

BLOOM FOUNTAIN LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2014

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FOR THE YEAR ENDED 31 MARCH 2014

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BLOOM FOUNTAIN LIMITED
CORPORATE DATA

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**Date of
appointment**

DIRECTORS:

Minimax Limited
Prasun Kumar Mukherjee

23-Jun-11
10-Aug-11

**ADMINISTRATOR AND REGISTERED
AGENT:**

Multiconsult Limited
Les Cascades Building
Edith Cavell Street
Port Louis
Mauritius

REGISTERED OFFICE:

c/o Multiconsult Limited
Les Cascades Building
Edith Cavell Street
Port Louis
Mauritius

BANKERS:

Standard Chartered Bank (Mauritius) Limited
Units 6A and 6B
6th Floor, Raffles Tower, Lot 19
Cybercity
Ebène
Mauritius

AUDITOR:

Deloitte
7th Floor, Raffles Tower
19 Cybercity
Ebène
Mauritius

BLOOM FOUNTAIN LIMITED
COMMENTARY OF THE DIRECTORS

The directors present their commentary, together with the audited financial statements of Bloom Fountain Limited (the "Company") for the year ended 31 March 2014.

PRINCIPAL ACTIVITY

The principal activity of the Company is investment holding and to provide consultancy services.

RESULTS AND DIVIDEND

The Company's profit for the year ended 31 March 2014 is USD 1,644,862 (2013: USD 1,143,443).

The directors do not recommend the payment of dividend for the year under review.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are required to prepare financial statements for each financial period, which present fairly the financial position, financial performance, changes in equity 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 International Financial Reporting 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 confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company.

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.

AUDITOR

The auditor, Deloitte, has indicated its willingness to continue in office and will be automatically re-appointed at the Annual Meeting.

Independent auditor's report to the shareholder of Bloom Fountain Limited

This report is made solely to the company's shareholder, as a body. Our audit work has been undertaken so that we might state to the company's shareholder those matters we are required to state to the shareholder in an auditor's report and for no other purpose. We do not accept or assume responsibility to anyone other than the company and the company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Financial Statements

We have audited the financial statements of **Bloom Fountain Limited** ("the company") on pages 4 to 22 which comprise the statement of financial position at 31 March 2014 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 a summary of significant accounting policies and other explanatory information.

Directors' responsibilities for the financial statements

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

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

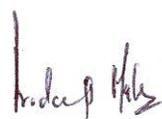
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements on pages 4 to 22 give a true and fair view of the financial position of **Bloom Fountain Limited** as at 31 March 2014 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.



Deloitte
Chartered Accountants



Pradeep Malik, FCA
Licensed by FRC

24 APR 2014

BLOOM FOUNTAIN LIMITED
STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2014

	<u>Notes</u>	<u>2014</u> USD	<u>2013</u> USD
ASSETS			
Non - current assets			
Investment in subsidiary	5	130,547,287	127,793,683
Plant and equipment	6	28,237	-
Loan receivable	7	88,123,294	59,962,043
Total non-current assets		<u>218,698,818</u>	<u>187,755,726</u>
Current assets			
Other receivables	8	319,173	227,811
Cash and cash equivalents		24,712	40,643
Total current assets		<u>343,885</u>	<u>268,454</u>
TOTAL ASSETS		<u>219,042,703</u>	<u>188,024,180</u>
EQUITY AND LIABILITIES			
Equity			
Stated capital	9	1,000,001	1,000,001
Retained earnings		2,654,634	1,009,772
Total equity		<u>3,654,635</u>	<u>2,009,773</u>
Current liabilities			
Optionally convertible redeemable preference shares	10	206,240,000	185,990,000
Share application monies	10	9,100,000	-
Other payables	11	48,068	24,407
Total liabilities		<u>215,388,068</u>	<u>186,014,407</u>
TOTAL EQUITY AND LIABILITIES		<u>219,042,703</u>	<u>188,024,180</u>

These financial statements have been approved by the Board of Directors and authorised for issue on

24 APR 2014


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) DIRECTORS Minimax Limited
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The notes on pages 8 to 22 form an integral part of these financial statements
 Auditor's report on page 3

