EXHIBIT 5B (3)

Homefield International Pvt Ltd

Financial Statements

For the year ended

31 March 2012

CERTIFIED TRUE COPY

For Homefield International Pvt. Ltd

P.K. Ghose

Director

Pg. 28

HOMEFIELD INTERNATIONAL PVT LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

CONTENTS

HOMEFIELD INTERNATIONAL PVT LTD
MANAGEMENT AND ADMINISTRATION

		Date of appointment
DIRECTORS:	Kapildeo Joory	10 May 2005
	Couldip Basanta Lala	19 May 2005
	Rubina Toorawa	19 May 2005
	Prashant Kumar Ghose	30 May 2005
	Ramakrishnan Mukundan	17 February 2009

SECRETARY: International Financial Services Limited
IFS Court
TwentyEight
Cybercity
Ebene
Mauritius

REGISTERED OFFICE: IFS Court
TwentyEight
Cybercity
Ebene
Mauritius

AUDITOR: Deloitte
7th Floor, Raffles Tower
19 Cybercity
Ebene
Mauritius

BANKER: HSBC Bank (Mauritius) Limited
HSBC Centre
18 Cybercity
Ebene
Mauritius

HOMEFIELD INTERNATIONAL PVT LTD
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2012

The directors have the pleasure in submitting the Annual Report of HOMEFIELD INTERNATIONAL PVT LTD together with the audited financial statements for the year ended 31 March 2012.

The shareholder agrees that the Annual Report need not comply with the paragraphs (a), and (d) to (i) of section 221 (1) of the Mauritius Companies Act 2001.

Approved by the Board of Directors on **18 July 2012** and signed on its behalf by:

)
)
) Directors
)
)

CERTIFICATE FROM THE SECRETARY

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 of HOMEFIELD INTERNATIONAL PVT LTD under the Mauritius Companies Act 2001, during the year ended 31 March 2012.

International Financial Services Limited
Secretary

IFS Court
TwentyEight
Cybercity
Ebene
Mauritius

Date: 18 July 2012

Deloitte.

7th floor, Raffles Tower
19 Cybercity
Ebène
Mauritius

Independent auditor's report to the shareholder of Homefield International Pvt Ltd

This report is made solely to the company's shareholder, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the company's shareholder those matters we are required to state to the shareholder in an auditor's 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 shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Financial Statements

We have audited the financial statements of **Homefield International Pvt Ltd** on pages 6 to 28 which comprise the statement of financial position as at 31 March 2012 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' responsibilities for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of qualified opinion-Non-compliance with International Accounting Standards (IAS) 21 - The Effects of Changes in Foreign Exchange Rates

IAS 21 requires that exchange differences arising on monetary items to be recognised in the income statement in the period in which they arise. As explained in note 22, the exchange differences arising on loan receivable from subsidiary have been recognised in equity which is not in accordance with the requirement of IAS 21. Accordingly, the profit for the year should be decreased by the loss on exchange of USD 118,108.

Qualified opinion

In our opinion, except for the matter discussed in the preceding paragraph on non-compliance with International Financial Reporting Standards, the financial statements on pages 6 to 28 do not give a true and fair view of the financial position of the **Homefield International Pvt Ltd** as at 31 March 2012, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on other legal requirements

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interests in, the company other than in our capacity as auditor;
- in our opinion, proper accounting records have been kept by the company as far as appears from our examination of those records.
- we have not obtained all information and explanations that we have required in so far as explained in the paragraph on non-compliance with IFRS; and
- except for the non-compliance with IAS 21, the financial statements of the company comply with the Mauritius Companies Act 2001.

