TAHL (Mauritius) Power Projects Limited

Annual Financial Statements

For the year ended

31 March 2015

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TAHL (Mauritius) Power Projects Limited
Directors' responsibility for financial reporting

The directors of the company are responsible for the preparation and fair presentation of the annual financial statements of TAHL (Mauritius) Power Projects Limited, comprising the statement of financial position at 31 March 2015, the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in the manner required by the Mauritius Companies Act of 2001 in so far as applicable to Category 1 Global Business Licence companies.

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs and of the statement of operations of the Company. In preparing those financial statements, the directors have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001, in so far as applicable to Category 1 Global Business Licence Companies. 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 auditors, Deloitte, have expressed their willingness to continue in office and a resolution for their re-appointment will be proposed at the next Annual Meeting.

The annual financial statements of TAHL (Mauritius) Power Projects Limited, as set out on pages 8 to 30, were approved by the board of directors on ....0..4..MAY..2015 and signed on its behalf by:

Director

Director

TAHL (Mauritius) Power Projects Limited
Directors' report
for the year ended 31 March 2015

The directors have pleasure in presenting their report for the year ended 31 March 2015.

Business activities

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

Review of operations

The annual financial statements set out on pages 8 to 30 adequately reflect the state of affairs and the results of the business operations of the company for the year ended 31 March 2015.

Stated Capital

There has been no increase in the stated capital during the year.

Dividends

No dividend has been proposed by the directors during the year and subsequent to the year end (2014: Nil).

Directors

The directors in office at the date of this report are:-

Directors		Date appointed	Date resigned
Sanjay Pandya	*	27 February 2012	-
Sunil Kapur	*	27 February 2012	-
Thami Mbele	**	14 January 2014	28 February 2015
Behram Sabawala	*	28 February 2015	-
Kevin Allagapen		27 February 2012	-
Nirushka Busguth		7 February 2013	-

** Indian*
*** South African*

Auditors

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

Holding company & ultimate holding company

The directors regard Tata Africa Holdings (SA) (Proprietary) Limited, a company incorporated in South Africa, as the holding company and Tata International Limited, a company incorporated in India, as the ultimate holding company.

TAHL (Mauritius) Power Projects Limited
Directors' report (continued)
for the year ended 31 March 2015

Going Concern

The directors of TAHL (Mauritius) Power Projects Limited have reviewed the going concern considerations of the company and have no reason to believe the business will not be a going concern in the year ahead.

The holding company confirmed that it would continue to provide financial support to the Company to enable it to meet its obligations as they fall due. The directors consider it appropriate to prepare the financial statements on this basis.

Subsequent events

There have been no material circumstances or events between the year end and the date of this report.

Registered address
10th Floor, Raffles Tower,
19 Cybercity
Ebene, Mauritius

By Order of the Board

DTOS LTD
CORPORATE SECRETARY

Date: 0 4 MAY 2015

TAHL (Mauritius) Power Projects Limited
Secretary's report to the members of TAHL (Mauritius) Power Projects Limited under Section 166(d) of the Mauritius Companies Act 2001

We certify that we have filed with the Registrar of Companies all such returns, as are required of the Company under Section 166(d) of the Mauritius Companies Act 2001, for the year ended 31 March 2015.

for DTOS LTD.
Corporate Secretary

Date: 04 MAY 2015

Deloitte.

7th floor, Raffles Tower
19 Cybercity
Ebène 72201
Mauritius

Independent auditor's report to the shareholder of TAHL (Mauritius) Power Projects Limited

This report is made solely to the company's shareholder, as a body, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to the shareholder in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Financial Statements

We have audited the financial statements of **TAHL (Mauritius) Power Projects Limited** set out on pages 8 to 30 which comprise the statement of financial position as at 31 March 2015 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 and in compliance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies. 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 judgment, 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 set out on pages 8 to 30 give a true and fair view of the financial position of **TAHL (Mauritius) Power Projects Limited** as at 31 March 2015, and of its financial performance and cash flows for the year 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 capacity as auditor;
- 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