BLOOM FOUNTAIN LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014

	<u>Notes</u>	31 March 2014 USD	31 March 2013 USD
REVENUE		126,473	146,369
INTEREST INCOME	12	1,704,854	1,175,726
ADMINISTRATIVE EXPENSES		(167,380)	(171,083)
FINANCE COST	13	<u>(19,085)</u>	<u>(7,569)</u>
PROFIT FOR THE YEAR	14	1,644,862	1,143,443
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,644,862</u>	<u>1,143,443</u>

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24 APR 2014


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) DIRECTORS Minimax Limited

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BLOOM FOUNTAIN LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2014

	<u>Stated capital USD</u>	<u>(Accumulated losses) / Retained earnings USD</u>	<u>Total USD</u>
At 1 April 2012	1,000,001	(133,671)	866,330
Profit for the year and total comprehensive income	-	<u>1,143,443</u>	<u>1,143,443</u>
At 31 March 2013	1,000,001	1,009,772	2,009,773
Profit for the year and total comprehensive income	-	<u>1,644,862</u>	<u>1,644,862</u>
At 31 March 2014	<u>1,000,001</u>	<u>2,654,634</u>	<u>3,654,635</u>

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24 APR 2014


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BLOOM FOUNTAIN LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014

	<u>Note</u>	31 March 2014 USD	31 March 2013 USD
Operating activities			
Net cash used in operations	16	<u>(121,069)</u>	<u>(243,500)</u>
Investing activities			
Acquisition of a subsidiary		(1)	(33,500,000)
Purchase of plant and equipment		(34,861)	-
Loan to subsidiary		<u>(29,210,000)</u>	<u>(35,470,000)</u>
Net cash used in investing activities		<u>(29,244,862)</u>	<u>(68,970,000)</u>
Financing activities			
Proceeds from issue of shares		-	68,340,000
Share application monies received		<u>29,350,000</u>	<u>-</u>
Net cash generated from financing activities		<u>29,350,000</u>	<u>68,340,000</u>
Net decrease in cash and cash equivalents		(15,931)	(873,500)
Cash and cash equivalents at beginning of year		<u>40,643</u>	<u>914,143</u>
Cash and cash equivalents at end of year		<u><u>24,712</u></u>	<u><u>40,643</u></u>
Cash and cash equivalents consist of:			
Cash at bank		<u>24,712</u>	<u>40,643</u>
		<u><u>24,712</u></u>	<u><u>40,643</u></u>

These financial statements have been approved by the Board of Directors and authorised for issue on

24 APR 2014


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) DIRECTORS Minimax Limited

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BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. REPORTING ENTITY AND BUSINESS ACTIVITY

The Company was incorporated in Mauritius as a private company under the Mauritius Companies Act 2001 on 23 June 2011 and was licenced as a Category 2 Global Business Company on 24 June 2011. The Company's registered office address is c/o Multiconsult Limited, Les Cascades Building, Edith Cavell Street, Port Louis, Mauritius. The Company's principal activity is investment holding and to provide consultancy services.

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

In the current year, the company has applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 April 2013.

2.1 New and revised IFRSs applied affecting disclosures in the financial statements

IAS 1 Amendments to revise the way other comprehensive income is presented.

The company has applied the amendments to IAS 1 Presentation of Items of Other Comprehensive Income in the current year. The amendments introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to IAS 1, the 'statement of comprehensive income' is renamed the 'statement of profit or loss and other comprehensive income' and the 'income statement' is renamed the 'statement of profit or loss'. The amendments to IAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to IAS 1 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to IAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

2.2 New and Revised Standards applied with no material effect on the financial statements

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

IAS 1	Presentation of Financial Statements - Amendments resulting from Annual Improvements 2009-2011 Cycle (Comparative Information)
IAS 16	Property, plant and equipment - Amendments resulting from Annual Improvements 2009 - 2011 cycle (servicing equipment)
IAS 27	Consolidated and Separate Financial Statements - Reissued as IAS 27 Separate Financial Statements (as amended in 2011)
IAS 27	Consolidated and Separate Financial Statements - Amendments for investment entities
IAS 32	Financial Instruments: Presentation - Amendments resulting from Annual Improvements 2009-2011 Cycle (tax effect of equity distributions)
IFRS 7	Financial Instruments: Disclosures - Amendments related to the offsetting of assets and liabilities
IFRS 10	Consolidated Financial Statements - Original issue

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (CONT'D)

2.2 New and Revised Standards applied with no material effect on the financial statements (cont'd)

- IFRS 10 Consolidated Financial Statements - Amendments to transitional guidance
- IFRS 12 Disclosures of Interests in Other Entities - Original issue
- IFRS 12 Disclosures of Interests in Other Entities - Amendments to transitional guidance
- IFRS 13 Fair Value Measurement - Original issue

2.3 New and revised Standards in issue but not yet effective

At the date of authorisation of these financial statements, the following relevant Standards were in issue but effective on annual periods beginning on or after the respective dates as indicated.

