

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

CONTENTS	PAGES
COMPANY INFORMATION	2
COMMENTARY OF THE DIRECTORS	3
CERTIFICATE FROM THE SECRETARY	4
INDEPENDENT AUDITOR'S REPORT	5 - 8
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	9
STATEMENT OF FINANCIAL POSITION	10
STATEMENT OF CHANGES IN EQUITY	11
STATEMENT OF CASH FLOWS	12
NOTES TO THE FINANCIAL STATEMENTS	13 - 30

**BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
COMPANY INFORMATION**

		<i>Date of appointment</i>
DIRECTORS:	Ramakrishnan Mukundan	17 February 2009
	Zakir Hussein Niamut	7 March 2014
	Shafiiq-Ur-Rahmaan Soyfoo	3 August 2015
	John Mulhall	30 September 2015
REGISTERED OFFICE:	IFS Court, Bank Street TwentyEight Cybercity Ebene 72201 Mauritius	
SECRETARY, ADMINISTRATOR & MAURITIAN TAX AGENT:	SANNE Mauritius (formerly known as International Financial Services Limited) IFS Court, Bank Street, TwentyEight Cybercity Ebene 72201 Mauritius	
BANKER:	HSBC Bank (Mauritius) Limited 6th Floor, HSBC Centre 18 CyberCity Ebene Mauritius	
AUDITORS:	KPMG KPMG Centre 31, Cybercity Ebène Mauritius	

**BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
COMMENTARY OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2018**

The directors present the audited financial statements of Bio Energy Venture-1 (Mauritius) Pvt. Ltd (the "Company") for the year ended 31 March 2018.

PRINCIPAL ACTIVITY

The principal activity of the Company is that of investment holding.

RESULTS

The results for the year are shown in the accompanying financial statements.

DIRECTORS

The present membership of the Board is set out on page 2.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

CONSOLIDATION

Section 212 of the Mauritius Companies Act 2001 requires the Board of a company that has, on the balance sheet of the Company, one or more subsidiaries to prepare group accounts that comply with IFRS. However, section 12 of the Fourteenth Schedule of the Mauritius Companies Act 2001 provides that a company holding a Category 1 Global Business Licence may not prepare group financial statements where it is a wholly owned or virtually owned subsidiary.

The Company, being a Category 1 Global Business Licence Company, has taken advantage of the provision of the Fourteenth Schedule of the Mauritius Companies Act 2001 not to prepare group accounts as its holding company, Tata Chemicals Limited, a company incorporated in India, listed on the Bombay Stock Exchange and National Stock Exchange of India, prepares consolidated accounts under Indian Generally Accepted Accounting Principles. The consolidated financial statements would not add value to the holding company.

AUDITORS

The auditors, KPMG, has indicated its willingness to continue in office until the next Annual Meeting.

CERTIFICATE FROM THE SECRETARY UNDER SECTION 166 (d) OF THE COMPANIES ACT 2001

We certify to the best of our knowledge and belief that we have filed with the Registrar of Companies all such returns as are required for the Bio Energy Venture - 1 (Mauritius) Pvt. Ltd under the Companies Act 2001 during the financial year ended 31 March 2018.



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For SANNE Mauritius
Secretary

Registered office:

IFS Court
Bank Street
Twenty Eight
Cybercity
Ebene 72201
Mauritius

Date: 23 May 2018



KPMG
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31, Cybercity
Ebène
Mauritius
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BRN No. F07000189
Website www.kpmg.mu

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF BIO ENERGY VENTURE -1 (MAURITIUS) PVT. LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bio Energy Venture -1 (Mauritius) Pvt. Ltd (the Company), which comprise the statement of financial position as at 31 March 2018 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies, as set out on pages 9 to 30.

In our opinion, these financial statements have been prepared, in all material respects, in accordance with the requirements of the Mauritius Companies Act applicable to a company holding a Category 1 Global Business Licence, as described in note 2(a) to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Basis of preparation

We draw attention to note 2(a) to the financial statements, which describes the basis of accounting. These are the Company's statutory financial statements and have been prepared in accordance with the requirements of the Mauritius Companies Act applicable to a company holding a Category 1 Global Business Licence. The applicable financial reporting framework is IFRS except for the standard applicable to Consolidated Financial Statements (IFRS 10). Our opinion is not modified in respect of this matter.