Deloitte

Chartered Accountants

Pradeep Malik

Pradeep Malik, FCA

Licensed by FRC

0 4 MAY 2015

TAHL (Mauritius) Power Projects Limited
Statement of financial position
at 31 March 2015

	Notes	2015 USD	2014 USD
Assets			
Non-current assets			
Investment in joint venture	*6*	-	-
Total non-current assets		-	-
Current assets			
Other receivables	*8*	2 200	1 419
Amount due from holding company	*9*	39 257 003	-
Cash and cash equivalents		109 048	16 363
		39 368 251	17 782
Assets classified as held for sale	*7*	-	35 431 613
Total current assets		39 368 251	35 449 395
Total assets		39 368 251	35 449 395
Equity and liabilities			
Equity			
Stated capital	*10*	100 000	100 000
Profit and loss account		-	(2 146 348)
Shareholder's equity/(deficit)		100 000	(2 046 348)
Liabilities			
Non-current liabilities			
Amount due to holding company	*12*	-	558 666
Total non-current liabilities		-	558 666
Current liabilities			
Short-term liabilities	*11*	39 255 006	36 836 613
Amount due to holding company	*12*	-	50 000
Other payables	*13*	13 245	50 464
Total current liabilities		39 268 251	36 937 077
Total liabilities		39 268 251	37 495 743
Total equity and liabilities		39 368 251	35 449 395

Approved by the Board of Directors and authorised for issue on 04 MAY 2015

Bosquet ....)
)
) DIRECTORS
....)

The notes on pages 12 to 30 form an integral part of these financial statements.

TAHL (Mauritius) Power Projects Limited
Statement of profit or loss and other comprehensive income
for the year ended 31 March 2015

	Notes	2015 USD	2014 USD
Income			
Other Income	20	3 058 663	-
		3 058 663	-
Administrative expenses		(234 713)	(82 083)
Profit/(loss) from operations	14	2 823 950	(82 083)
Finance expense	15	(677 602)	(1 128 347)
Profit/(loss) before taxation		2 146 348	(1 210 430)
Income tax expense	16	-	-
Profit/(loss) for the year		2 146 348	(1 210 430)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		2 146 348	(1 210 430)

The notes on pages 12 to 30 form an integral part of these financial statements.

TAHL (Mauritius) Power Projects Limited
Statement of changes in equity
for the year ended 31 March 2015

	Stated capital USD	Profit and loss account USD	Total USD
Balance at 1 April 2013	100 000	(935 918)	(835 918)
Total comprehensive loss for the year	-	(1 210 430)	(1 210 430)
Balance at 31 March 2014	100 000	(2 146 348)	(2 046 348)
Total comprehensive income for the year	-	**2 146 348**	**2 146 348**
Balance at 31 March 2015	100 000	-	100 000

The notes on pages 12 to 30 form an integral part of these financial statements.

TAHL (Mauritius) Power Projects Limited
Statements of cash flows
for the year ended 31 March 2015

	Note	2015 USD	2014 USD
Cash flows from operating activities			
Cash utilised in operations	*19(a)*	**(272 713)**	(31 611)
Interest paid		**(677 602)**	(1 088 508)
Net cash outflow from operating activities		**(950 315)**	(1 120 119)
Cash flows from investing activities			
Investment in joint venture	*6, 7*	(678 864)	(10 926 613)
Net cash outflow from investing activities		(678 864)	(10 926 613)
Cash flows from financing activities			
Loan from holding company - net		**483 000**	615 000
Loan from fellow subsidiary - Tata Zambia Limited		-	645 000
Loan from fellow subsidiary - Tata International Singapore Pte. Ltd		**960 000**	-
Loan from related party		**26 438 864**	10 926 613
Loan repaid to fellow subsidiary - Tata Zambia Limited		**(1 200 000)**	(175 000)
Loan repaid to fellow subsidiary - Tata International Singapore Pte. Ltd		**(960 000)**	-
Loan repaid to bank		(24 000 000)	-
Net cash inflow from financing activities		1 721 864	12 011 613
Net increase/(decrease) in cash and cash equivalents		**92 685**	(35 119)
Cash and cash equivalents at beginning of year		**16 363**	51 482
Cash and cash equivalents at end of year	*19(b)*	**109 048**	16 363

The notes on pages 12 to 30 form an integral part of these financial statements.