Deloitte

Deloitte

Chartered Accountants

18 July 2012

LLK Ah Hee, FCCA
Licensed by FRC

HOMEFIELD INTERNATIONAL PVT LTD
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 USD	2011 USD
INCOME			
Interest income	17	727,359	3,837,848
Foreign exchange gain		7,887	-
		735,246	3,837,848
EXPENSES			
Registrar of Companies fee		250	250
Directors' fee		4,313	4,313
Secretarial fee		1,725	1,725
Bank charges		16,804	1,965
Audit fees		6,340	5,750
Administration expenses		39,029	61,167
Disbursements		1,155	258
Loss on exchange		-	4,080
Arrangement fee written off		-	1,000
Interest expense		3,627	-
Re-structuring fee		2,277	-
Professional fee		5,750	-
Corporate Social Responsibility Fund	16	143,892	76,800
		225,162	157,308
PROFIT BEFORE TAX		510,084	3,680,540
TAXATION	15	(97,255)	(564,363)
PROFIT FOR THE YEAR		412,829	3,116,177
OTHER COMPREHENSIVE INCOME FOR THE YEAR			
Foreign exchange differences		(118,108)	1,198,444
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		294,721	4,314,621

The accounting policies on pages 10 to 16 and the notes on pages 16 to 28 form an integral part of these financial statements

HOMEFIELD INTERNATIONAL PVT LTD
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2012

ASSETS	Notes	2012 USD	2011 USD
Non-current assets			
Investment in subsidiary	5	-	91,760,133
Loan to subsidiary undertaking	6	-	45,557,263
Share application monies	8	131,335,500	-
		131,335,500	137,317,396
Current assets			
Loan to related party	7	-	15,524,606
Loan to subsidiary undertaking	6	-	37,568,819
Other receivables and prepayments	10	1,756,973	669,790
Cash at bank		378,703	161,343
		2,135,676	53,924,558
Total assets		133,471,176	191,241,954
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	11	90,015,905	90,015,905
Retained earnings		23,138,202	26,286,672
Translation reserve		-	(3,443,191)
Shareholder's equity		113,154,107	112,859,386
Current liabilities			
Non Cumulative Redeemable preference shares	13	17,000,500	77,985,000
Preference share application monies	14	3,200,000	200,000
Loan from shareholder	20	3,627	-
Other payables	12	112,942	119,889
Taxation	15	-	77,679
		20,317,069	78,382,568
Total equity and liabilities		133,471,176	191,241,954

Approved by the Board of Directors and authorised for issue on 18 July 2012.

Director

Director

The accounting policies on pages 10 to 16 and the notes on pages 16 to 28 form an integral part of these financial statements

HOMEFIELD INTERNATIONAL PVT LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2012

	Stated capital USD	Retained earnings USD	Translation reserve USD	Total USD
At 1 April 2010	90,015,905	23,170,495	(4,641,635)	108,544,765
Profit for the year	-	3,116,177	-	3,116,177
Other comprehensive income	-	-	1,198,444	1,198,444
Total comprehensive income for the year	-	3,116,177	1,198,444	4,314,621
At 31 March 2011	90,015,905	26,286,672	(3,443,191)	112,859,386
Profit for the year	-	412,829	-	412,829
Other comprehensive income	-	-	(118,108)	(118,108)
Total comprehensive income for the year	-	412,829	(118,108)	294,721
Movement during the year	-	(3,561,299)	3,561,299	-
At 31 March 2012	**90,015,905**	**23,138,202**	-	**113,154,107**

The accounting policies on pages 10 to 16 and the notes on pages 16 to 28 form an integral part of these financial statements

HOMEFIELD INTERNATIONAL PVT LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

1. GENERAL

The Company was incorporated in Mauritius under the Companies Act 2001 on 10 May 2005 as a domestic private company limited by shares and its registered office is at IFS Court, TwentyEight, Cybercity, Ebene, Mauritius.

The principal activity of the Company is to hold investments.

Pursuant to a group re-structuring, the Company had transferred all its investments and loans to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd.

The financial statements of the Company are expressed in United States Dollars ("USD"). The Company's functional currency is the United States Dollars ("USD"), the currency of the primary economic environment in which the Company operates.

2. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards ("IFRS"). Except for non-compliance with IAS 21 - The Effects of Changes in Foreign Exchange Rates, the financial statements represent the financial statements of the Company in accordance with IFRS. The preparation of financial statements in accordance with IFRS requires the directors to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. A summary of the more important accounting policies, which have been applied consistently, is set out below:-

(i) *Basis of preparation*

The financial statements are prepared under the historical cost convention.