- IAS 16 Property, plant and Equipment - Amendments resulting from Annual Improvements 2010 - 2012 cycle (proportionate restatement of accumulated depreciation on revaluation) (effective 1 July 2014)
- IAS 24 Related Party Disclosures - Amendments resulting from Annual Improvements 2010-2012 Cycle (management entities) (effective 1 July 2014)
- IAS 32 Financial Instruments: Presentation - Amendments relating to the offsetting of assets and liabilities (effective 1 January 2014)
- IAS 36 Impairment of Assets - Amendments arising from Recoverable Amount Disclosures for Non-Financial Assets (effective 1 January 2014)
- IAS 39 Financial Instruments: Recognition and Measurement - Amendments for novations of derivatives (effective 1 January 2014)
- IAS 39 Financial Instruments: Recognition and Measurement - Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception (effective 1 January 2018)
- IFRS 7 Financial Instruments: Disclosures - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective 1 January 2018)
- IFRS 7 Financial Instruments: Disclosures - Additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9 (effective 1 January 2018)
- IFRS 9 Financial Instruments - Classification and measurement of financial assets (effective 1 January 2018)
- IFRS 9 Financial Instruments - Reissue classification and measurement of financial liabilities and derecognition requirements (effective 1 January 2018)
- IFRS 9 Financial Instruments: Disclosures - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective 1 January 2018)
- IFRS 9 Financial Instruments: Disclosures - Reissue to incorporate a hedge accounting chapter and permit the early application of the requirements for presenting in other comprehensive income the 'own credit' gains or losses on financial liabilities designated under the fair value option without early applying the other requirements of IFRS 9 (effective 1 January 2018)
- IFRS 10 Consolidated Financial Statements - Amendments for investment entities (effective 1 January 2014)
- IFRS 12 Disclosures of Interests in Other Entities - Amendments for investment entities (effective 1 January 2014)

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2014

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (CONT'D)

2.3 New and revised Standards in issue but not yet effective (cont'd)

IFRS 13 Fair Value Measurement - Amendments resulting from Annual Improvements 2010-2012 Cycle (short-term receivables and payables) (Amendments to basis for conclusions only)

IFRS 13 Fair Value Measurement - Amendments resulting from Annual Improvements 2011-2013 Cycle (Scope of the portfolio exception in paragraph 52) (effective 1 July 2014)

The directors do not expect that the application of the standards and interpretations listed above will have a material impact on the financial statements of the company in future periods.

3. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements are prepared in accordance with and comply with the International Financial Reporting Standards ("IFRSs").

(b) Basis of preparation

These separate financial statements have been prepared under the historical cost convention. The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future period affected.

Determination of functional currency

The determination of functional currency of the Company is critical since recording of transactions and exchange differences arising are dependent on the functional currency selected. The directors have determined that the functional currency of the Company is the United States Dollars (USD) as the transactions are in USD.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2014

3. BASIS OF PREPARATION (CONT'D)

(d) **Use of estimates and judgements (cont'd)**

Impairment of investments

Determining whether investments in unquoted companies are impaired requires an estimation of the value in use of those investments. The value in use calculation requires the directors to estimate the future cash flows expected to arise from these investments and a suitable discount rate in order to calculate present value. The actual results could, however, differ from the estimates.

The directors have determined that no impairment loss was required to be recognised on the basis that the recoverable amounts of the investments in unquoted companies are higher than their carrying amounts.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in accordance and comply with International Financial Reporting Standards. A summary of the most important accounting policies, which have been applied consistently, is set out below.