1. Reporting entity

TAHL (Mauritius) Power Projects Limited is a private company with limited liability incorporated on 27 February 2012 in accordance with the Mauritius Companies Act 2001 and the Financial Services Act 2007. The Company is registered with the Financial Services Commission as a company holding a Global Business Licence Category 1 (GBL-C1). Its registered office and principal place of business are situated at DTOS Ltd, 10th Floor, Raffles Tower, 19 Cybercity, Ebène, Mauritius.

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

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (IFRS) and its interpretations as adopted by the International Accounting Standards Board (IASB) and the Mauritius Companies Act 2001.

(b) Basis of measurement

The financial statements are presented in USD, which is the company's functional currency. They are prepared on the historical cost basis.

3. Significant accounting policies

The accounting policies set out below have been applied consistently by the company to all periods presented in these financial statements.

(a) Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated at the foreign exchange rate ruling at that date. Gains and losses arising on translation are credited to or charged in the statement of profit or loss and other comprehensive income.

(b) Financial instruments

Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets or 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 the statement of profit or loss and other comprehensive income.

3. Significant accounting policies *(continued)*

(b) Financial instruments *(continued)*

Financial assets

Financial assets are classified as 'Loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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 receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at end of each reporting period. Financial assets are considered to be 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 affected.

For financial assets carried at amortised cost, the amount of the impairment loss recognised 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.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

3. Significant accounting policies *(continued)*

(b) Financial instruments *(continued)*

Impairment of financial assets *(continued)*

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the statement of profit or loss and other comprehensive income.

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 occuring 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.

De-recognition 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.

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

3. Significant accounting policies *(continued)*

(b) Financial instruments *(continued)*

Financial liabilities and equity instruments

Financial liabilities

Financial liabilities are classified as 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings and other payables are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

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

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 the statement of profit or loss and other comprehensive income.

(c) 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.

(d) Impairment of assets

At 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 to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The carrying amount of an asset or cash generating unit is reflected at the lower of cost and the recoverable amount. Impairment losses, or reversals thereof, are recognised as expenses or income. An impairment loss reversal, however, cannot result in a carrying amount exceeding original cost.

3. Significant accounting policies *(continued)*

(e) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. 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 or substantively enacted at the statement of financial position 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 asset 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.

(f) Provisions

A provision is recognised when and only when there is a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provision are reviewed at each reporting date and adjusted to reflect the current best estimate.

(g) Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial and operating decisions.

(h) Revenue recognition

Revenue comprises of the fair value of the consideration received or receivable during the ordinary course of business.

The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company.

Other income

Income received from holding company is being recognised on an accrual basis.

(i) Investment in joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about relevant activities require unanimous consent of the parties sharing control.

3. Significant accounting policies *(continued)*

(i) Investment in joint venture *(continued)*

Paragraph 24 of IFRS 11, Joint Arrangements, allows a venturer with a right to the net assets of the arrangement to be exempted from applying the equity method when it meets the following conditions:

(b) the exception in paragraph 4 of IFRS 10 *Consolidated Financial Statements* allowing a parent that also has an interest in a jointly controlled entity not to present consolidated financial statements is applicable; or

(c) all of the following apply:

(i) the venturer is a wholly-owned subsidiary, or is a partially-owned subsidiary of another entity and its owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the venturer not applying proportionate consolidation or the equity method;

(ii) the venturer's debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets);

(iii) the venturer did not file, nor is it in the process of filing, its financial statements with a securities commission or other regulatory organisation, for the purpose of issuing any class of instruments in a public market; and

(iv) the ultimate or any intermediate parent of the venturer produces consolidated financial statements available for public use that comply with International Financial Reporting Standards.

