BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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FOR THE YEAR ENDED 31 MARCH 2019

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

		Date of appointment
DIRECTORS:	Ramakrishnan Mukundan	17 February 2009
	Zakir Hussein Niamut	07 March 2014
	Shafiiq-Ur-Rahmaan Soyfoo	03 August 2015
	John Mulhall	30 September 2015

REGISTERED OFFICE:

IFS Court, Bank Street
TwentyEight, Cybercity
Ebène 72201
Mauritius

SECRETARY, ADMINISTRATION & MAURITIAN TAX AGENT

SANNE Mauritius
IFS Court
Bank Street, TwentyEight
Ebène 72201
Mauritius

BANKER:

HSBC Bank (Mauritius) Limited
6th Floor, HSBC Centre
18 CyberCity
Ebène
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 2019

The directors present the audited financial statements of Bio Energy Venture-1 (Mauritius) Pvt. Ltd (the “Company”) for the year ended 31 March 2019.

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 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 auditor, 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 2019.

....

***For* SANNE Mauritius**
Secretary

Registered office:

IFS Court
Bank Street
Twenty Eight
Cybercity
Ebene 72201
Mauritius

Date: **10 June 2019**

KPMG
KPMG Centre
31, Cybercity
Ebène
Mauritius

Telephone	+230 406 9999
Telefax	+230 406 9988
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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 2019 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 37.

In our opinion, the financial statements of Bio Energy Venture -1 (Mauritius) Pvt. Ltd for the year ended 31 March 2019 are 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. 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, but 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.

Responsibilities of Directors 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.

KPMG

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.

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.

KPMG

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

KPMG
Ebène, Mauritius

Date: **12 June 2019**

Bhoola

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 2019

	Note	2019	2018
		USD	USD
INCOME			
Realised gain on sale of investment		-	5,000
Interest income	13	-	1,418,884
Dividend income		225,753	225,753
Payable written back	12	171	-
		225,924	1,649,637
OPERATING EXPENSES			
Licence fees		2,700	2,700
Professional fees	8	43,104	20,629
FSC processing fees		150	-
Bank charges		731	505
Audit fees		13,882	6,929
Receivable written off	8(a)	-	13,310
Impairment of loan to subsidiary		-	54,110,673
Total expenses		60,567	54,154,746
PROFIT/(LOSS) BEFORE TAX		165,357	(52,505,109)
Tax expense	11	(5,241)	(48,440)
PROFIT/(LOSS) FOR THE YEAR		160,116	(52,553,549)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		160,116	(52,553,549)

The notes on pages 13 to 37 form an integral part of these financial statements.

BIO ENERGY VENTURE - 1 (MAURITIUS) PVT. LTD
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Note	2019 USD	2018 USD
ASSETS			
Non - current assets			
Investment in subsidiaries	6	**604,385,896**	604,385,896
		604,385,896	604,385,896
Current assets			
Receivables and prepayments	9	**8,451,781**	8,207,930
Loan to Gusiute Holdings (UK) Limited	9 (b)	**300,000**	300,000
Cash at bank		**723,196**	799,162
Tax recoverable	11	**580**	186
Total current assets		**9,475,557**	9,307,278
Total assets		**613,861,453**	613,693,174
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	10 (a)	**575,381,426**	575,381,426
Accumulated losses		**(111,541,463)**	(111,701,579)
Total equity		**463,839,963**	463,679,847
Non - current liabilities			
Redeemable preference shares	10 (b)	**150,001,400**	150,001,400
		150,001,400	150,001,400
Current liabilities			
Accruals and other payables	12	**20,090**	11,927
		20,090	11,927
Total equity and liabilities		**613,861,453**	613,693,174

Approved by the Board of Directors and authorised for issue on **10 June 2019.**

....
Director

....
Director

The notes on pages 13 to 37 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 2019

	Stated capital	Accumulated losses	Total
	USD	USD	USD
At 1 April 2017	575,381,426	(59,148,030)	516,233,396
Total comprehensive loss for the year	-	(52,553,549)	(52,553,549)
At 31 March 2018	575,381,426	(111,701,579)	463,679,847
At 1 April 2018	**575,381,426**	**(111,701,579)**	**463,679,847**
Total comprehensive income for the year	**-**	**160,116**	**160,116**
At 31 March 2019	**575,381,426**	**(111,541,463)**	**463,839,963**

