

GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD

**FINANCIAL STATEMENTS
FOR THE PERIOD FROM 5 FEBRUARY 2009
(DATE OF INCORPORATION)
TO 31 MARCH 2010**

**GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD
FINANCIAL STATEMENTS
FOR THE PERIOD FROM 5 FEBRUARY 2009 (DATE OF INCORPORATION)
TO 31 MARCH 2010**

1.

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		<i>Date of appointment</i>	<i>Date of resignation</i>
DIRECTORS:	Dev Joory	5 February 2009	
	Rubina Toorawa	5 February 2009	
	Sriram Srinivasan	16 February 2009	1 February 2010
	Rademan Janse Van Rensburg	26 February 2009	2 February 2010
	Prashant Kumar Ghose	25 January 2010	
	Ramakrishnan Mukundan	25 January 2010	
REGISTERED OFFICE:	IFS Court, TwentyEight Cybercity Ebene Mauritius		
SECRETARY:	International Financial Services Limited IFS Court, TwentyEight Cybercity Ebene Mauritius		
BANKERS:	Standard Bank (Mauritius) Limited 6 th Floor, Medine Mews Building Chaussée Street Port Louis Ebene		
AUDITORS:	Kemp Chatteris Deloitte Cerne House Port Louis Mauritius		

**GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD
COMMENTARY OF THE DIRECTORS
FOR THE PERIOD FROM 5 FEBRUARY 2009 (DATE OF INCORPORATION)
TO 31 MARCH 2010**

3.

RESULTS

The results for the period are shown on page 6.

DIRECTORS

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

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 the cash flow of the Company. The directors are also responsible for keeping accounting records which:

- correctly record and explain the transactions of the Company;
- disclose with reasonable accuracy at any time the financial position of the Company; and
- would enable them to ensure that the financial statements comply with the Companies Act 2001.

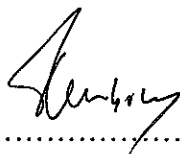
The directors confirm that they have complied with the above requirements in preparing the financial statements.

AUDITORS

The auditors, **KEMP CHATTERIS DELOITTE**, have indicated their willingness to continue in office.

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 of **Grown Energy Zambeze Holdings Pvt. Ltd** under the Mauritius Companies Act 2001 during the financial period from 5 February 2009 (date of incorporation) to 31 March 2010.



.....
for International Financial Services Limited
Secretary

Registered office:

IFS Court
TwentyEight
Cybercity
Ebene
Mauritius

Date: 20 May 2010

**Independent auditor's report to the shareholders of
Grown Energy Zambeze Holdings Pvt. Ltd**

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This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them 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 shareholders 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 Grown Energy Zambeze Holdings Pvt. Ltd. on pages 6 to 20 which comprise the statement of financial position as at 31 March 2010 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended and a summary of significant accounting policies and other explanatory notes.

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 in so far as applicable to Category 1 Global Business Licence Companies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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.

Opinion

In our opinion, the financial statements on pages 6 to 20 give a true and fair view of the financial position of the company as at 31 March 2010, and of its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence Companies.

Report on other legal requirements

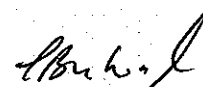
In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interests in, the company other than in our capacities as auditors;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the company as far as appears from our examination of those records.

Deloitte

Chartered Accountants

20 May 2010



**Twaleb Butonkee, FCA
Signing Partner**

GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 5 FEBRUARY 2009 (DATE OF INCORPORATION)
TO 31 MARCH 2010

6.

	<u>Note</u>	<u>USD</u>
EXPENDITURE		
Licence fees		1,875
Registrar of Companies fees		250
Director fees		2,875
Secretarial fees		1,725
Administration expenses		11,536
Bank charges		858
Audit fees		5,175
Preliminary expenses		4,600
		<u>28,894</u>
LOSS BEFORE TAXATION		(28,894)
Taxation	9	-
LOSS FOR THE PERIOD		(28,894)
OTHER COMPREHENSIVE INCOME		-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(28,894)

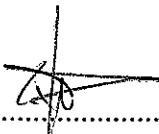
The notes on pages 10 to 20 form an integral part of these financial statements.


GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD
STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2010

7.

	Notes	USD
ASSETS		
Current assets		
Cash at bank		14,630
Receivables	6	<u>607,639</u>
		<u>622,269</u>
Total assets		<u>622,269</u>
EQUITY AND LIABILITIES		
Capital and reserves		
Stated capital	7	1
Share application monies		367,053
Accumulated losses		<u>(28,894)</u>
		<u>338,160</u>
Current liabilities		
Payables	8	<u>284,109</u>
Total equity and liabilities		<u>622,269</u>

Approved by the Board of Directors and authorised for issue on 20 May 2010.