The company has met all the conditions available under Paragraph 24 of IFRS 11, Joint Arrangements, which allows the company to be exempt from preparing proportionate or equity method consolidation. The holding company, Tata Africa Holdings (SA) (Proprietary) Limited , of 39 Ferguson Road, Illovo 2196, Johannesburg, South Africa, prepares consolidated financial statements available for public use which comply with International Financial Reporting Standards.

(j) Assets classified as held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in the statement of profit or loss and other comprehensive loss.

4. 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 or after 1 April 2014.

4.1 Revised Standards applied with no material effect on the financial statements

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

IAS 32	Financial instruments: Presentation – Amendments to application guidance on offsetting of financial assets and financial liabilities
IAS 36	Impairment of Assets - Amendments arising from recoverable amount disclosures for non-financial assets
IAS 39	Financial Instruments: Recognition and Measurement – Amendments for novations of derivatives
IFRS 12	Disclosure of Interests in Other Entities – Amendments for Investment Entities

4.2 Revised IFRS affecting amounts reported and/or disclosures in the financial statements

Changes in accounting estimates and errors

IFRS 13 Fair Value Measurement

The Group and the Company have applied IFRS 13 in the current year. IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The scope of IFRS 13 is broad; the fair value measurement requirements of IFRS 13 apply to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of IFRS 2 Share-based Payment, leasing transactions that are within the scope of IAS 17 Leases, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under IFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, IFRS 13 includes extensive disclosure requirements.

4. Application of new and revised International Financial Reporting Standards (IFRS) *(continued)*

4.3 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 1	Presentation of Financial Statements – Amendments resulting from the disclosure initiative (effective for annual periods beginning on or after 1 January 2016)
IAS 24	Related Party Disclosures - Amendments resulting from Annual Improvements 2010-2012 Cycle (management entities) (effective 1 July 2014)
IAS 34	Interim Financial Reporting - Amendments resulting from September 2014 Annual Improvements to IFRSs (effective for annual periods beginning on or after 1 January 2016)
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 a portfolio 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 7	Financial Instruments: Disclosures – Amendments resulting from September 2014 Annual Improvements to IFRSs (effective 1 January 2016)
IFRS 9	Financial Instruments – Original Issue (Classification and Measurement of Financial Assets) (effective 1 January 2018)
IFRS 9	Financial Instruments - Reissue to include requirements for the classification and measurement of financial liabilities and incorporate existing derecognition requirements (effective 1 January 2018)
IFRS 9	Financial Instruments - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective 1 January 2018)
IFRS 9	Financial Instruments: 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 9	Financial Instruments – Finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition (effective for annual periods beginning on or after 1 January 2018)

4. Application of new and revised International Financial Reporting Standards (IFRS) *(continued)*

4.3 New and revised Standards in issue but not yet effective *(continued)*

IFRS 11 Joint Arrangements – Amendments regarding the accounting for acquisitions of an interest in a joint operation (effective for annual periods beginning on or after 1 January 2016)

IFRS 12 Disclosure of Interests in Other Entities – Amendments regarding the application of the consolidation exception (effective for annual periods beginning on or after 1 January 2016)

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)

IFRS 15 Revenue from contracts with customers - original issue (effective 1 January 2017)

The directors anticipate that these IFRSs will be applied on their effective dates in future periods. The directors have not yet had an opportunity to consider the potential impact of the adoption of these amendments.

5. Use of estimates and judgements

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

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that has 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.

6. Investment in joint venture

	2015 **USD**	2014 USD
Balance at beginning of year	-	24 505 000
Additions during the year	-	10 926 613
Transfer to assets classified as held-for-sale (note 7)	-	(35 431 613)
Balance at end of year	-	-

7. Assets classified as held-for-sale

	2015 USD	2014 USD
Balance at beginning of year	**35 431 613**	-
Transfer from investment in joint venture (Note 6)	-	35 431 613
Additions during the year	**2 473 393**	-
Disposal during the year	**(37 905 006)**	-
Balance at end of year	-	35 431 613

During the year, additions of USD 678 864 was financed by the Company in cash and the remaining USD 1 794 529 was financed by Tata Zambia Limited (note 18(b)). On 20 November 2014, the directors of the Company disposed the investment held in Itezhi Tezhi Power Corporation to Tata Africa Holdings (SA) (Pty) Limited at cost.