(a) Foreign currency transaction

Transactions in foreign currencies are translated to the respective functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Foreign currency differences arising on retranslation are recognised in the statement of profit or loss and other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(b) Revenue recognition

Revenues earned by the Company are recognised on the following basis:-

Interest income

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

Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Consultancy fees

Consultancy fees are recognised on an accrual basis in accordance with the substance of the relevant agreement, provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and 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. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

(d) Financial instruments

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

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

Effective interest method

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

Loans and receivables

Loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Fixed term interest free loan made to the subsidiary is recognised initially at fair value, estimated by discounting the future loan repayment using a rate based on the rate the borrower would pay to an unrelated lender for a loan with similar condition. The loan is reduced by the total discount at initial recognition and is subsequently measured at amortised cost using the effective interest

Impairment of financial assets

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

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial instruments (cont'd)

Impairment of financial assets (cont'd)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

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

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

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities and equity instruments issued by the Company.

Classification as debt or equity

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

Equity instruments

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial instruments (cont'd)

Compound instruments

The component parts of compound instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to stated capital. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the compound instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

Financial liabilities

Financial liabilities are classified as 'other financial liabilities'.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised costs using the effective interest method.

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

Derecognition of financial liabilities

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

Investment in subsidiary

Investments in subsidiary is stated at cost. Any impairment in the value of the investment is recognised by reducing the carrying amount of the investment to its recoverable amount and charging the difference to the statement of profit or loss and other comprehensive income.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial instruments (cont'd)

Investment in subsidiary (cont'd)

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.

The total discount or premium on fixed term interest free loan is treated as capital contribution and is included in the carrying amount of investment in the subsidiary. The discount on the loan is unwound over the period of the loan and is included in profit or loss as interest income or expense.

(e) Impairment

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any, and the carrying amount of the asset is reduced to its recoverable amount.

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. An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

(f) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The principal rate is:

Motor vehicle - 10% p.a.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

(h) Cash and cash equivalents

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

(i) 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 operating and financial decisions, or vice versa.

(j) Consolidated financial statements

The Company has taken advantage of paragraph 4(a) of International Financial Reporting Standard "IFRS 10 - Consolidated Financial Statements", which dispenses it from the need to present consolidated financial statements. The Company is a wholly owned subsidiary of Sesa Sterile Limited, which is itself a wholly owned subsidiary of Vedanta Resources Plc. The registered office of Vedanta Resources Plc which prepares consolidated financial statements, available for public use and comply with International Financial Reporting Standards is Hill House, 1 Little New Street, London EC4A 3TR.

5. INVESTMENTS IN SUBSIDIARIES

WESTERN CLUSTER LIMITED

	<u>31 March</u> <u>2014</u> USD	<u>31 March</u> <u>2013</u> USD
Balance at beginning of year	127,793,683	91,932,679
Addition during the year	-	33,500,000
Deemed capital contribution	2,753,603	2,191,055
Nonferral capital contribution	-	170,049
Balance at end of year	<u>130,547,286</u>	<u>127,793,683</u>

TWIN STAR ENERGY HOLDINGS LTD

	<u>31 March</u> <u>2014</u> USD	<u>31 March</u> <u>2013</u> USD
Balance at beginning of year	-	-
Addition during the year	1	-
Balance at end of year	<u>1</u>	<u>-</u>
	<u>130,547,287</u>	<u>127,793,683</u>

Details of the investments held at end of year is provided below:

Company	Principal Activity	Country of Incorporation	Type of Shares	No of Shares Held		% Holding		Cost	
				31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014 USD	31 March 2013 USD
Western Cluster Limited	Mining	Liberia	Ordinary shares	100	100	100%	100%	<u>123,500,000</u>	<u>123,500,000</u>
Twin Star Energy Holdings Ltd	Investment Holding	Mauritius	Ordinary shares	60,010	-	100%	-	<u>1</u>	<u>-</u>

The Company has adopted the policy of measuring its investments at cost. The directors are of the opinion that the investments are fairly stated at cost and have not suffered any impairment in value.

The investment in Western Cluster Limited comprises of cash investment of USD 123,500,000 and deemed capital contribution of USD 7,047,286. The deemed capital contribution relates to the discount on the additional loan of USD 29,210,000 made to Western Cluster Limited during the year ended 31 March 2014. The discount has been arrived at using a discount factor of 2% over a five year period.