.....
Director


.....
Director

The notes on pages 10 to 20 form an integral part of these financial statements.

GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 5 FEBRUARY 2009 (DATE OF INCORPORATION)
TO 31 MARCH 2010

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	Stated capital	Share application monies	Accumulated losses	Total
	USD	USD	USD	USD
Issue of share	1	-	-	1
Transaction with the shareholder	1	-	-	1
Share application monies	-	367,053	-	367,053
Loss for the period	-	-	(28,894)	(28,894)
Total comprehensive loss for the period	-	-	(28,894)	(28,894)
At 31 March 2010	1	367,053	(28,894)	338,160

The notes on pages 10 to 20 form an integral part of these management accounts.

GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 5 FEBRUARY 2009 (DATE OF INCORPORATION)
TO 31 MARCH 2010

9.

	<u>USD</u>
Cash flows from operating activities	
Loss before taxation	(28,894)
<i>Changes in working capital:</i>	
Receivables	(607,638)
Payables	<u>284,109</u>
Net cash used in operating activities	<u>(323,423)</u>
Cash flows from financing activities	
Share application monies	<u>367,053</u>
Net cash generated from financing activities	<u>367,053</u>
Cash and cash equivalents at 31 March	<u>14,630</u>
Cash and cash equivalents made up of:	
Bank balance	<u>14,630</u>

The notes on pages 10 to 20 form an integral part of these financial statements.

GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 5 FEBRUARY 2009 (DATE OF INCORPORATION)
TO 31 MARCH 2010

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1. BACKGROUND INFORMATION

Grown Energy Zambeze Holdings Pvt. Ltd (the "Company") was incorporated in the Republic of Mauritius under the Mauritius Companies Act 2001 on 5 February 2009 as a private company with liability limited by shares and has its registered office at IFS Court, TwentyEight, Cybercity, Ebene, Mauritius. It holds a Category 1 Global Business Licence issued by the Financial Services Commission.

The principal activity of the Company is that of investment holding. The Company has not started operation at the reporting date.

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

2. ACCOUNTING POLICIES

The financial statements are prepared under the historical cost basis and in accordance with and comply with the International Financial Reporting Standard.

The principal accounting policies adopted in the preparation of these financial statements are set out below:

(a) Basis of preparation

The financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

(b) Financial instruments

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

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs, where appropriate.

Financial assets and financial liabilities are measured subsequently as described below.

2. ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (Continued)

Financial assets

The Company's principal activity is to hold investments and hence its main financial assets will be in the form of investments.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

All income and expenses relating to financial assets that are recognised in the statement of comprehensive income are presented within 'finance costs' or 'finance income'.

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets.

The Company's available-for-sale investments will consist of investments in equity shares that are not quoted in an active market. The best estimate of fair value will be the transaction price on initial recognition.

Available-for-sale investments whose fair value cannot be measured reliably will be carried at cost less impairment.

The valuation of investments may not necessarily represent the amounts that may eventually be realised from sales or other dispositions.

(c) Foreign currencies

Functional and presentation currency

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

Transactions and balances

Transactions denominated in foreign currencies are translated in USD at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities are translated at the rate of exchange ruling at statement of financial position date. Exchange differences arising on translation and realised gains and losses on disposals or settlement of monetary assets and liabilities are recognised in the statement of comprehensive income.

GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 5 FEBRUARY 2009 (DATE OF INCORPORATION)
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2. ACCOUNTING POLICIES (CONTINUED)

(d) Cash and cash equivalents

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

(e) Equity

Stated capital is determined using the nominal values of shares that have been issued.

Accumulated loss comprises results as disclosed in the statement of comprehensive income.

(f) Revenue recognition

Interest income is recognised on a time proportion basis at its effective rate. Dividend income is recognised when the shareholder's right to receive payment is established.

(g) Expense recognition

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

(h) Deferred tax

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(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. At time of effective payment, the provision is deducted from the corresponding expenses.

2. ACCOUNTING POLICIES (CONTINUED)

(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 policy decisions.

(k) Impairment of assets

At each statement of financial position 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.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(l) Set up costs

Set up costs are written off in the period in which they arise.

(m) Comparatives

No comparative figures are presented as this is the first financial statements since the incorporation date.

3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The Company has adopted 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 5 February 2009.