8. Other receivables

	2015 USD	2014 USD
Prepayments	**2 200**	1 419

9. Amount due from holding company

	2015 USD	2014 USD
At 31 March	**39 257 003**	-

The amount owing from holding company is unsecured, interest free and repayable on demand.

10. Stated capital

	2015 USD	2014 USD
Issued and fully paid		
At 31 March - 100 000 Ordinary shares of USD1 each	**100 000**	100 000

The Company has one class of ordinary share which carries no right to fixed income but has a right to share in any surplus assets or profits and has voting rights.

11. Short-term liabilities

	2015 USD	2014 USD
Loan from Tata Zambia Limited	**1 889 529**	1 295 000
Loan from ICICI Bank Limited	-	24 000 000
Loan from Tata Africa Holdings (SA) (Pty) Limited	-	615 000
Loan from Khopoli Investments Limited	**37 365 477**	10 926 613
	39 255 006	36 836 613

(i) The loan from Tata Zambia Limited is unsecured, interest free and will be payable on demand.

11. Short-term liabilities *(continued)*

(ii) Loan from ICICI Bank Limited

The loan from ICICI Bank Limited was fully repaid on 21 November 2014.

(iii) The loan from holding company was unsecured, interest free and was repayable on demand. During the year, the loan from holding company was net-off against the amount receivable from holding company.

(iv) Loan from Khopoli Investments Limited

The loan from Khopoli Investments Limited is unsecured, interest free and will be payable on demand.

12. Amount due to holding company

	2015 USD	2014 USD
Non-current	-	558 666
Current	-	50 000
At 31 March	-	608 666

The amount owing to holding company of USD 558 666 was unsecured, interest free and would not be repayable within next twelve months.

The amount owing to holding company of USD 50 000 was unsecured, interest free and repayable on demand.

13. Other payables

	2015 USD	2014 USD
Accruals	**13 245**	10 625
Interest payable	-	39 839
	13 245	50 464

Other payables have been stated at amortised cost.

14. Profit/(loss) from operations

	2015 USD	2014 USD
Profit/(loss) from operations is arrived at after taking into account:		
Expenses		
	232 864	79 570
Legal and professional fees	**15 550**	15 794
Bank charges	**3 690**	57 213
Other expenses	**206 983**	-
Auditors' remuneration	**6 641**	6 563

15. Finance expense

	2015 USD	2014 USD
Interest expense	677 602	1 128 347

The above represents interest paid on:

(i) Loan from ICICI Bank Limited, Bahrain Branch covering the period from 1 April 2014 to 21 November 2014.

(ii) Loan from Tata International Singapore Pte. Limited covering the period from 27 June 2014 to 30 June 2014.

16. Taxation

(a) Tax liability

The Company, being the holder of a Category 1 Global Business Licence, is subject to income tax in Mauritius at the rate of 15% (2014: 15%). However, the Company is entitled to a foreign tax credit equivalent to the higher of 80% (2014: 80%) of the Mauritian tax chargeable on its foreign source income and the actual foreign tax suffered. The Company has no tax liability due to accumulated tax losses of Nil (2014: U$ 2 143 848).

	2015 USD	2014 USD
Profit/(loss) before taxation	2 146 348	(1 210 430)
Tax at the rate of 15%	321 952	(181 565)
Tax effect of:		
- Non-deductible items	30 945	-
- Non-taxable income	(31 320)	-
- Utilisation of tax losses	(321 577)	-
- Deferred tax asset not recognised	-	181 565
Tax expense	-	-

(b) Deferred tax asset

Deferred tax asset is being recognised for tax losses carried forward only to the extent that realisation of the related tax benefit is probable.