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF BIO ENERGY VENTURE -1 (MAURITIUS) PVT. LTD**

Report on the Audit of the Financial Statements (continued)

Other Information

The directors are responsible for the other information. The other information comprises the Company information, Commentary of the Directors and Certificate from the Secretary. The other information does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and presentation of these financial statements in accordance with the requirements of the Mauritius Companies Act applicable to a company holding a Category 1 Global Business Licence, as described in note 2 (a) to the financial statements, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF BIO ENERGY VENTURE -1 (MAURITIUS) PVT. LTD**

Report on the Audit of the Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF BIO ENERGY VENTURE -1 (MAURITIUS) PVT. LTD**

Report on the Audit of the Financial Statements (continued)

Other Matter

This report is made solely to the Company's member, in accordance with Section 205 of the Mauritius Companies Act. Our audit work has been undertaken so that we might state to the Company's member, those matters that we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member, for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act

We have no relationship with or interests in the Company other than in our capacity as auditors.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

KPMG
Ebène, Mauritius

Date: **23 May 2018**

Naresh Bhoola
Licensed by FRC

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018

	Note	<u>2018</u> USD	<u>2017</u> USD
INCOME			
Realised gain on sale of investment		5,000	-
Interest income	13	1,418,884	1,597,282
Dividend income		225,753	409,863
		<u>1,649,637</u>	<u>2,007,145</u>
OPERATING EXPENSES			
Licence fees		2,700	2,700
Professional fees	8(a)	20,629	16,908
Bank charges		505	306
Audit fees		6,929	5,955
Receivable written off	8(b)	13,310	7,000
Impairment of loan to subsidiary		54,110,673	-
Total expenditure		<u>54,154,746</u>	<u>32,869</u>
(LOSS)/PROFIT BEFORE TAX		(52,505,109)	1,974,276
Tax expense	11	(48,440)	(59,462)
(LOSS)/PROFIT FOR THE YEAR		<u>(52,553,549)</u>	<u>1,914,814</u>
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		<u>(52,553,549)</u>	<u>1,914,814</u>

The notes on pages 13 to 30 form an integral part of these financial statements.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
 STATEMENT OF FINANCIAL POSITION
 AS AT 31 MARCH 2018

	Note	2018 USD	2017 USD
ASSETS			
<u>Non - current assets</u>			
Investment in subsidiaries	6	604,385,896	604,385,896
Loan to related party	7	-	52,599,682
		<u>604,385,896</u>	<u>656,985,578</u>
<u>Current assets</u>			
Receivables and prepayments	9 (a)	8,207,930	8,300,037
Loan to Gusiute Holdings (UK) Limited	9 (b)	300,000	300,000
Cash at bank		799,162	674,621
Tax recoverable	11	186	-
		<u>9,307,278</u>	<u>9,274,658</u>
Total assets		<u>613,693,174</u>	<u>666,260,236</u>
EQUITY AND LIABILITIES			
<u>Capital and reserves</u>			
Stated capital	10 (a)	575,381,426	575,381,426
Accumulated losses		(111,701,579)	(59,148,030)
		<u>463,679,847</u>	<u>516,233,396</u>
<u>Non - current liability</u>			
Redeemable preference shares	10 (b)	150,001,400	150,001,400
		<u>150,001,400</u>	<u>150,001,400</u>
<u>Current liabilities</u>			
Taxation	11	-	12,516
Payables	12	11,927	12,924
		<u>11,927</u>	<u>25,440</u>
Total equity and liabilities		<u>613,693,174</u>	<u>666,260,236</u>

Approved by the Board of Directors and authorised for issue on 23 May 2018.