The notes on pages 13 to 37 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 2019

	2019	2018
	USD	USD
Cash flows from operating activities		
Profit/(loss) before tax	**165,357**	(52,505,109)
Adjustments for:		
Interest income accrued on loans to related party	**-**	(1,418,884)
Dividend income	**(225,753)**	(225,753)
Realised gain on sale of investment	**-**	(5,000)
Receivable written off	**-**	13,310
Payable written off	**(171)**	-
Impairment of loan to subsidiary	**-**	54,110,673
	(60,567)	(30,763)
Changes in working capital:		
Increase/(decrease) in payables	**8,334**	(997)
Increase in receivables and prepayments	**(243,851)**	(13,310)
Cash used in operating activities	**(296,084)**	(45,070)
Tax paid	**(5,821)**	(61,142)
Tax refund	**186**	-
Net cash used in operating activities	**(301,719)**	(106,212)
Cash flows from investing activities		
Dividend received	**225,753**	225,753
Proceeds from sale of investment	**-**	5,000
Net cash generated from investing activities	**225,753**	230,753
Net (decrease) / increase in cash and cash equivalents	**(75,966)**	124,541
Cash and cash equivalents at beginning of the year	**799,162**	674,621
Cash and cash equivalents at end of the year	**723,196**	799,162

The notes on pages 13 to 37 form an integral part of these financial statements.

1. BACKGROUND INFORMATION

The Company was incorporated in Mauritius under the Mauritius 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 2001, 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 2001 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 a historical cost basis, using the going concern principle, except for certain financial assets as fair value through profit or loss, measured at fair value.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been consistently applied in these financial statements, except for changes to the new and revised IFRS as disclosed in note 4.

a) Foreign currency translation

(i) 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.

(ii) *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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

(i) Recognition and measurement

Receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets: Policy applicable as from 1 April 2018

On initial recognition, a financial asset is classified and measured at: amortised cost; Fair Value through Other Comprehensive Income ("FVOCI") – debt investment; FVOCI – equity investment; or Fair Value through Profit and Loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Financial assets: Business model assessment: Policy applicable as from 1 April 2018

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice;

- these include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

The Company has determined that it has two business models:

- held-to-collect business model: this includes cash and cash equivalents and other receivables. These financial assets are held to collect contractual cash flows; and

- other business model: this includes equity investments. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest: Policy applicable as from 1 April 2018

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (Continued): Policy applicable as from 1 April 2018

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses: Policy applicable as from 1 April 2018

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The Company classified its financial assets into the following category:

- Loans and receivables

Financial assets: Subsequent measurement and gains and losses: Policy applicable as from 1 April 2018

Loans and receivables: Measured at amortised cost using the effective interest method.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial 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 in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised), and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit or loss and other comprehensive income. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

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

(c) Impairment

Policy applicable as from 1 April 2018

The Company recognises loss allowances for Expected Credit Losses ("ECLs") on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Impairment (continued)

Policy applicable as from 1 April 2018 (continued)

The Company assumes that the credit risk on a financial asset has increased significantly if its repayment terms has lapsed.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

The Company considers a financial asset to have low credit risk when the amount receivable is with related parties. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

(i) Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

(ii) Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer; and
- it is probable that the borrower will enter bankruptcy or other financial reorganisation;

(iii) Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

(iv) Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Impairment (continued)

Policy applicable before 1 April 2018

(v) Non-derivative financial assets

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 or a group of financial assets 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 significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of the amount due on terms that the Company would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or adverse changes in the payment status of the borrowers.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised. If an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, then the decrease in impairment loss is reversed through profit or loss.

(d) Revenue recognition

Revenue: Policy applicable as from 1 April 2018

The Company has initially adopted IFRS 15 Revenue from contracts with customers for the year ended 31 March 2019 which has now replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised.

IFRS 15 provides a single, principles-based five-step model to be applied to all contracts with customers before can be recognised.

Revenue is recognised when a customer obtain control of the services. Determining the timing of the transfer of control – at a point of time or over time – requires judgement.

Revenue is measured based on the consideration specified in a contract with customer. The Company recognises revenue when it transfers control over a service to a customer.

Revenue: Policy applicable before 1 April 2018

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment and excluding taxes or duty.

(e) 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.