Except for non-compliance with IAS 21 – The Effects of Changes in Foreign Exchange Rates, the financial statements represent the financial statements of the Company prepared in accordance with International Financial Reporting Standards ("IFRS"). The preparation of financial statements in accordance with IFRS requires the directors to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

(ii) *Revenue Recognition*

Revenue is measured at fair value of the consideration received or receivable

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income 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.

2. ACCOUNTING POLICIES (CONTINUED)

(iii) *Expense recognition*

All expenses are accounted for in the statement of comprehensive income on the accruals basis.

(iv) *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 and presentational currency.

Transactions and balances

Transactions denominated in foreign currencies are translated in United States Dollars ("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 the reporting date. Exchange differences arising on translation are recognised in equity whereas realised gains and losses on disposals or settlement of monetary assets and liabilities are recognised in the statement of comprehensive income.

The mid-closing USD/MUR rate as provided by the Bank of Mauritius at 30 March 2012 was MUR28.2221 (2011: MUR28.0761).

(v) *Financial instruments*

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the company has become a party to the contractual provisions of the instruments.

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

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. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

2. ACCOUNTING POLICIES (CONTINUED)

(v) *Financial instruments (continued)*

Financial Assets (continued)

Loans and receivables

Loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument 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 and 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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the

2. ACCOUNTING POLICIES (CONTINUED)

(v) *Financial instruments (continued)*

Derecognition of financial assets(Continued)

basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial Liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as 'other financial liabilities.

Other financial liabilities

Other financial liabilities (including borrowings and Other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and 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 liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

HOMEFIELD INTERNATIONAL PVT LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

2. ACCOUNTING POLICIES (CONTINUED)

(v) *Financial instruments (continued)*

Derecognition of financial liabilities (continued)

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(vi) *Investment in subsidiary*

Subsidiaries are those entities over which the Company has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights.

Investment in subsidiary is initially stated at cost.

Assets are reviewed for impairment wherever events or changes in circumstances indicate that the recoverable amount of assets is below the carrying amount. In case that the carrying value of an asset exceeds its recoverable amount the Company recognises the impairment losses in the statement of comprehensive income.

(vii) *Share capital*

Share capital is determined using the no par value of shares that have been issued.

(viii) *Impairment of tangible assets*

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss (if any). If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

(ix) *Loan from shareholder*

Loan from shareholder is unsecured, interest free and repayable within one year.

(x) *Non Cumulative Redeemable preference shares*

The Company classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Company has issued non cumulative redeemable preference shares and are redeemable at the option of the lender.

The redeemable shares are classified as financial liabilities.

2. ACCOUNTING POLICIES (CONTINUED)

(xi) *Cash and cash equivalents*

Cash includes balances with banks. Cash equivalents are short-term, highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

(xii) *Payables*

Payables are stated at amortised cost.

(xiii) *Deferred taxation*

Deferred tax is provided in full, using the liability method, on all temporary differences arising between the tax bases and liabilities and their carrying values in the financial statements. Currently enacted tax rates are used to determine deferred tax. Deferred income tax assets are recognised to the extent that is probable that future taxable profit will be available against which the temporary differences can be utilised.

The principal temporary differences arise from tax losses carried forward. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

(xiv) *Income tax*

Income taxes currently payable are provided for in accordance with the existing tax rates and tax laws that are enacted or substantially enacted by the reporting date.

(xv) *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 amounts 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. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits require to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the receivable can be measured reliably.

2. ACCOUNTING POLICIES (CONTINUED)

(xvi) *Related parties*

Parties are considered to be related if one party has control, joint control or exercises significant influence over the other party or is a member of the key management personnel of the other party.

(xvii) *Comparatives*

Where necessary, comparative figures have been regrouped or restated to conform to the current year's presentation.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

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 2011.

New and revised IFRS applied with no material effect on financial statements

The following relevant new and revised Standards and Interpretations have been applied in these financial statements. Their application has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions and arrangements.