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 Director



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 Director

The notes on pages 13 to 30 form an integral part of these financial statements.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018

	<u>Stated capital</u> USD	<u>Accumulated losses</u> USD	<u>Total</u> USD
At 1 April 2016	575,381,426	(61,062,844)	514,318,582
Total comprehensive income for the year	-	1,914,814	1,914,814
At 31 March 2017	<u>575,381,426</u>	<u>(59,148,030)</u>	<u>516,233,396</u>
Total comprehensive loss for the year	-	(52,553,549)	(52,553,549)
At 31 March 2018	<u><u>575,381,426</u></u>	<u><u>(111,701,579)</u></u>	<u><u>463,679,847</u></u>

The notes on pages 13 to 30 form an integral part of these financial statements.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018

	2018 USD	2017 USD
Cash flows from operating activities		
(Loss)/profit before tax	(52,505,109)	1,974,276
Adjustments for:		
Interest income accrued on loans to related party	(1,418,884)	(1,597,280)
Dividend income	(225,753)	(409,863)
Realised gain on sale of investment	(5,000)	-
Receivable written off	13,310	7,000
Impairment of loan to subsidiary	54,110,673	-
	(30,763)	(25,867)
<i>Changes in working capital:</i>		
Decrease in payables	(997)	(2,240)
Decrease in receivables and prepayments	(13,310)	(7,000)
Cash used in operating activities	(45,070)	(35,107)
Tax paid	(61,142)	(46,946)
Tax refund	-	12,556
Net cash used in operating activities	(106,212)	(62,497)
Cash flows from investing activities		
Dividend received	225,753	409,863
Proceeds from sale of investment	5,000	-
Net cash generated from investing activities	230,753	409,863
Cash flows from financing activities		
Proceeds from issue of preference shares	-	-
Net cash generated from financing activities	-	-
Net increase in cash and cash equivalents	124,541	340,366
Cash and cash equivalents at beginning of the year	674,621	334,255
Cash and cash equivalents at end of the year	799,162	674,621
Supplementary disclosure of non-cash investing activities:		
Conversion of interest accrued to related party loan	-	1,673,329

The notes on pages 13 to 30 form an integral part of these financial statements.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. BACKGROUND INFORMATION

The Company was incorporated in Mauritius under the Companies Act 2001 on 31 October 2008 as a private company with limited liability by shares and has its registered office at IFS Court, Bank Street, Twenty Eight, Cybercity, Ebene, 72201, Mauritius. The Company holds a Category 1 Global Business Licence issued by the Financial Services Commission. The principal activity of the Company is that of investment holding.

2. BASIS OF PREPARATION

a) Statement of compliance

The Company has subsidiaries and in accordance with International Financial Reporting Standards is required to present consolidated financial statements. In accordance with the Fourteenth Schedule of the Mauritius Companies Act, Section 12, the Company may not prepare group financial statements as it is a wholly owned subsidiary of another company and, in accordance with Section 211 of the Mauritius Companies Act, Content and form of financial statements, these financial statements present the financial position, financial performance and cash flow of the Company. Because the Company is a holder of a Category 1 Global Business Licence and is a wholly owned subsidiary of another company, these financial statements are prepared in accordance with Mauritius Companies Act which allows the use of International Financial Reporting Standards ("IFRS") and interpretations adopted by the International Accounting Standards Board (IASB), except for the standard applicable to Consolidated Financial Statements (IFRS 10).

b) Basis of measurement

The financial statements have been prepared on the going concern basis using the historical cost convention except for certain financial assets and liabilities which are measured at fair value.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment of the Company (the "functional currency"). The financial statements of the Company are presented in United States Dollars ("USD"), which is the Company's functional currency and presentation currency.

Transactions and balances

Transactions denominated in foreign currencies are translated in USD at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities are translated at the rate of exchange ruling at statement of financial position date. Exchange differences arising on translation and realised gains and losses on disposals or settlement of monetary assets and liabilities are recognised in the statement of profit or loss. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date the fair value was determined. Non-monetary items that are measured based on historical cost on a foreign currency are translated at the exchange rate at the date of the transaction.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in profit or loss.

(i) *Financial assets*

Financial assets are classified into 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis.

Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio, as well as observable changes in national or local economic conditions that correlate with default on receivables.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

The Company classifies non-derivative financial assets into the following category: loans and receivables. The Company classifies non-derivative financial liabilities into the following category: other financial liabilities.

(i) Non-derivative financial assets and financial liabilities – Recognition and derecognition

Financial assets and financial liabilities are initially recognised on the trade date when the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Non-derivative financial assets – Measurement

Loans and receivables

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Loans and receivables comprise cash and cash equivalents, loans and receivables.

Cash and cash equivalents

Cash comprises of cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(iii) Non-derivative financial liabilities – Measurement

Non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(d) Revenue recognition

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established and is recognised gross of withholding tax.