17. Financial instruments

Capital risk management

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

The capital structure of the Company consists of equity, comprising of stated capital and reserves as disclosed in the statement of changes in equity.

17. Financial instruments *(continued)*

Significant accounting policies

Details of the 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 asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

Categories of financial instruments

Financial assets	2015 USD	2014 USD
Amount due from holding company	**39 257 003**	-
Cash and cash equivalents	**109 048**	16 363
	39 366 051	16 363

Financial liabilities	2015 USD	2014 USD
Other payables	**13 245**	50 464
Short-term liabilities	**39 255 006**	36 836 613
Amount due to holding company	-	608 666
	39 268 251	37 495 743

Financial risk management objectives

The directors monitor and manage the financial risks relating to the operations of the Company through internal reports which analyse exposures by degree and magnitude of risks. These risks include market risks, credit risks and liquidity risks. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework, including implementation and monitoring of these policies.

17. Financial instruments *(continued)*

Financial risk management objectives *(continued)*

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. The company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

The Company is not exposed to any credit risk as its financial asset consists of cash at bank, which is held with reputable banks and amount due from holding company.

(b) 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.

The Company's policy on liquidity risk management is to maintain sufficient cash and the availability of funding through credit lines from related parties, by continuously monitoring forecast and actual cash flows and matching the maturity profile for its financial liabilities.

Year ended 31 March 2015	Weighted average effective interest rate	Within one year USD	2-5 years USD	Total USD
Financial Liabilities				
Loan from related party	-	**37 365 477**	-	**37 365 477**
Loan from fellow subsidiary	-	**1 889 529**	-	**1 889 529**
Other payables	-	13 245	-	13 245
Total financial liabilities		39 268 251	-	39 268 251

17. Financial instruments *(continued)*

Financial risk management objectives *(continued)*

(b) Liquidity risk *(continued)*

Year ended 31 March 2014 Financial Liabilities	Weighted average effective interest rate	Within one year USD	2-5 years USD	Total USD
Loan from bank	4.53%	24 000 000	-	24 000 000
Loan from related party	-	10 926 613	-	10 926 613
Loan from fellow subsidiary	-	1 295 000	-	1 295 000
Loan from holding company	-	615 000	-	615 000
Amount due to holding company	-	50 000	558 666	608 666
Other payables	-	50 464	-	50 464
Total financial liabilities		36 937 077	558 666	37 495 743

The financial obligations of the Company consists of loan from related party, loan from fellow subsidiary and other payables in the year under review and loan from bank and holding company in the prior year.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates 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 on risk.

The Company's activities were exposed to the financial risks of changes in interest rates until the loan from the bank and a related company were repaid during the year.

(i) *Currency risk*

The risk that the fair value or future statement of cash flows of a financial instrument will fluctuate due to the changes in the foreign exchange rates.

The Company is not exposed to any foreign currency risk as it does not hold any financial assets and liabilitites which are denominated in foreign currencies.

(ii) *Interest rate risk*

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

17. Financial instruments *(continued)*

(d) Fair values *(continued)*

	2015		2014	
	Carrying value USD	**Fair Value USD**	Carrying value USD	Fair Value USD
Financial liabilities at amortised cost				
Other payables	**13 245**	**13 245**	50 464	50 464
Short-term liabilities	**39 255 006**	**39 255 006**	36 836 613	36 836 613
Amounts due to holding company	-	-	608 666	608 666
	39 268 251	**39 268 251**	37 495 743	37 495 743

Fair value of financial instruments

The carrying amounts of the Company's financial assets and financial liabilities approximate their fair values due to the short-term nature of the balances involved.

Financial Instruments that are measured subsequent to initial recognition at fair value are grouped into Level 1 to Level 3 on the degree to which fair value is observable:

- Level 1 – Fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities;
- Level 2 – Fair value measurement are those derived from inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the assets or liability that are not based on observable market data (unobservable inputs)

All the financial assets and financial liabilities including cash and cash equivalent, other payables, short term liabilities and amount due by/to holding company which will be realised or settled within a short period of time. The carrying amount of these assets and liabilities approximate their fair values. These assets and liabilities are classified under Level 3 of the Fair Value Hierarchy.