(f) Expense recognition

All expenses are accounted for in the statement of profit or loss and other comprehensive income on accrual basis. Interest expense is recognised in profit or loss, using the effective interest method.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Interest and dividend income

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.

(h) 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 on 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
- 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Taxation (continued)

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.

(i) 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.

(j) 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.

(k) 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 holders. Non-discretionary dividends thereon are recognised as interest expense in the profit or loss as accrued.

(l) 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.

4. NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

Changes in accounting policy and disclosures- Policy effective as from 1 April 2018 and applied as from the financial year beginning 1 April 2018

The Company has initially applied IFRS 9 and IFRS 15 from 1 April 2018. A number of other new standard are also effective from 1 April 2018 but they do not have a material effect on the Company's financial statements.

Due to the transition methods chosen by the Company in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards.
The Company has initially applied IFRS 9 *Financial Instruments* from 1 April 2018. As permitted by the transition provisions of IFRS 9, comparative information throughout these financial statements has not generally been restated to reflect the requirements of the standard.

Except for the changes below, the Company has consistently applied the accounting policies as set out in Note 3 to all periods presented in these financial statements.

Standards and amendments to existing standards effective as from 1 April 2018

(i) IFRS 15 Revenue from contracts with customers

The Company has adopted IFRS 15 Revenue from contracts with customers for the year ended 31 March 2019 which has now replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised.

IFRS 15 provides a single, principles-based five-step model to be applied to all contracts with customers before can be recognised:

The five steps in the model are as follows:

- Identify the contract with customers;
- Identify the performance obligations in the contract;
- Determine the transaction price of the contract;
- Allocate the transaction price to each performance obligations in the contracts; and
- Recognize revenue as each performance obligation is satisfied.

The directors have assessed that the adoption of this standard did not have a material impact on the financial statements, given that the Company does not have any contract with customers.

(ii) IFRS 9 Financial Instruments

IFRS 9 Financial Instruments sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

As a result of the adoption of IFRS 9, the Company has adopted consequential amendments to IAS 1 Presentation of Financial Statements, which require:

➢ impairment of financial assets to be presented in a separate line item in the statement of comprehensive income. Under IAS 39, impairment was recognised when losses were incurred. The Company did not previously report any incurred losses; and

4. NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (CONTIUED)

Standards and amendments to existing standards effective as from 1 April 2018 (continued)

(ii) IFRS 9 Financial Instruments (continued)

- separate presentation in the statement of profit and loss and other comprehensive income of interest revenue calculated using the effective interest method.

Additionally, the Company has adopted consequential amendments to IFRS 7 Financial Instruments: Disclosures, which are applied to disclosures about 2018 but have not generally been applied to comparative information.

(a) Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, FVOCI and FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies related to financial liabilities.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Company's financial assets and financial liabilities as at 1 April 2018.

The effect of adopting IFRS 9 on the carrying amounts of financial assets at 1 April 2018 relates solely to the new impairment requirements.

Financial Assets	**Original classification under IAS 39**	**New classification under IFRS 9**	**Original carrying amount under IAS 39**	**New carrying amount under IFRS 9**
			USD	**USD**
Cash and Cash equivalents	Loans and receivables	Amortised cost	**799,162**	**799,162**
Other receivables	Loans and receivables	Amortised cost	**8,205,530**	**8,205,530**
Loans	Loans and receivables	Amortised cost	**300,000**	**300,000**
Total financial assets			9,304,692	9,304,692
Financial liabilities				
Accruals and other payables	Other financial liabilities	Amortised cost	**11,,927**	**11,,927**
Redeemable preference shares	Other financial liabilities	Amortised cost	150,001,400	150,001,400
Total financial liabilities			150,013,327	150,013,327

The carrying amounts of financial assets and financial liabilities under IAS 39 was similar to the carrying amounts under IFRS 9 on 1 April 2018.