(e) Expense recognition

All expenses are accounted for in the statement of profit or loss and other comprehensive income on accrual basis.

(f) Taxation

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted at the end of the reporting period, and any adjustment to tax payable in respect of prior years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax payable also includes any tax liability arising from the declaration of dividends.

Current tax assets and liabilities are offset only if the Company has the legal right and the intention to settle on a net basis.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Taxation (continued)

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Company has the legal right to settle current tax amounts on a net basis and the deferred tax amounts are levied by the same taxing authority on the same entity or different entities that intend to realise the asset and settle the liability at the same time.

(g) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

(h) Related parties

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

A person or a close member of that person's family is related to a reporting entity if that person:

- (i) has control or joint control of the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(i) Preference shares

The Company's redeemable preference shares are classified as financial liabilities, because they bear non-discretionary dividends and are redeemable in cash by the issuer. Non-discretionary dividends thereon are recognised as interest expense in the profit or loss as accrued.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Impairment of assets

Financial asset

A financial asset not classified at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset(s), and that loss event(s) had an impact on the estimated future cash flows of that asset(s) that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security or observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non - financial assets to determine whether there is any indication of impairment. If such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre - tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

(k) Investment in subsidiary

Control in subsidiaries and entities (including structured entities) is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its return.

The Company does not prepare consolidated financial statements and investment in subsidiary is initially shown at cost. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to the statement of profit or loss and other comprehensive income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit or loss and other comprehensive income.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, the Company has applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 April 2017.

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

Standard/Interpretation		Effective date Periods beginning on or after
IFRIC 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
IFRS 15	Revenue from Contracts with Customers	1 January 2018
IFRIC 23	Uncertainty over Income Tax Treatments	1 January 2019
IFRS 9	Financial instruments	1 January 2018

IFRS 15 - Revenue from Contracts with Customers

In May 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

IFRS 15 – Revenue from Contracts with Customers (continued)

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Since the Company does not have any operating revenue from customers, this standard is not applicable to it.

The adoption of the above amendments will not result into a significant impact on the Company’s financial statements.

IFRIC 22 Foreign Currency Transactions and Advance Considerations

When foreign currency consideration is paid or received in advance of the item it relates to – which may be an asset, an expense or income – IAS 21 The Effects of Changes in Foreign Exchange Rates is not clear on how to determine the transaction date for translating the related item.

This has resulted in diversity in practice regarding the exchange rate used to translate the related item. IFRIC 22 clarifies that the transaction date is the date on which the company initially recognises the prepayment or deferred income arising from the advance consideration. For transactions involving multiple payments or receipts, each payment or receipt gives rise to a separate transaction date.

The interpretation applies for annual reporting periods beginning on or after 1 January 2018. The directors have assessed that the adoption of the standard will not have any impact as the Company does not have any advance consideration.

IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 clarifies the accounting for income tax treatments that have yet to be accepted by tax authorities. Specifically, IFRIC 23 provides clarity on how to incorporate this uncertainty into the measurement of tax as reported in the financial statements.

IFRIC 23 does not introduce any new disclosures but reinforces the need to comply with existing disclosure requirements about:

- judgments made;
- assumptions and other estimates used; and
- the potential impact of uncertainties that are not reflected.

The application of this standard will result in additional disclosures in the financial statements when the standard will become effective.

IFRIC 23 applies for annual periods beginning on or after 1 January 2019. Earlier adoption is permitted. The directors have not yet assessed the impact of the adoption of this standard on the financial statements.

IFRS 9 Financial Instruments (effective for annual periods beginning on or after 1 January 2018)

IFRS 9 issued in November 2009 introduced new requirement for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a ‘fair value through other comprehensive income’ (FVTOCI) measurement category for certain simple debt instruments.

The directors have made an assessment of IFRS 9 and are of the view that there would not be any significant impact on the financial statements of the Company given that the Company’s financial instruments consist of only trade receivables, cash and cash equivalents and accruals. The trade receivable is already recognised at amortised cost. The effect of discounting is minimal as the trade receivable is repaid within one year.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

IFRS 9 Financial Instruments (effective for annual periods beginning on or after 1 January 2018)
(Continued)

Overall, the Company expects no significant impact on its statement of financial position and equity except for the effect of applying the impairment requirements of IFRS 9. In addition, the Company will implement changes in classification of certain financial instruments.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements, in accordance with IFRS, requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Judgements and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonable under the circumstances. The actual results could, by definition therefore, often differ from the related accounting estimates.