18. Related parties

(a) Identity of related parties

The directors regard Tata Africa Holdings (SA) (Proprietary) Limited, a company incorporated in South Africa, as the holding company and Tata International Limited, a company incorporated in India, as the ultimate holding company.

18. Related parties *(continued)*

(b) Related party balances

Name of entity	Relationship	Nature of transactions	2015 USD	2014 USD
Tata Africa Holdings (SA) (Proprietary) Limited	Holding company	Balance of amount payable at beginning of year	**(1 223 666)**	(558 666)
		Expenses paid on behalf of the Company	-	(50 000)
		Funds repaid	**300 000**	-
		Expenses recovered	**343 903**	-
		Interest recovered	**2 714 760**	-
		Disposal proceeds	**37 905 006**	-
		Funds advanced	**(783 000)**	(615 000)
		Balance of amount receivable/(payable) at end of year	**39 257 003**	(1 223 666)
Tata Zambia Limited	Fellow subsidiary	Balance of amount payable at beginning of year	**(1 295 000)**	(825 000)
		Funds advanced	**(1 794 529)**	(645 000)
		Funds repaid	**1 200 000**	175 000
		Balance of amount payable at end of year	**(1 889 529)**	(1 295 000)
Khopoli Investments Limited	Group company	Balance of amount payable at beginning of year	**(10 926 613)**	-
		Funds advanced	**(26 438 864)**	(10 926 613)
		Balance of amount payable at end of year	**(37 365 477)**	(10 926 613)
Tata International Singapore Pte. Limited	Fellow subsidiary	Funds advanced	**(960 000)**	-
		Funds repaid	**960 747**	-
		Interest for the year	**(747)**	-
		Balance of amount payable at end of year	-	-

(c) Transactions

	2015 USD	2014 USD
Interest on loan from Tata International Singapore Pte. Limited	**747**	-
Refund of expenses from holding company	**(3 058 663)**	-

Compensation to key management personnel

No compensation was paid to key management personnel during the years ended 31 March 2015 and 31 March 2014.

19. Notes to the statements of cash flows

	2015 USD	2014 USD
(a) Cash utilised in operations		
Profit/(loss) before income tax	**2 146 348**	(1 210 430)
Adjustments for –		
Interest expense	**677 602**	1 128 347
Amount payable to holding company not claimed back	**(3 058 663)**	-
Expenses paid by holding company	-	50 000
Operating loss before working capital changes	**(234 713)**	(32 083)
(Increase)/decrease in other receivables	**(781)**	97
(Decrease)/increase in other payables	**(37 219)**	375
	(272 713)	(31 611)

(b) Cash and cash equivalents

Cash and cash equivalents comprise of cash balances with banks. Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

	2015 USD	2014 USD
Cash and cash equivalents	**109 048**	16 363

20. Other income

Pursuant to the Sale of Share and Claims Agreement dated 20 November 2014, the Holding Company, Tata Africa Holdings (SA) Proprietory Limited shall reimburse all the expenses incurred by the Company from its inception to 31 March 2015.

TAHL (Mauritius) Power Projects Limited
Detailed statement of profit or loss and other comprehensive income
for the year ended 31 March 2015

	2015 USD	2014 USD
Revenue		
Other income		
	3 058 663	-
Other income	3 058 663	-
	3 058 663	-
Expenditure		
Auditors' remuneration	234 713	82 083
Disbursement	6 641	6 563
License fees	-	200
Legal and professional fees	1 594	2 178
Bank charges	15 550	15 794
Communication charges	3 690	57 213
Other expenses	255	135
	206 983	-
Profit/(loss) from operations	2 823 950	(82 083)
Finance expense	(677 602)	(1 128 347)
Profit/(loss) before taxation	2 146 348	(1 210 430)
Income tax expense	-	-
Profit/(loss) for the year	2 146 348	(1 210 430)
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	2 146 348	(1 210 430)