IAS 1 Presentation of Financial Statements – Amendments resulting from May 2010 Annual Improvements to IFRSs

IAS 24 Related Party Disclosures – Revised definition of related parties. The application of the revised definition of the related party in the current period has not resulted in the identification of any new related parties compared to those identified under the previous standard.

IFRS 7 Financial Instruments: Disclosures – Amendments resulting from May 2010 Annual Improvements to IFRSs

IFRIC 19 Extinguishing financial liabilities with Equity instruments.

New and revised IFRSs in issue but not yet effective

IAS 1 Presentation of Financial Statements – Amendments resulting the way other comprehensive income is presented (effective 1 July 2012)

IAS 12 Income Taxes – Limited scope amendment (recovery of underlying assets) (effective 1 January 2012)

IAS 32 Financial Instruments: Presentation – Amendments relating to application guidance on the offsetting of financial assets and financial liabilities (effective 1 January 2014)

IFRS 7 Financial Instruments: Disclosures – Amendments enhancing disclosures about transfers of financial assets (effective 1 July 2011)

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

IFRS 7	Financial Instruments: Disclosures – Amendments about offsetting financial assets and financial liabilities (effective 1 January 2013)
IFRS 7	Financial Instruments: Disclosures – Amendments requiring disclosures about the initial application of IFRS 9 (effective 1 January 2015)
IFRS 9	Financial Instruments – Classification and measurement of financial assets (effective 1 January 2015)
IFRS 9	Financial Instruments – accounting for financial liabilities and de-recognition (effective 1 January 2015)
IFRS 13	Fair Value Measurement (effective 1 January 2013)

The directors anticipate that these amendments will be applied in the financial statements for the annual periods beginning on the respective dates as indicated above. The directors have not yet had the opportunity to consider the potential impact of the application of these amendments.

4. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements, in accordance with IFRS, requires the Directors and 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. As described in note 2, the directors have considered those factors therein and have determined that the functional currency of the Company is the United States Dollar.

4. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Impairment of assets

In determining when an investment is other-than-temporarily impaired, significant judgment is required. In making this judgment, the Company evaluates among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and near term business outlook for the investee, including factors such as industry and sector performance, changes in technology and such operational and financing cash flow.

5. INVESTMENT IN SUBSIDIARY

Long term investment comprised of investment in the equity share capital of Homefield Pvt UK Ltd, an investment holding company incorporated in UK.

	% Holding 2012	% Holding 2011	Cost 2012 USD	Cost 2011 USD
Homefield Pvt UK Ltd	Nil	100	-	91,760,133

At a meeting held on 5 October 2011, the Board had approved the disposal of investment held in Homefield Pvt UK Ltd to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd at the cost of USD91,760,133.

In consideration to the above, Bio Energy Venture – 1 (Mauritius) Pvt. Ltd would issue non cumulative redeemable preference shares of no par value at an issue price of USD100 per share to the Company. However, at year end, no shares has been issued by Bio Energy Venture – 1 (Mauritius) Pvt. Ltd to the Company and USD91,760,133 has been treated as share application monies. (Refer to note 8)

6. LOAN TO SUBSIDIARY UNDERTAKING

Since inception, the Company had granted various loans denominated in USD ("USD loans") and GBP ("GBP loans") to its subsidiary, Homefield Pvt UK Ltd ("Borrower"), collectively referred as "Loans". In that respect, the Company had entered into various loan agreements with the Borrower with similar terms and conditions.

The Loans were unsecured, repayable at such time as agreed by the parties and carried interest at the rate of LIBOR plus 2.25% (2011: LIBOR plus 2.25%). The interest period for the GBP and USD Loans were 6 months and 3 months respectively. Interest on both loans was payable on the last day of each interest period, if for any reasons, accrued interest was not paid by the Borrower at the end of the interest period, that interest will be capitalised and added to the Loans. The interests on the Loan were calculated on basis 360 days a year.