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

Standards and amendments to existing standards effective as from 1 April 2018 (continued)

(a) Classification and measurement of financial assets and financial liabilities (continued)

Financial assets amortised cost	**Original carrying amount under IAS 39 at 1 April 2018 USD**	**Reclassification USD**	**Remeasurement USD**	**IFRS 9 Carrying amount at 1 April 2018 USD**
Cash and cash equivalents	**799,162**	**-**	**-**	**799,162**
Other receivables	**8,205,530**	**-**	**-**	**8,205,530**
Loan	**300,000**	**-**	**-**	**300,000**
Total	**9,304,692**	**-**	**-**	**9,304,692**
Financial Liabilities at amortised cost				
Redeemable preference shares	**150,001,400**	**-**	**-**	**150,001,400**
Accruals and other payables	**11,927**	**-**	**-**	**11,927**
Total	**150,013,327**	**-**	**-**	**150,013,327**

The carrying amount of financial assets and liabilities under IAS 39 was not materially different to the carrying amount of financial assets and liabilities under IFRS 9 at 1 April 2018.

(b) Impairment

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL model) which applies to financial assets measured at amortised cost and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than under IAS 39.

The new impairment model will apply to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments.

Under IFRS 9, loss allowances will be measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Based on the Company's assessment, changes to the impairment model are not expected to have a material impact on the financial assets of the Company. This is because:

- the financial assets at amortised cost are short-term (i.e. no longer than 12 months), of high credit quality. Accordingly, the ECLs on such assets are expected to be small.

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

Standards and amendments to existing standards effective as from 1 April 2018 (continued)

(c) Transition

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively.

The Company has used an exemption not to restate comparative information for prior periods with respect to classification and measurement (including impairment) requirements. Accordingly, the information presented for 2018 does not generally reflect the requirements of IFRS 9, but rather those of IAS 39.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application:

- The determination of the business model within which a financial asset is held.
- The designation of investments in equity instruments not held for trading as at FVOCI.

(d) 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 April 2018. The directors have assessed that the adoption of the standard will not have a material impact as the Company does not have any advance consideration.

New Standards, Interpretations and amendments effective after 1 January 2019, and applicable for the financial year beginning after 1 April 2019

(a) Definition of Material (Amendments to IAS 1 and IAS 8)

The IASB refined its definition of material to make it easier to understand. It is now aligned across IFRS Standards and the Conceptual Framework.

The changes in Definition of Material (Amendments to IAS 1 and IAS 8) all relate to a revised definition of 'material' which is quoted below from the final amendments

"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The Board has also removed the definition of material omissions or misstatements from IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The amendments are effective from 1 January 2020 but may be applied earlier. However, the Board does not expect significant change – the refinements are not intended to alter the concept of materiality.

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

New Standards, Interpretations and amendments effective after 1 January 2019, and applicable for the financial year beginning 1 April 2019 (continued)

IFRIC 23 Uncertainty over Income Tax Treatments (continued)

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.

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 parties

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 2019, the directors compared the carrying values with the fair values of these investments and no additional impairment has been recognised in the financial statements.

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

Taxes

Uncertainities 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.

Going concern

As at 31 March 2019, the Company has made a profit of USD 160,116 (2018 loss: USD 52,553,549) and the current assets exceed current liabilities by USD 9,455,467 (2018: USD 9,295,357).

On 11 March 2019, the Board of directors have approved the decision for a change of the license of the Company, from a Category 1 Global Business License to an Authorised Company License by way of a written resolution. The approval for the conversion has been obtained post the year end, as stated in note 18. Post the conversion, the Company will then merge with its immediate shareholder, Tata Chemicals Ltd, a listed entity on the Indian stock exchange.

The parties to the merger will have to obtain approval from the Reserve Bank of India (RBI), given that the immediate shareholder is governed by Indian Law. This process is now subject to the statutory and regulatory approvals of the Indian authorities.

Management has already drafted a “Scheme of Merger by Absorption” as part of the proposed merger; however, this agreement is still in draft version and will undergo several levels of review by management. There is no defined “effective date” in the draft agreement as yet, hence there is no certainty as to when the merger process will be effective, and consequently when the Company will cease to be a legal entity in Mauritius.

Management have assessed the Company’s ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is of opinion that the merger will not have an impact on the going concern of the Company since the merger process is likely to take longer than twelve months from the financial statements approval date.

During this time, the entity’s forecast reflects a positive equity and liquidity position. The Company will therefore have sufficient resources available to settle liabilities as they fall due. Accordingly, the financial statements have been prepared on a basis applicable to a going concern.