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that have a significant effect on the amounts recognised in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. The Board of directors consider the USD to most faithfully represent the economic effects of the underlying events, transactions and conditions of the Company. The functional currency of the Company is USD.

Impairment of investment in subsidiaries and loans given to related party

Determining whether investments in subsidiaries are impaired requires an estimation of the value in use of the investments. The value in use calculation requires the directors to estimate the future cash flows expected to arise from that investment and a suitable discount rate in order to calculate present value.

As at 31 March 2018, the directors compared the carrying values with the fair values of these investments and no additional impairment has been recognised in the financial statements.

The directors are in view that the loan to related party would not be recoverable and hence same have been fully impaired during the year ended 31 March 2018.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and over the recognition of deferred taxes. Deferred tax assets are recognised for all unused losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 31 MARCH 2018

6. INVESTMENT IN SUBSIDIARIES

Name of Company	Country of incorporation	Activity	Class of shares held	% Holding	Number of shares	Cost (net of impairment) USD
Tata Chemicals International Pte Ltd	Singapore	Investment Holding	Ordinary shares fully paid of USD1 each	100%	2018 485,307,852	2018 479,285,896
					2017 485,307,852	2017 479,285,896
			Preference shares fully paid- 1,000,000 shares at USD100 each and 15,100,000 shares at USD1 each	100%	2018 16,100,000	2018 115,100,000
					2017 16,100,000	2017 115,100,000
Gusiute Holdings (UK) Limited	UK	Investment Holding	Preference shares fully paid of USD1 each	36%	2018 10,000,000 2017 10,000,000	2018 10,000,000 2017 10,000,000
Homefield Pvt. UK Ltd	UK	Engaged in the manufacture and sale of sodium, salt and related products	Preference shares fully paid of USD1 each	76.12%	2018 17,850,000 2017 17,850,000	2018 - 2017 -
Total						2018 604,385,896 2017 604,385,896

Gusiute Holdings (UK) Limited is a step down subsidiary and the Company has control through its subsidiary Tata Chemicals International Pte Ltd.

	2018 USD	2017 USD
Balance at start	604,385,896	604,385,896
Addition during the year	-	-
Balance at end	<u>604,385,896</u>	<u>604,385,896</u>

The Company has disposed its investment in Grown Energy Zambeze Holdings Pvt. Ltd during the year under review and has incurred a realized gain of USD 5,000.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

7. LOAN TO RELATED PARTY

The loan to Homefield Pvt. UK Ltd is unsecured, repayable at such time as agreed by the parties and carry interest at the rate of LIBOR plus 2.25% (2017: LIBOR + 2.25%).

No further impairment is made based on assessment carried out during the year.

	<u>2018</u>	<u>2017</u>
	USD	USD
Balance at start	52,599,682	50,926,353
Interest capitalised during the year	1,510,991	1,673,329
Impairment during the year	(54,110,673)	-
Balance at end	<u>-</u>	<u>52,599,682</u>

8. (a) PROFESSIONAL FEES

	<u>2018</u>	<u>2017</u>
	USD	USD
Administration fees	11,551	9,570
Tax filing fees	2,000	2,000
Director fees	2,500	2,500
Disbursements	928	338
Legal fees	800	800
Professional fees	1,350	200
Secretarial fees	1,500	1,500
	<u>20,629</u>	<u>16,908</u>

(b) RECEIVABLE WRITTEN OFF

USD 13,310 given to Grown Energy Zambeze Holdings Pvt. Ltd was written off during the year ended 31 March 2018 as it was not likely to recover the receivable.

9. (a) RECEIVABLES AND PREPAYMENTS

	<u>2018</u>	<u>2017</u>
	USD	USD
Receivable from Tata Chemicals International Pte. Ltd	8,203,000	8,203,000
Interest receivable on loan to Homefield Pvt. UK Ltd	-	92,107
Other receivable from Tata Chemicals Limited	2,530	2,530
Prepayments	2,400	2,400
	<u>8,207,930</u>	<u>8,300,037</u>

The balance receivable from Tata Chemicals International Pte. Ltd is unsecured, interest free and is repayable on demand.