6. LOAN TO SUBSIDIARY UNDERTAKING (CONTINUED)

The loan and all unpaid interest accrued under the loan agreements dated 8 March 2010, 18 October 2010 and 25 January 2011 will be repaid in full by the Borrower either (i) the date falling on the expiry of thirty six months from the date of the agreements, or, if the parties agree, on any date falling before the Final Repayment Date; or on an agreed future date, or (ii) if earlier, the date upon which an insolvency type event (as determined by the Lender) occurs in relation to the Borrower.

As of 31 March 2012, the loan including the interest capitalised under the loan agreements dated 28 November 2005, 6 January 2006, 27 May 2008 and 12 March 2009 have been transferred to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd pursuant to the Share Sale and Loan Assignment Agreement, which has been approved by the Board on 5 October 2011.

In line with the Share Sale and Loan Assignment Agreement, Bio Energy Venture – 1 (Mauritius) Pvt. Ltd would issue non cumulative redeemable preference shares of no par value at an issue price of USD100 per share to the Company. However, at year end, no shares has been issued by Bio Energy Venture – 1 (Mauritius) Pvt. Ltd to the Company and amounts, as per below table 2, have been treated as share application monies (refer to Note 8).

Table 1

	2012 USD	2011 USD
Loan amount	83,126,082	61,689,777
Interest capitalised	-	21,436,305
Transfer to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd *(refer to below table 2)*	(83,126,082)	-
	-	83,126,082
Disclosed as follows:		
Current	-	37,568,819
Non current	-	45,557,263
	-	83,126,082

Table 2

	USD
Loan amount as at 1 April 2011	83,126,082
Additional loans during the year	2,575,000
Interest capitalised during the year	728,559
Interest receivable during the year	123,068
Foreign exchange loss	(118,108)
Net loans transferred to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd *(refer to Note 8)*	86,434,601

7. LOAN TO RELATED COMPANY

The loan to Tata Chemicals Magadi Limited ("Magadi"), which is an indirectly owned subsidiary, was unsecured and carried interest at the rate of LIBOR plus 3.5% calculated on the basis of 360 days a year.

During the year ended 31 March 2011, the loan repayment date facility of USD52,500,000 and the accrued interest as at 31 March 2011 was extended up to 30 June 2012 and during the same year the interest capitalised was USD3,024,606 and USD40,000,000 was repaid by Magadi.

Table 1

	2012	2011
	USD	USD
Loan amount	**15,524,606**	52,500,000
Interest capitalised	-	3,024,606
Loan repaid	-	(40,000,000)
Transfer to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd *(refer to below table 2)*	**(15,524,606)**	-
	-	15,524,606

During the year under review, the remaining loan was transferred to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd as per below table:

Table 2

	USD
Loan amount as at 1 April 2011	**15,524,606**
Interest received during the year	**(253,171)**
Interest receivable	**129,139**
Net loans transferred to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd *(refer to Note 8)*	**15,400,574**

8. SHARE APPLICATION MONIES

During the year under review, the Company has transferred its investments in Homefield Pvt UK Ltd and loans provided to Homefield Pvt UK Ltd and Tata Chemicals Magadi Limited to Bio Energy Venture – 1 (Mauritius) Pvt. As consideration for the above, Bio Energy Venture – 1 (Mauritius) Pvt. Ltd would issue non cumulative redeemable preference shares to the Company. However, at year end, no shares has been issued by Bio Energy Venture – 1 (Mauritius) Pvt. Ltd and the below amounts have been treated as share application monies.

	USD
Investment transferred to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd *(refer to note 5)*	91,760,133
Net loans transferred to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd *(refer to notes 6 and 7)*	101,835,175
Additional funds received from Bio Energy Venture – 1 (Mauritius) Pvt. Ltd	1,500,000
Amount treated as loan *(refer to note 10)*	(308)
Refund of share application monies	(63,759,500)
	131,335,500

9. NON CASH TRANSACTIONS

During the current year, the Company entered into the following non-cash investing and financing activities which are not reflected in the consolidated statement of cash flows:

- the Company transferred its investment in Homefield Pvt UK Ltd to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd at its cost of USD91,760,133 as indicated in note 5. The proceeds in respect of the Company's transferred interest in Homefield Pvt UK Ltd has not been received in cash at the end of the reporting period;
- the Company has also transferred the loans provided to Homefield Pvt UK Ltd and Tata Chemicals Magadi Limited along with the interest in favour of Bio Energy Venture – 1 (Mauritius) Pvt. Ltd as indicated in the notes 6 and 7; and
- Pursuant to the above, the Company has received share application monies aggregating to USD193,595,000 from Bio Energy Venture – 1 (Mauritius) Pvt. Ltd and an amount of USD308 has been treated as loan to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd, as indicated in note 8 .