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	100%	**2019** **485,307,852** 2018 485,307,852	**2019** **479,285,896** 2018 479,285,896
			Preference shares fully paid-1,000,000 shares at USD100	100%	**2019** **16,100,000** 2018 16,100,000	**2019** **115,100,000** 2018 115,100,000
Gusiute Holdings (UK) Limited	UK	Investment holding	Preference shares fully paid of USD1 each	36%	**2019** **10,000,000** 2018 10,000,000	**2019** **10,000,000** 2018 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%	**2019** **17,850,000** 2018 17,850,000	**2019** **-** 2018 -
Total						**2019** **604,385,896** 2018 604,385,896

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

	2019 USD	2018 USD
Balance at beginning and end of the year	**604,385,896**	604,385,896

7. LOAN TO RELATED PARTY

The loan is to Homefield Pvt. UK Ltd and is unsecured, repayable at such time as agreed by the parties and carry interest at the rate of LIBOR plus 2.25% (2018: LIBOR + 2.25%).

The loan to Homefield Pvt. UK Ltd has been fully impaired during the year ended 31 March 2018. Management's assessment has concluded that while business conditions remained the same as last year, there has been no substantial improvement during the year ended 31 March 2019. Therefore, there is no reversal of the impairment. Refer to Note 13 for management's rationale not to accrue interest income on the loan for the year ended 31 March 2019.

	2019 **USD**	2018 USD
Balance at start	**-**	52,599,682
Interest capitalised during the year	**-**	1,510,991
Impairment during the year	**-**	(54,110,673)
Balance at end	**-**	-

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8. PROFESSIONAL FEES

	2019	2018
	USD	USD
Administration fees	**27,111**	11,551
Tax filing fees	**2,000**	2,000
Director fees	**2,500**	2,500
Disbursements	**352**	928
Legal fees	**950**	800
Other professional fees	**8,691**	1,350
Secretarial fees	**1,500**	1,500
	43,104	20,629

(a) Receivable written off

USD 13,310 provided 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 balance.

9. RECEIVABLES AND PREPAYMENTS

	2019	2018
	USD	USD
Receivable from Tata Chemicals International Pte. Ltd	**8,203,000**	8,203,000
Other receivable from Mr Rademan Janse Van Rensburg	**245,000**	-
Other receivable from Tata Chemicals Limited	**2,530**	2,530
Prepayments	**1,251**	2,400
	8,451,781	8,207,930

(a) Other receivables

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

The Balance receivable from Mr Rademan Janse Van Rensburg relates to an amount due which was paid by the Company towards reimbursement expenses for setting up bio-ethanol facility on behalf of the latter to Tata Chemicals Limited.

The balance receivable from Mr Rademan Janse Van Rensburg is unsecured, interest free and is repayable on demand.

(b) Short term loan to Gusuite Holdings (Uk) Limited

The short term loan to Gusiute Holdings (UK) Limited amounting to USD 300,000 (2018: USD 300,000) was unsecured, interest free and repayable on demand and is expected to be recovered within twelve months.

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10. STATED CAPITAL

(a) Ordinary shares

	2019	2018
	Number of shares	Number of shares
Ordinary shares of USD1 each held by Tata Chemicals Limited	**575,381,426**	575,381,426

	2019	2018
	USD	USD
Ordinary shares of USD1 each held by Tata Chemicals Limited	**575,381,426**	575,381,426

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

(b) Non-cumulative redeemable preference shares

	2019	2018
	Number of shares	Number of shares
Non-cumulative redeemable preference shares of no par value held by Tata Chemicals Limited	**1,500,014**	1,500,014
	1,500,014	1,500,014

	2019	2018
	USD	USD
Non-cumulative redeemable preference shares of no par value held by Tata Chemicals Limited	**150,001,400**	150,001,400
	150,001,400	150,001,400

- The Non-cumulative redeemable preference shares ("NCRPS") are redeemable at the option of the holder 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 2019, there are no potential subsequent events, other than those described below, that would have a material impact on unrecognised 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.

11. TAXATION (CONTINUED)

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.

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 holds a Category 1 Global Business License for the purpose of the Financial Services Act 2007 of Mauritius. Pursuant to the enactment of the Finance Act 2018, with effect as from 1 January 2019, the deemed tax credit has been phased out, through the implementation of a new tax regime. Companies which had obtained their Category 1 Global Business Licence on or before 16 October 2017, including the Company, have been grandfathered and would benefit from the deemed tax credit regime up to 30 June 2021.