(b) SHORT TERM LOAN TO GUSIUTE HOLDINGS (UK) LIMITED

The short term loan to Gusiute Holdings (UK) Limited was unsecured, interest free and repayable on demand and is expected to be recovered within twelve months.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

10. (a) STATED CAPITAL

	<u>2018</u>	<u>2017</u>
	Number of shares	Number of shares
Ordinary shares of USD1 each held by Tata Chemicals Limited	<u>575,381,426</u>	<u>575,381,426</u>
	<u>2018</u>	<u>2017</u>
	USD	USD
Ordinary shares of USD1 each held by Tata Chemicals Limited	<u>575,381,426</u>	<u>575,381,426</u>

Fully paid Ordinary shares carry one vote per share and carry the right to dividends.

(b) NON-CUMULATIVE REDEEMABLE PREFERENCE SHARES

	<u>2018</u>	<u>2017</u>
	Number of shares	Number of shares
Non-Cumulative Redeemable Preference shares of no par value held by Tata Chemicals Limited	<u>1,500,014</u>	<u>1,500,014</u>
	<u>1,500,014</u>	<u>1,500,014</u>
	<u>2018</u>	<u>2017</u>
	USD	USD
Non-Cumulative Redeemable Preference shares of no par value held by Tata Chemicals Limited	<u>150,001,400</u>	<u>150,001,400</u>
	<u>150,001,400</u>	<u>150,001,400</u>

- The Non-Cumulative Redeemable Preference Shares ("NCRPS") are redeemable at the option of the issuer not later than 10 years from the issue date and carry a dividend rate of 5%. Dividends are accrued only when declared by the board of the Company;
- The NCRPS have priority for distribution over the Ordinary shares on winding up; and
- No NCRPS was issued during the year under review.

11. TAXATION

Income tax

The Company monitors proposed and issued tax laws, regulations and cases to determine the impact on uncertain tax positions. At 31 March 2018, there are no potential subsequent events, other than those described below, that would have a material impact on unrecognized income tax benefits within the next twelve months.

India

As a tax resident of Mauritius, the Company expects to obtain benefits under the double taxation treaty between India and Mauritius ("DTAA"). In 2016, the governments of India and Mauritius revised the existing DTAA where certain changes have been brought to the existing tax benefits. The revised DTAA provides for capital gains arising on disposal of shares acquired by a Mauritius company on or after 1 April 2017 to be taxed in India. However, investments in shares acquired up to 31 March 2017 are exempted from capital gains tax in India irrespective of the date of disposal. In addition, shares acquired as from 1 April 2017 and disposed of by 31 March 2019 will be taxed at a concessionary rate equivalent to 50% of the domestic tax rate prevailing in India provided the Mauritius company meets the prescribed limitation of benefits clause, which includes a minimum expenditure level in Mauritius.

Disposal of investments made by a Mauritian company in Indian financial instruments other than shares (such as limited partnerships, options, futures, warrants, debentures, and other debt instruments) are not impacted by the change and will continue to be exempted from capital gains tax in India.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

11. TAXATION (CONTINUED)

India (Continued)

As per the revised DTAA, interest arising in India to Mauritian residents are subject to withholding tax in India at the rate of 7.5% in respect of debt claims or loans made after 31 March 2017.

Mauritius

The Company is liable to pay tax in Mauritius on its chargeable income at the rate of 15%. As a holder of a Category 1 Global Business Licence, it is entitled to a credit in respect of foreign tax equivalent to the higher of actual foreign tax suffered or a deemed credit equivalent to 80% of the Mauritius income tax liability on foreign source income. The maximum effective tax rate is 3%. Gains or profits arising from sale of units or securities are tax-exempt in the hands of the Company in Mauritius. Dividends and redemption proceeds paid by the Company to its shareholders do not attract withholding tax.