Pursuant to a board meeting dated 19 August 2013, the Company has acquired 100% of the share capital of TWIN STAR ENERGY HOLDINGS LTD., a group company, consisting of 60,010 ordinary shares of USD 100 each during the period ended 31 March 2014, for a consideration of USD1.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2014

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

On February 2012, Vedanta Resources Plc (Vedanta) announced an all-share merger of Sesa Goa Limited and Sterlite Industries (India) Limited ("SIIL") to create Sesa Sterlite Limited and to effect the consolidation and simplification of Vedanta's corporate structure through two series of transactions (together the "Reorganisation Transactions" consisting of the "Amalgamation and Reorganisation Scheme" and the "Cairn India Consolidation")

Vedanta Resources Holding Limited "VRHL" (100% subsidiary of Vedanta Resources Plc) and Bloom Fountain Limited (100% of Subsidiary of Sesa Goa Limited) have entered into a sale and purchase agreement pursuant to which Vedanta's 38.7% ownership interest in Cairn India Limited, together with the debt of approximately \$ 5.9 billion (by way of stake sale of Twin Star Energy Holdings Ltd (TEHL)) incurred by Vedanta to acquire that interest in Cairn India Limited, has been transferred for nominal consideration of USD 1. Sesa Goa Limited's wholly owned subsidiary, Bloom Fountain Limited has acquired 38.68% stake in Cairn India Limited together with the associated debt, effective 26 August 2013, through the acquisition of 100 percent of the issued share capital of Twin Star Energy Holdings Ltd.

6 PLANT AND EQUIPMENT

	<u>Motor Vehicle</u> <u>USD</u>
<u>COST</u>	
At 1 April 2013	-
Additions	34,861
At 31 March 2014	<u>34,861</u>
<u>DEPRECIATION</u>	
At 1 April 2013	-
Charge for the period	6,624
At 31 March 2014	<u>6,624</u>
<u>NET BOOK VALUE</u>	
At 31 March 2014	<u>28,237</u>
At 31 March 2013	<u>-</u>

Plant and equipment consists of a motor vehicle which is depreciated on a straight line basis over 10 years, with a residual value of 5%.

7 LOAN RECEIVABLE

	<u>31 March</u> <u>2014</u> <u>USD</u>	<u>31 March</u> <u>2013</u> <u>USD</u>
Balance at beginning of year	59,962,043	25,677,421
Loan advanced to subsidiary	29,210,000	35,470,000
Notional interest expense	(2,753,603)	(2,191,055)
Amount unwound during the year	<u>1,704,854</u>	<u>1,005,677</u>
Balance at end of year	<u>88,123,294</u>	<u>59,962,043</u>

During the year ended 31 March 2014, the Company granted additional loan of USD 29,210,000 to Western Cluster Limited, such that the total amount of the loan at 31 March 2014 was USD 92,290,000 (31 March 2013: USD 63,080,000). The loan is interest free, unsecured and repayable after a period of 5 years, which may be reviewed by the Company. The interest free loan has been discounted using an approximate interest rate of 2%.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2014

8	OTHER RECEIVABLES	31 March 2014 USD	31 March 2013 USD
	Amount due from subsidiary	316,923	190,450
	Advance	-	34,861
	Prepayments	2,250	2,500
		319,173	227,811

The amount due from subsidiary, Western Cluster Limited, is interest free, unsecured and has no fixed terms of repayment.

The advance of USD 34,861 to Mr Atul Mittal (Company Secretary of Western Cluster Limited), in respect of services related to the Project Development Agreement (PDA), was interest free, unsecured and has been repaid during the year.

9	STATED CAPITAL	31 March 2014	31 March 2013
	<u>Issued and Fully Paid</u>		
	1,000,001 Ordinary shares of USD 1	1,000,001	1,000,001

The stated capital of the Company comprise of 1,000,001 ordinary shares of par value USD 1 held by Sesa Sterilite Limited (formerly Sesa Goa Limited). The ordinary shares carry voting rights and a right to dividend.

Pursuant to the scheme of amalgamation and arrangement among Vedanta group companies, the name of the shareholder has been changed to Sesa Sterilite Limited (formerly Sesa Goa Limited).