Accordingly, the Company is entitled to a foreign tax credit equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritian tax ("Deemed tax credit") on its foreign source income resulting in an effective tax rate on net income of up to 3%, up to 30 June 2021. Further, the Company is exempted from income tax in Mauritius on profits or gains arising from sale of securities. In addition, there is no withholding tax payable in Mauritius in respect of payments of dividends to Shareholders or in respect of redemptions or exchanges of shares.

Post 30 June 2021 and under the new tax regime and subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the Financial Services Commission. The Company is entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of some of the income derived, including but not limited to foreign source dividends or interest income.

Tax expenses:

	2019	2018
	USD	USD
Profit/ (loss) before taxation	**165,357**	(52,505,109)
Tax at the applicable rate of 15%	**24,804**	(7,875,766)
Tax effect of:		
- Exempt income	**-**	(750)
- Non allowable expenses	**1,401**	8,118,717
- Deemed tax credits (80%)	**(20,964)**	(193,761)
Tax expense	**5,241**	48,440

11. TAXATION (CONTINUED)

Mauritius (continued)

During the year under review, **USD5,821** (2018: USD 48,626) was paid under Advance Payment System ("APS") to the Mauritius Revenue Authority. Consequently, the amount receivable at year end is as follows:

Tax receivable:

	2019	2018
	USD	USD
Balance at start	**(186)**	12,516
Tax refund	**186**	-
Tax charge for the year	**5,241**	48,440
Tax paid	**-**	(12,516)
Tax paid under APS	**(5,821)**	(48,626)
Balance at end	**(580)**	(186)

12. ACCRUALS AND OTHER PAYABLES

	2019	2018
	USD	**USD**
Accruals	**20,090**	11,756
Other payables	**-**	171
	20,090	11,927

The other payable of USD171 has been written back during the year ended 31 March 2019.

13. INTEREST INCOME

As at 31 March 2019, the loan to Homefield Pvt.UK Ltd was fully impaired and there was no indication of a reversal of the impairment. Given the loan has been fully impaired, no interest income was recognised on the loans to Homefield Pvt.UK (2018: USD1,418,884). No interest income has been recognised during the year as management does not believe it is probable that the economic benefits will flow to the Company.

14. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

(i) Capital risk management

The Company manages its capital to ensure that the Company 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 equity attributable to the equity holders of the Company, comprising stated capital and retained earnings and consists of debt financing through non-cumulative redeemable preference shares.

Categories of financial instruments

The following table shows the accounting classification of financial instruments under IAS 39:

31 March 2018	Loans and receivables USD	Other financial liabilities USD	Total USD
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
	9,304,692	-	9,304,692
Financial liabilities			
Accruals and other payables	-	11,927	11,927
Redeemable preference shares	-	150,001,400	150,001,400
	-	150,013,327	150,013,327

14. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Categories of financial instruments (continued)

The following table shows the accounting classification of financial instruments under IFRS 9:

31 March 2019	**Amortised cost USD**	**Financial liabilities at amortised cost USD**	**Total USD**
Financial assets			
Cash and cash equivalents	**723,196**	-	**723,196**
Receivables (includes receivable from related parties)	**8,450,530**	-	**8,450,530**
Loan to Gusiute Holdings (UK) Limited	**300,000**	-	**300,000**
	9,473,726	-	**9,473,726**
Financial liabilities			
Accruals and other payables	**-**	**20,090**	**20,090**
Redeemable preference shares	**-**	**150,021,400**	**150,001,400**
	-	**150,041,490**	**150,041,490**

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:

(i) Currency risk

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

Currency profile

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

	2019 Financial assets USD	**2019 Financial liabilities USD**	2018 Financial assets USD	2018 Financial liabilities USD
United States Dollars	**9,473,726**	**150,021,490**	9,304,692	150,013,327

Prepayments amounting to **USD1,251** (2018: USD 2,400) have not been included in the financial assets.

(ii) Credit risk

Cash and cash equivalents

The bank balance is currently held with HSBC Bank (Mauritius) Limited, a reputable institution whose exposure to credit risk is considered minimal. The holding company of HSBC Bank (Mauritius) Limited, which is HSBC Holdings Plc had a stable credit rating of A2 as per the Moody's indicator.

Other receivables – Amount receivable from Tata Chemicals Limited

The risk is minimal as the amount is due from related parties. The Company assesses all its counterparties for credit risk before contracting with them.

14. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

(ii) Credit risk (continued)

Amounts arising from ECL

Impairment on cash and cash equivalents and other receivables has been measured on a 12-month expected losses basis and reflects the short maturities of the exposures. The Company considers that these exposures have low credit risk based on the fact the amounts are due from related parties.

The Company monitors changes in credit risk on these exposures by tracking published external credit ratings of the counterparties. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in the published ratings, the Company supplements this by reviewing available press and regulatory information about counterparties.

12-months and lifetime probabilities of default are based on historical data and the liquid assets available as at reporting date. Where the counter party has insufficient liquid assets, a probability of default linked to macro-economic factors of the country of the underlying project has been used or, a probability of default of 100% has been considered.

On initial application of IFRS 9 as at 1 April 2018, the Company did not recognise any impairment allowance on cash and cash equivalents and other receivables.

Offsetting financial assets and financial liabilities

The Company has not offset any financial assets and financial liabilities in the statement of financial position.

(iii) 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.

	2019				2018			
	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 liabilities	**20,090**	**-**	**150,001,400**	**150,021,490**	11,927	-	150,001,400	150,013,327

14. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Liquidity risk management (continued)

Liquidity and interest risk tables (continued)

Non-derivative financial liabilities (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 assets including interest that would be earned on those assets.

	2019				2018			
	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	**-**	**8,750,530**	**-**	**8,750,530**	-	8,505,530	-	8,505,530
Variable interest rate	**-**	**52,599,682**	**-**	**52,599,682**	-	52,599,682	-	52,599,682
Cash and cash equivalents	**723,196**	-	**-**	**723,196**	799,162	-	-	799,162
	723,196	**61,350,212**	**-**	**62,073,408**	799,162	61,105,212	-	61,904,374

(iv) *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 Company's variable interest rate financial assets have been impaired in prior years and therefore the exposure to interest rate risk is minimal.

The Company is exposed to interest rate risk on the non-cumulative preference shares as they attract interest at 5%. Interest is only accrued when the directors declare a dividend.

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.

16. RELATED PARTY TRANSACTIONS

During the year ended 31 March 2019, the following transactions were carried out with related parties. The nature, volume of transactions and the balances with the entities are as follows:

	2019	2018
	USD	USD
(i) SANNE Mauritius (Administrator and Secretary)		
Professional fees:		
Directors fees	**2,500**	2,500
Secretarial fees	**1,500**	1,500
Administration expenses	**27,111**	14,629
Tax filing fees	**2,000**	2,000
Legal fees	**950**	-
Disbursement	**352**	-
Other professional fees	**8,691**	-
	43,104	20,629
(ii) Homefield Pvt. UK Ltd – subsidiary		
Interest income	**-**	1,418,884
Interest receivable	**-**	-
Loan (including capitalised interest)		
Balance at start	**-**	52,599,682
Interest capitalised during the year	**-**	1,510,991
Impairment during the year	**-**	(54,110,673)
Balance at end	**-**	-
(iii) Gusiute Holdings (UK) Limited – subsidiary		
Loan	**300,000**	300,000
(iv) The Magadi Soda Company Limited – Group company		
Payable	**-**	171
(v) Tata Chemicals International Pte Ltd– Group company		
Receivable	**8,203,000**	8,203,000
(vi) Tata Chemicals Limited – Shareholder		
Receivable	**2,530**	2,530

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 2019 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 2019 (2018: USD Nil).

17. HOLDING AND ULTIMATE HOLDING COMPANY.

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

18. CONVERSION AND MERGER

The Board of the Company has approved the decision for a change in the licence of the Company from a Category 1 Global Business Licence ("GBC1") to an Authorised Company Licence ("AC") by way of a written resolution dated and approved on 11 March 2019. The Company was converted into an Authorised Company on 26 April 2019. Post the change in the business licence, the Company has the intention to merge with its immediate shareholder, Tata Chemicals Ltd, a listed entity on the BSE and NSE of India, whereby the latter would be surviving entity. This process is currently pending the approval of the RBI in India.

19. EVENTS AFTER THE REPORTING PERIOD

Other than as disclosed in Note 18 above, there have been no material events since the end of the reporting date which would require disclosure or adjustment to the financial statements for the year ended 31 March 2019.