At the date of authorization of these financial statements, the following Standards and Interpretations were in issue but effective on annual period beginning on or after the respective dates as indicated:

GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 5 FEBRUARY 2009 (DATE OF INCORPORATION)
TO 31 MARCH 2010

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2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (CONTINUED)

- IAS 1 Presentation of Financial Statements – Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 January 2010)
- IAS 7 Statement of Cash Flows – Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 January 2010)
- IAS 17 Leases – Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 January 2010)
- IAS 24 Related Party Disclosures – Revised definition of related parties (effective 1 January 2011)
- IAS 27 Consolidated and Separate Financial Statements – Consequential amendments arising from amendments to IFRS 3 (effective 1 July 2009)
- IAS 28 Investments in Associates – Consequential amendments arising from amendments to IFRS 3 (effective 1 July 2009)
- IAS 31 Interests in Joint Ventures – Consequential amendments arising from amendments to IFRS 3 (effective 1 July 2009)
- IAS 32 Financial Instruments: Presentation - Amendments relating to classification of rights issues (effective 1 February 2010)
- IAS 36 Impairment of Assets – Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 February 2010)
- IAS 38 Intangible Assets – Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 July 2009)
- IAS 39 Financial Instruments: Recognition and Measurement — Amendments for eligible hedged items (effective 1 July 2009)
- IAS 39 Financial Instruments: Recognition and Measurement – Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 January 2010)
- IFRS 1 First-time Adoption of International Financial Reporting Standards - Amendments relating to oil and gas assets and determining whether an arrangement contains a lease (effective 1 January 2010)
- IFRS 1 First-time Adoption of International Financial Reporting Standards-Limited exemption from comparative IFRS 7 Disclosures for first-time adoption (1 July 2010)
- IFRS 1 First-time Adoption of International Financial Reporting Standards-Revised and restructured (1 July 2010)
- IFRS 2 Share-based Payment – Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 July 2009)
- IFRS 2 Share-based Payment – Amendments relating to group settled share-based payment transactions (effective 1 January 2010)
- IFRS 2 Share-based Payment - Amendments relating to group cash-settled share-based payment transactions (effective 1 January 2010)

3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (CONTINUED)

- IFRS 3 Business Combinations – Comprehensive revision on applying the acquisition method (effective 1 July 2009)
- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations – Amendments resulting from May 2008 Annual Improvements to IFRSs (effective 1 July 2009)
- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations – Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 January 2010)
- IFRS 8 Operating Segments – Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 January 2010)
- IFRS 9 Financial Instruments – Classification and Measurement (effective 1 January 2013)
- IFRIC 14 IAS 19 – Amendment with respect to voluntary prepaid contributions (effective 1 January 2011)
- IFRIC 17 Distribution of Non-cash Assets to owners (effective 1 July 2009)
- IFRIC 18 Transfers of Assets from Customers (effective 1 July 2009)
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments (effective 1 July 2010)

The directors anticipate that the adoption of these Standards and Interpretations on the above effective dates in future years will have no material impact on the financial statements of the Company.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in accordance with IFRS requires management to make certain assumptions and estimates that affect the reported amounts of assets and liabilities, revenues and expenses and contingent liabilities. Actual amounts could in certain cases differ from those assumptions and estimates. Changes are shown in profit or loss if new information comes to light.

In the process of applying the Company's accounting policies, which are described in Note 2, the directors have made the following judgement that has the most effect on the amounts recognised in the financial statements:

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising there from are dependent on the functional currency selected. The directors have considered those factors and have determined that the functional currency of the Company is the USD.

5. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

Significant accounting policies

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

In its operations, 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:

5.1 Financial risk factors

(i) Currency risk

The Company invests in shares denominated in United States Dollars. Consequently, the Company is not exposed to the risk of exchange rate fluctuations.

Currency profile

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

	Financial assets	Financial liabilities
	31 March 2010	31 March 2010
	USD	USD
United States Dollars	<u>620,394</u>	<u>284,109</u>
	<u>620,394</u>	<u>284,109</u>

Prepayments amounting to USD 1,875 have not been included in financial assets.

(ii) 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 loan from related party and funds from the shareholder. The Company's financial assets and liabilities, except for bank deposits are non-interest-bearing. As such, the Company is not subject to significant 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.

GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
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TO 31 MARCH 2010

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5. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

(iii) 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.

Financial assets that potentially expose the Company to credit risk consist principally of loan receivable from related party. 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.