10	OPTIONALLY CONVERTIBLE REDEEMABLE PREFERENCE SHARES ("OCRPS")		
		Share Application Monies USD	Total USD
	At 1 April 2012	116,750,000	117,650,000
	Issue of shares	69,240,000	(900,000)
	At 31 March 2013	185,990,000	185,990,000
	Share application monies received	-	29,350,000
	Issue of shares	20,250,000	(20,250,000)
	At 31 March 2014	206,240,000	215,340,000

The Company has issued 1,859,900, 0.25% Optionally Convertible Redeemable Preference Shares (OCRPS) of USD 1 each with a premium of USD 99 each to Sesa Sterilite Limited (formerly Sesa Goa Limited). Each OCRPS can be converted at the option of the investor into a variable number of equity shares and can be redeemed at the option of the Company at any time.

The Company has further issued 202,500, Class A - 0.25% OCRPS of USD 100 each to Sesa Sterilite Limited (Formerly Sesa Goa Limited). Each OCRPS can be converted at the option of the investor into a variable number of equity shares based on the fair value as on the date of conversion such that the investor gets a yield on their investments on arms length basis as approved by the Board of Directors and can be redeemed at the option of the Company at face value of USD 100 plus a redemption premium payable such that the investor gets a yield on their investments on arms length basis as approved by the Board of Directors of the Company.

In accordance with paragraph 16 of IAS 32 Financial Instruments: Presentation, the Optionally Convertible Redeemable Preference Shares (OCRPS) have been classified as a liability.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2014

10 OPTIONALLY CONVERTIBLE REDEEMABLE PREFERENCE SHARES ("OCRPS") (CONT'D)

During the year under review, the Company and Sesa Sterlite Limited (the holding company and the holder of the OCRPS) have agreed that the OCRPS will not be redeemed nor converted into equity shares for the next twelve months.

Share application monies represent advance payments from the shareholder to subscribe for optionally convertible redeemable preference shares ("OCRPS").

11 OTHER PAYABLES

	31 March 2014 USD	31 March 2013 USD
Audit fees	10,350	3,450
Management consultancy fees	11,064	13,388
Accrued interest on optionally convertible redeemable preference shares	<u>26,654</u>	<u>7,569</u>
	<u><u>48,068</u></u>	<u><u>24,407</u></u>

12 INTEREST INCOME

	31 March 2014 USD	31 March 2013 USD
Notional interest income	<u>1,704,854</u>	<u>1,175,726</u>
	<u><u>1,704,854</u></u>	<u><u>1,175,726</u></u>

This relates to the notional interest income on the interest free loan made to the subsidiary, unwound during the year.

13 FINANCE COST

	31 March 2014 USD	31 March 2013 USD
Interest on optionally convertible redeemable preference shares	<u>19,085</u>	<u>7,569</u>
	<u><u>19,085</u></u>	<u><u>7,569</u></u>

14 PROFIT FOR THE YEAR

	31 March 2014 USD	31 March 2013 USD
This item is arrived at after charging:		
- Licence fee	235	300
- Audit fees	20,700	14,375
- Depreciation	6,624	-
- Professional fee	<u>130,223</u>	<u>149,169</u>

15 TAXATION

The Company is a "Category 2 Global Business Licence Company" and is not tax resident in Mauritius.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2014

16 NET CASH USED IN OPERATING ACTIVITIES

	31 March 2014 USD	31 March 2013 USD
Profit for the year	1,644,862	1,143,443
Interest income	(1,704,854)	(1,175,726)
Depreciation	6,624	-
<i>Changes in working capital:</i>		
Other receivables	(91,362)	(183,730)
Other payables	23,661	(27,487)
Cash used in operations	<u>(121,069)</u>	<u>(243,500)</u>

17 IMMEDIATE, INTERMEDIATE AND ULTIMATE HOLDING COMPANY

The Company's immediate holding company is Sesa Sterlite Limited (formerly Sesa Goa Limited), a company established in India. The intermediate holding company is Vedanta Resources Holdings Ltd, a company established in the United Kingdom and listed on the London Stock Exchange. The ultimate holding company is Volcan Investments Limited, a company established in the Bahamas.

Pursuant to the scheme of amalgamation and arrangement among Vedanta group companies, the name of the immediate holding company has been changed to Sesa Sterlite Limited (formerly Sesa Goa Limited).

18 FINANCIAL INSTRUMENTS

Fair values

The carrying amounts of cash and cash equivalents, other receivables and other payables approximate their fair values.