10. OTHER RECEIVABLES AND PREPAYMENTS

	2012	2011
	USD	USD
Interest receivable on loan from Homefield Pvt UK Ltd	-	276,249
Interest receivable on loan from Tata Chemicals Magadi Limited	-	391,227
Interest receivable on fixed deposit	-	43
Prepayments	**2,271**	2,271
Loan to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd *(refer to Note 8)*	**308**	-
Deposit with Mauritius Revenue Authority	**1,744,374**	-
Tax refund receivable from Mauritius Revenue Authority *(refer to note 15)*	**10,020**	
	1,756,973	669,790

11. STATED CAPITAL

	2012	2011
	USD	USD
90,016,001 (2011: 90,016,001) Ordinary shares of no par value	**90,015,905**	90,015,905

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

12. OTHER PAYABLES

	2012	2011
	USD	USD
Accruals	**26,650**	43,089
Corporate Social Responsibility Fund (Note 16)	**86,292**	76,800
	112,942	119,889

13. NON CUMULATIVE REDEEMABLE PREFERENCE SHARES

The 170,005 preference shares (2011: 779,850) at par value of USD100 are non cumulative, redeemable at the option of the lender not later than 10 years and carry a dividend rate of 5%. Distribution is received prior the ordinary shareholders on winding up. They will not have any voting rights in the General Meeting of the Company except for vote on matters affecting their rights.

	2012 No of shares	2012 USD	2011 No of shares	2011 USD
At 1 April	779,850	77,985,000	803,550	80,355,000
Issue during the year	37,000	3,700,000	376,300	37,630,000
Redemption during the year	(646,845)	(64,684,500)	(400,000)	(40,000,000)
	170,005	17,000,500	779,850	77,985,500

14. PREFERENCE SHARE APPLICATION MONIES

During the year under review, the Company has received **USD3,000,000** (2011: USD200,000) from its shareholder towards redeemable preference shares. However, as at 31 March 2012, no redeemable preference shares were issued and will be issued as deemed appropriate by the Board.

15. TAXATION

Income tax

The Company is subject to income tax in Mauritius on its net income at 15%. At 31 March 2012, the Company had no tax liability (31 March 2011: tax liability of USD77,679).

	2012 USD	2011 USD
Profit before tax	510,084	3,680,540
Tax at the applicable rate of 15%	76,513	552,081
Tax effect on:		
CSR	21,584	11,520
Exempt income	(1,183)	-
Non allowable expenses	341	762
Tax expense	97,255	564,363
Tax liability		
Opening balance	77,679	40,920
Tax expense	97,255	564,363
Tax paid	(162,165)	(216,286)
Withholding tax suffered	(22,789)	(311,318)
[illegible]	(10,020)	77,679

Withholding tax amounting to USD22,789 for the year under review was paid directly by Tata Chemicals Magadi Limited on behalf of the Company.

16. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Under the Mauritius Income Tax Act 1995, every company shall, in every year, set up a Corporate Social Responsibility Fund equivalent to 2 per cent of its book profit (profit after income tax computed under IFRS) derived during the preceding year to:

(a) implement an approved programme;
(b) implement an approved programme under the National Empowerment Foundation; and
(c) finance an approved NGO.

CSR is a concept whereby companies act to balance their own economic growth with the sustainable social and environment development of their areas of operation. The effective application date for the CSR is 1 July 2009.

During the year ended 31 March 2012, the Company has made a CSR charge of **USD143,892** (2011: USD76,800).