As at 31 March 2018, the Company has a tax refund of USD 186 (2017: tax liability of USD 12,516) and has a chargeable income of USD 1,614,674 (2017: 1,982,076)

	2018	2017
	USD	USD
(Loss)/profit before taxation	(52,505,109)	1,974,276
Tax at the applicable rate of 15%	(7,875,766)	296,141
Tax effect of:		
- Exempt income	(750)	-
- Non allowable expenses	8,118,717	1,170
- Deemed tax credits (80%)	(193,761)	(237,849)
Tax expense	48,440	59,462

During the year under review, USD 48,626 (2017: USD 46,946) was paid under Advance Payment System ("APS") to the Mauritius Revenue Authority. Consequently, the amount payable at year end is as follows:

	2018	2017
	USD	USD
Balance at start	12,516	(12,556)
Tax refund	-	12,556
Tax charge for the year	48,440	59,462
Tax paid	(12,516)	-
Tax paid under APS	(48,626)	(46,946)
Balance at end	(186)	12,516

12. PAYABLES

	2018	2017
	USD	USD
Accruals	11,756	12,753
Other payables	171	171
	11,927	12,924

13. INTEREST INCOME

Interest income amounting to USD 1,418,884 (2017: USD 1,597,282) represents interest on loans advanced to Homefield Pvt. UK Ltd.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

14. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

Significant accounting policies

Details of the significant accounting policies and method adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised are disclosed in note 2 to the financial statements.

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing the return to shareholder through the optimization of the debt and equity balance.

The capital structure of the Company consists of equity attributable to the equity holders of the Company, comprising stated capital and retained earnings and also consists of debt financing through Non-Cumulative Redeemable Preference shares.

Categories of financial instruments

31 March 2018

	Loans and receivables	Other financial liabilities	Total
Financial assets			
Cash and cash equivalents	799,162	-	799,162
Receivables (includes receivable from related parties)	8,205,530	-	8,205,530
Loan to Gusiute Holdings (UK) Limited	300,000	-	300,000
	<u>9,304,692</u>	<u>-</u>	<u>9,304,692</u>
Financial liabilities			
Payables	-	11,927	11,927
Redeemable preference shares	-	150,001,400	150,001,400
	<u>-</u>	<u>150,013,327</u>	<u>150,013,327</u>

31 March 2017

	Loans and receivables	Other financial liabilities	Total
Financial assets			
Cash and cash equivalents	674,621	-	674,621
Receivables (includes receivable from related parties)	8,297,637	-	8,297,637
Loan to related party	52,599,682	-	52,599,682
Loan to Gusiute Holdings (UK) Limited	300,000	-	300,000
	<u>61,871,940</u>	<u>-</u>	<u>61,871,940</u>
Financial liabilities			
Payables	-	12,924	12,924
Redeemable preference shares	-	150,001,400	150,001,400
	<u>-</u>	<u>150,014,324</u>	<u>150,014,324</u>

Associated risks

The Company's investment activities expose it to the various types of risks, which are associated with the financial instruments and markets in which it invests. The following is a summary of the main risks:

Currency risk

Given that the Company's investment is denominated in USD, the Company is not exposed to any currency risk.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 31 MARCH 2018

14. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	2018 Financial assets	2018 Financial liabilities	2017 Financial assets	2017 Financial liabilities
	USD	USD	USD	USD
United States Dollars	9,304,692	150,013,327	61,871,940	150,014,324

Prepayments amounting to USD 2,400 (2017: USD 2,400) have not been included in the financial assets.

Credit risk

Financial assets that potentially expose the Company to credit risk consist principally of cash and cash equivalents and loan receivable from related parties. The extent of the Company's exposure to credit risk in respect of these financial assets approximates their carrying values as recorded in the Company's statement of financial position. The Company's exposure to credit risk is primarily attributable to its cash and cash equivalents and receivables from related parties.

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit exposure is controlled by counterparty limits that are approved and reviewed by the Board of directors on a regular basis. The Company's cash and cash equivalents are held mainly with banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk management

The Company manages liquidity risk by maintaining sufficient cash in its bank account, and by also ensuring timely recovery of receivables.

Liquidity and interest risk tables

Non-derivative financial liabilities:

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	2018				2017			
	On demand/ Less than 1 year	1 to 5 years	More than 5 years	Total	On demand / Less than 1 year	1 to 5 years	More than 5 years	Total
	USD	USD	USD	USD	USD	USD	USD	USD
Non-derivative financial liability	11,927	-	150,001,400	150,013,327	12,924	-	150,001,400	150,014,324

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

14. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Non-derivative Financial assets (Continued):

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial.