With respect to credit risk arising from financial assets which comprise of receivables, the Company's exposure to credit risk arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of the financial assets. The Company has no concentration of risk as it has not yet operated at the reporting date.

	31 March 2010
	USD
Loan to Grown Energy Zambeze Limitada	590,763

(iv) Liquidity risk management

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

As of 31 March 2010, its main liabilities related to loan to third parties. Future cash inflows will meet present and future obligations adequately.

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.

	Less than 1 year USD	5+ years USD
Non-interest bearing	284,109	-
	284,109	-

(v) Capital risk management

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

The capital structure of the company consists of equity attributable to the shareholder comprising stated capital and reserves.

GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 5 FEBRUARY 2009 (DATE OF INCORPORATION)
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5. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Categories of financial instruments

	USD
Financial assets	
Receivables	605,764
Cash and cash equivalents	14,630
	<u>620,394</u>
Financial liabilities	
Payables	<u>284,109</u>

(vii) Fair value estimation

The Company's financial assets and liabilities include receivables, cash at bank and payables and loan from related parties, which are realised or settled within a short period of time. The carrying amounts of these assets and liabilities approximate their fair values.

6. RECEIVABLES

	USD
Prepayments	1,875
Receivable from Bio Energy Venture – 2 (Mauritius) Pvt. Ltd	1
Loan to Grown Energy Zambeze Limitada	590,763
Share application monies Grown Energy Zambeze Limitada	15,000
	<u>607,639</u>

The loan to Grown Energy Zambeze Limitada is unsecured, interest free and repayable on demand.

7. STATED CAPITAL

	USD
1 Ordinary share of USD1	<u>1</u>

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

8. PAYABLES

	USD
Accruals	9,675
Other payables	274,434
	<u>284,109</u>

Other payables are unsecured, interest free and repayable on demand.

GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 5 FEBRUARY 2010 (DATE OF INCORPORATION)
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9. TAXATION

(a) Income tax

The Company, under current laws and regulations, is liable to pay income tax on its net income at a rate of 15%. The Company is, however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of Mauritius tax payable in respect of its foreign source income thus reducing its maximum effective tax rate to 3%. The Company has received a certificate from the Mauritian authorities that it is a tax resident of Mauritius.

No Mauritian capital gain tax is payable on profits arising from sale of securities and any dividends paid by the Company to its shareholder will be exempt in Mauritius from any withholding tax.

For the period ended 31 March 2010, the Company had no income tax liability due to tax losses of USD24,294 carried forward.

(b) Income tax reconciliation

	USD
Loss before taxation	<u>(28,894)</u>
Tax at the applicable rate of 15%	(4,334)
Tax effect of :	
- Unauthorised deductions	690
- Deemed tax credit at 80%	2,915
Deemed tax asset not recognised	<u>729</u>
Tax charge	<u>-</u>

(c) Deferred taxation

No deferred tax asset has been recognised in respect of the tax losses carried forward as taxable profit is not probable in the foreseeable future.

GROWN ENERGY ZAMBEZE HOLDINGS PVT. LTD
NOTES TO THE FINANCIAL STATEMENTS
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10. RELATED PARTY TRANSACTIONS

The nature, volume of the transactions and the balances on account of related party transactions are:

Nature of relationship	Nature of transactions	Volume of transactions	Debit(D)/ Credit (C) balance at 31 March 2010
		USD	USD
Group company	Payables	<u>274,434</u>	<u>274,434 (C)</u>
Secretary (International Services Limited(" IFS"))	Financial Secretarial fees, administration expenses, preliminary expenses	<u>17,861</u>	<u>3,625 (C)</u>
Directors (IFS)	Director fees	<u>2,875</u>	<u>625 (D)</u>
Shareholder	Share application monies Receivable	<u>367,053</u> <u>1</u>	<u>367,053 (C)</u> <u>1 (D)</u>
Investee Company (Grown Energy Zambeze Limitada	Loan Share application monies	<u>590,763</u> <u>15,000</u>	<u>590,763(D)</u> <u>15,000(D)</u>

The terms of the loans are disclosed in Note 10.

Two directors of the Company, Mr Dev Joory and Ms Rubina Anver Toorawa, are also directors of IFS and hence deemed to have beneficial interests in the Service agreement between the Company and IFS which are disclosed in the above table.

11. HOLDING COMPANY AND ULTIMATE HOLDING COMPANY

Bio Energy Venture - 2 (Mauritius) Pvt. Ltd, a company incorporated in Mauritius is the holding company.

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

12. COMPARATIVES

No comparative figures are presented as this is the first financial statements since the incorporation date.