17. INTEREST INCOME

During the year under review, the Company received the following income:

	2012	2011
	USD	USD
Interest on fixed deposit account	**51**	43
Interest on loan	**727,308**	3,837,805
	727,359	3,837,848

18. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

Financial risk management

The Company is exposed to various types of risks, which are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the Company is exposed are currency risk, credit risk, interest rate risk, price risk and liquidity risk.

(i) Currency risk

The Company had invested in shares denominated in Pounds Sterling (GBP). Consequently, the Company was exposed to the risk that the exchange rate of the USD relative to the GBP may change in a manner, which has a material effect on the reported values of the Company's assets, which are denominated in GBP.

Currency profile

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

18. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

	Financial assets 2012 USD	Financial assets 2011 USD	Financial liabilities 2012 USD	Financial liabilities 2011 USD
Pounds Sterling	-	20,097,565	-	-
United States dollars	131,714,511	79,381,984	20,230,777	78,228,089
	131,714,511	99,479,549	20,230,777	78,228,089

Foreign currency sensitivity analysis

The table below details the Company's sensitivity to a 10% increase and decrease in the USD against GBP. 10% is the sensitivity rate used as it represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in currency rates.

	2012 GBP Impact USD	2011 GBP Impact USD
Other equity	-	2,009,757

A positive number above indicates an increase in other equity whereas a decrease would have a opposite impact on other equity. A 10% decrease in the USD against GBP would have a positive impact on other equity. At the reporting date, the Company did not have any financial instrument denominated in GBP.

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.

All investments are financed by funds from the shareholder. The Company's financial assets, except the bank deposits is non-interest-bearing. As such, the Company is subject to minimal risk due to fluctuations in the prevailing levels of the market interest rates. Interest income from bank deposits may fluctuate in amount, in particular due to changes in the interest rates.

Capital risk management

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

The capital structure of the Company consists of debt, which includes borrowings, cash and equity attributable to the equity holder of the Company, comprising stated capital, reserves and retained earnings.

18. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Gearing ratio

The directors review the capital structure of the Company on an annual basis. As part of this review, the cost of capital and the risks associated with the class of capital are considered. The gearing ratio is used as a basis to monitor capital. This ratio is determined as the proportion of net debt to equity.

	2012 USD	2011 USD
Debt (a)	20,200,500	78,185,000
Cash at bank	(378,703)	(161,343)
Net debt	19,821,797	78,023,657
Equity (b)	113,144,087	112,859,386
Gearing ratio	18%	69%

Debt is defined as redeemable preference shares.

(b) Equity includes stated capital, retained earnings and translation reserves.

Categories of financial instruments:

	2012 USD	2011 USD
Financial assets		
Loan to subsidiary	-	83,126,082
Loan to related party	-	15,524,606
Share application monies	131,335,500	-
Receivables (including cash and cash equivalents)	379,011	828,862
	131,714,511	99,479,550
Financial liabilities		
Other payables	26,650	43,089
Loan from shareholder	3,627	-
Preference share application monies	3,200,000	200,000
Redeemable preference shares	17,000,500	77,985,000
	20,230,777	78,228,089

Prepayments of USD2,271 (2011: USD2,271), deposit of USD1,744,374 with the Mauritius Revenue Authority and tax refund of USD10,020 receivable from the Mauritius Revenue Authority have not been included in the financial assets.

18. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

(iv) Equity price risks

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

The investment in subsidiary has been transferred to Bio Energy Venture – I (Mauritius) Pvt. Ltd and as such is not exposed to equity price risk.

(v) Liquidity risk

The Company is not exposed to minimal liquidity risk since adequate funds are available with for meeting the operating expenses.

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities.

2012

	Less than 1 year	More than 1 year USD	Total USD
Non-interest bearing	20,230,777	-	20,230,277
Fixed interest rate instruments	-	-	-
	20,230,277	-	20,230,277

2011

	Less than 1 year	More than 1 year USD	Total USD
Non-interest bearing	78,228,089	-	78,228,089
Fixed interest rate instruments	-	-	-
	78,228,089	-	78,228,089

(vi) Credit risk

The Company takes on exposure to credit risk, which is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit exposure is controlled by counterparty limits that are approved and reviewed by the Board of directors on a regular basis.