	2018				2017			
	Less than 1 year	1 to 5 years	More than 5 years	Total	Less than 1 year	1 to 5 years	More than 5 years	Total
	USD	USD	USD		USD	USD	USD	USD
Financial assets								
Non-interest bearing loans and receivable	8,505,530	-	-	8,505,530	8,597,637	-	-	8,597,637
Cash and cash equivalents	-	-	-	-	-	-	52,599,682	52,599,682
	799,162	-	-	799,162	674,621	-	-	674,621
	<u>9,304,692</u>	<u>-</u>	<u>-</u>	<u>9,304,692</u>	<u>8,972,258</u>	<u>-</u>	<u>52,599,682</u>	<u>61,871,940</u>

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The majority of the Company's financial assets are non-interest bearing since the loan has been written off while the majority of the financial liabilities are non-interest bearing except for preference shares. The financial assets may fluctuate in amount in particular due to changes in LIBOR rate. If the interest rates had been 50 basis points higher or lower and all other variables were held constant then the profit for the year ended 31 March 2018 would increase/decrease by USD 272,718 (2017: USD 262,998).

15. FAIR VALUE MEASUREMENT

(i) Fair value measurement of financial instruments

The Company's financial instruments are measured at their carrying amounts, which approximate their fair values.

(ii) Fair value measurement of non-financial assets and non-financial liabilities

The Company's non-financial assets consist of investment investments in subsidiaries and prepayments, for which fair value measurement is not applicable since these are not measured at fair value on a recurring or non-recurring basis in the statement of financial position. At the reporting date, the Company did not have any non-financial liabilities.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

16. RELATED PARTY TRANSACTIONS

During the year ended 31 March 2018, the following transactions were carried out with related parties. The nature, volume of transactions and the balances with the entities are as follows:

	2018	2017
	USD	USD
<i>(i) SANNE Mauritius</i>		
Professional fees:		
Directors fees	2,500	2,500
Secretarial fees	1,500	1,500
Administration expenses	14,629	9,570
Tax filing fees	2,000	2,000
	<u>20,629</u>	<u>15,570</u>
<i>(ii) Homefield Pvt. UK Ltd – subsidiary</i>		
Interest income	1,418,884	1,597,282
Interest receivable	-	92,107
Loan (including capitalized interest)	-	52,599,682
<i>(iii) Gusiute Holdings (UK) Limited – subsidiary</i>		
Loan	300,000	300,000
<i>(iv) The Magadi Soda Company Limited – Group company</i>		
Payable	171	171
<i>(v) Tata Chemicals International Pte Ltd– Group company</i>		
Receivable	8,203,000	8,203,000
<i>(vi) Tata Chemicals Limited – Shareholder</i>		
Receivable	2,530	2,530

The above excludes the amount receivable and written off during the year in Grown Energy Zambeze Holdings Pvt. Ltd USD 13,310.

KEY MANAGEMENT PERSONNEL

Since authority and responsibility for planning, directing and controlling the activities of the Company is with the board of directors, any person who was a director of the Company at any time during the year ended 31 March 2018 is considered to be key management personnel of the Company. The directors of the Company, Messrs Zakir Hussein Niamut and Shafiiq-Ur-Rahmaan Soyfoo are also employees of SANNE Mauritius (the "Secretary") and hence are deemed to have beneficial interests in the Service Agreement between the Company and the Secretary.

No compensation was paid directly to key management personnel during the year ended 31 March 2018 (2017: USD Nil).

**BIO ENERGY VENTURE - 1 (MAURITIUS) PVT LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

17. EVENTS AFTER THE REPORTING PERIOD

Management has evaluated subsequent events occurring till the date these financial statements were available to be issued and determined that no subsequent events occurred that would require recognition or additional disclosure in these financial statements.

18. HOLDING AND ULTIMATE HOLDING COMPANY.

Tata Chemicals Ltd, a company incorporated in India and listed on Bombay Stock Exchange and National Stock Exchange of India is the holding and ultimate holding company.

19. CONVERSION

The Board has on 30 March 2018 approved the change in the license of the Company from a Category 1 Global Business License to a Category 2 Global Business License, however the regulatory approval has not yet been obtained.