	2014 USD	2013 USD
Financial assets		
Other receivables	316,923	225,311
Cash and cash equivalents	24,712	40,643
	<u>341,635</u>	<u>265,954</u>
Financial liabilities		
Other payables	48,068	24,407
Share application monies	9,100,000	-
Optionally convertible redeemable preference shares	206,240,000	185,990,000
	<u>215,388,068</u>	<u>186,014,407</u>

Currency profile

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

	Financial assets 2014 USD	Financial liabilities 2014 USD	Financial assets 2013 USD	Financial liabilities 2013 USD
United States Dollars	<u>341,635</u>	<u>215,388,068</u>	<u>265,954</u>	<u>186,014,407</u>

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2014

19 FINANCIAL RISK MANAGEMENT

Strategy in using financial instruments

The Company's activities expose it to a variety of financial risks: Market risk (including currency risk and interest rate risk) and liquidity risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(a) Market risk

Market risk is the risk that changes in market prices, foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(b) 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. Any excess cash and cash equivalents of the Company are invested in short-term time deposits and liquid funds.

The Company is not exposed to significant interest rate risk, hence, no interest rate sensitivity analysis has been presented in the financial statements.

(c) Credit risk

The company is exposed to credit risk in relation to the unsecured, interest free loan advanced to the subsidiary. The company manages credit risk through tight control over the subsidiary's utilisation of the loan and regular impairment testing.

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

During the year under review, the Company and Sesa Sterlite Limited (the holding company and the holder of the OCRPS) have agreed that the OCRPS will not be redeemed nor converted into equity shares for the next twelve months.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. The table below illustrates the aged analysis of the Company's financial liabilities.

	<u>Less than 1 year USD</u>
<u>31 March 2014</u>	
<i>Liabilities</i>	
Share application monies	9,100,000
Optionally convertible redeemable preference shares	206,240,000
Other payables	48,068
	<u>215,388,068</u>
<u>31 March 2013</u>	
<i>Liabilities</i>	
Optionally convertible redeemable preference shares	185,990,000
Other payables	24,407
	<u>186,014,407</u>

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2014

19 FINANCIAL RISK MANAGEMENT (CONT'D)

(e) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company consists of stated capital and net debt.

(f) Significant accounting policies

Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets, financial liabilities and equity instrument are disclosed in note 4 to the financial statements.

20 RELATED PARTY TRANSACTIONS

During the period from 01 April 2013 to 31 March 2014, the Company traded with certain related parties. The nature and volume of transactions with the entities are as follows:

- Consultancy services provided to Western Cluster Limited, a subsidiary company, the transaction value was USD 126,473 (2013: USD 146,389).
- Professional services received from Sesa Sterlite Limited, holding company, the transaction value was USD 1,720 (2013: USD 1,814).
- The Company has given additional loan to Western Cluster Limited, a subsidiary company, of USD 29,210,000 (2013: USD 35,470,000). The loan is unsecured, repayable after 5 years and interest free.
- Loan receivable from Western Cluster Limited, a subsidiary company, of USD 92,290,000 (2013: USD 63,080,000).
- Other receivables include amount due from Western Cluster Limited, a subsidiary company, of USD 316,923 (2013: USD 190,450). The amount due is interest free, unsecured and has no fixed terms of repayment.

Compensation to key management personnel

No compensation to key management personnel was paid during the year.

21 EVENTS AFTER THE REPORTING PERIOD

There have been no material events after the reporting date which would require disclosure or adjustment to the financial statements for the year ended 31 March 2014.

BLOOM FOUNTAIN LIMITED
FOR THE YEAR ENDED 31 MARCH 2014

APPENDIX I

	<u>Note</u>	31 March <u>2014</u> USD	31 March <u>2013</u> USD
REVENUE			
Consultancy fees		126,473	146,369
INTEREST INCOME			
		1,704,854	1,175,726
ADMINISTRATIVE EXPENSES			
Licence fee		235	300
Registered agent and registered office fee		2,800	3,250
Professional fee		130,223	149,169
Depreciation		6,624	-
ROC Fees		65	-
Accounting fee		1,200	600
Audit fee		20,700	14,375
Bank charges		5,533	3,389
		(167,380)	(171,083)
FINANCE COST			
	13	(19,085)	(7,569)
PROFIT FOR THE YEAR			
		<u>1,644,862</u>	<u>1,143,443</u>