Financial assets that potentially expose the Company to credit risk consist principally share application monies. 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 and represents the Company's maximum exposure to credit risk.

19. RELATED PARTY TRANSACTIONS

During the year ended 31 March 2012, the Company transacted with related entities. The nature, volume of transactions and the balances with the entities are as follows:

(a) Transactions

	2012	2011
	USD	USD
Subsidiary – Homefield Pvt UK Ltd		
Additional loans granted during the year	2,575,000	37,440,000
Interest income	575,379	1,762,353
Investment transferred to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd	91,760,133	-
Loan and interest transferred to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd	86,434,601	-
Related party – Tata Chemicals Magadi Limited		
Interest income	151,929	2,075,453
Interest received during the year	644,399	-
Loan and interest transferred to Bio Energy Venture – 1 (Mauritius) Pvt. Ltd	15,400,574	-
Related party – Bio Energy Venture – 1 (Mauritius) Pvt. Ltd		
Loan granted during the year	308	-
Refund of share application monies during the year	63,759,500	-
Additional share application monies during the year	1,500,000	-
Shareholder		
Loan received during the year	3,627	-
Issue of preference shares during the year	3,700,000	37,630,000
Redemption of preference shares during the year	64,684,500	40,000,000
Additional share application monies during the year	3,000,000	200,000

Compensation of key management personnel

Three directors of the Company, Messrs Kapildeo Joory, Couldip Basanta Lala and Ms Rubina Toorawa are also directors of International Financial Services Limited ("IFS") and hence deemed to have beneficial interest in the Service Agreement between the Company and IFS.

	2012	2011
	USD	USD
International Financial Services Limited		
Directors' and secretarial fees	6,038	6,038
Administration expenses and disbursements	40,184	61,425
Restructuring fee	2,277	
Professional fee		

19. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Balances (continued)

	2012 USD	2011 USD
Subsidiary – Homefield Pvt UK Ltd		
Loan	-	83,126,082
Interest receivable	-	276,249
Related party – Tata Chemicals Magadi Limited		
Loan	-	15,524,606
Interest receivable	-	391,227
Related party – Bio Energy Venture – 1 (Mauritius) Pvt. Ltd		
Loan	308	-
Share application monies	131,335,500	-
Shareholder – Tata Chemicals Limited		
Loan	3,627	-
Redeemable preference shares	17,000,500	77,985,000
Preference share application monies	3,200,000	200,000

20. LOAN FROM SHAREHOLDER

This represents a short term advance from Tata Chemicals Limited and is unsecured, interest free and will be repayable within 1 year.

21. HOLDING ENTITY

The Company regards Tata Chemicals Limited, established in India as its holding entity.

22. NON COMPLIANCE WITH INTERNATIONAL FINANCIAL ACCOUNTING STANDARDS ("IFRS")

IAS 21, The Effects of Changes in Foreign Exchange Rates, requires a company to recognise any exchange difference arising on the settlement of monetary items or translated monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements in the Statement of Comprehensive Income in the period in which they arise.

The Company has accounted exchange gain arising from loan to subsidiary in equity.

23. CONTINGENT LIABILITY

The Mauritius Revenue Authority ("MRA") has issued two notices of assessment. The first one was in respect of the year of assessment 2006/2007 and the second one was in respect of the years of assessment 2007/2008 and 2008/2009. As per the notices, the Company has a tax liability aggregating to MUR168,356,410. The Company has filed objections to the notices. Pursuant to Section 131A (2) (b) of the Income Tax Act 1995, the Company has made a deposit of MUR49,102,173 (equivalent of USD1,744,374) with the MRA, representing 30% of the income tax claimed by MRA (refer to note 10).

The Company has filed a letter of representation in respect of each the above notices with the Assessment Review Committee ("ARC") and the pro forma meeting has been fixed for 17 October 2012. It is likely that the claim of the Company will succeed. However, there is no guarantee that the ARC will not pronounce the verdict in favour of the MRA. As such,