48 hours before the time set for the Extraordinary General Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the power of attorney or a duly certified copy thereof must (failing previous registration with the Trustee-Manager) be lodged with the instrument of proxy; failing which the instrument may be treated as invalid.
8. The Trustee-Manager shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Trustee-Manager may reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Extraordinary General Meeting, as certified by CDP to the Trustee-Manager.
9. All Unitholders will be bound by the outcome of the Extraordinary General Meeting regardless of whether they have attended or voted at the Extraordinary General Meeting.
10. At any meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or by five or more Unitholders present in person or by proxy, or holding or representing one-tenth in value of the Units represented at the meeting. Unless a poll is so demanded, a declaration by the Chairman that such a resolution has been carried or carried unanimously or by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
11. On a show of hands, every Unitholder who (being an individual) is present in person or by proxy or (being a corporation) is present by one of its officers as its proxy shall have one vote. On a poll, every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he is the Unitholder. A person entitled to more than one vote need not use all his votes or cast them the same way.

INDIABULLS PROPERTIES INVESTMENT TRUST

(a business trust constituted in the Republic of Singapore pursuant to a trust deed dated 7 May 2008 (as amended))

PROXY FORM EXTRAORDINARY GENERAL MEETING

I/We _____ (Name)

of _____ (Address)

being a unitholder/unitholders of Indiabulls Properties Investment Trust ("IPIT"), hereby appoint:

Name	Address	NRIC/ Passport Number	Proportion of Unitholdings	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/ Passport Number	Proportion of Unitholdings	
			No. of Units	%

or, both of whom failing, the Chairman of the Extraordinary General Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and if necessary, to demand a poll, at the Extraordinary General Meeting of IPIT to be held on 29 September 2009 at 4.00 p.m. at Conference Hall GHJ Level 1, 1 Expo Drive #01-01, Singapore 486150 and any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolution to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Extraordinary General Meeting.

	Resolutions	To be used on a show of hands		To be used in the event of a poll	
		For *	Against *	No. of Votes For **	No. of Votes Against **
1	To approve the underwritten renounceable Rights Issue (Ordinary Resolution) (Conditional upon Resolution 2)				
2	To approve the Whitewash Resolution (Ordinary Resolution)				
3	To approve the expansion of principal objectives of IPIT (Extraordinary Resolution)				

* If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided.

** If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2009

Total number of Units held

Signatures of Unitholder(s)/Common Seal of Corporate Unitholder



Fold flap

1st fold here

2nd fold here

The Company Secretary
Indiabulls Property Management Trustee Pte. Ltd.
(as trustee-manager of Indiabulls Properties Investment Trust)
36 Robinson Road
#17-01 City House
Singapore 068877

Affix
Postage
Stamp

3rd fold here

