iEnergizer Limited and its subsidiaries

Unaudited Condensed Consolidated Interim Financial Statements
prepared in accordance with IFRS
Six months ended 30 September 2010

Contents

Unaudited Condensed Consolidated Statement Of Financial Position

(All amounts in United States Dollars, unless otherwise stated)

	Notes	As at 30 September 2010	Unaudited proforma As at 31 March 2010
ASSETS			
Non-current			
Goodwill		191,117	205,063
Other intangibles assets	20	310,030	633,015
Property, plant and equipment	22	759,007	807,016
Deferred tax asset		10,194	0
Other non-current assets		114,317	0
Total non-current assets		**1,384,665**	**1,645,094**
Current			
Trade and other Receivables		8,400,163	4,528,993
Recoverable from related party		1,500,149	2,028,420
Current tax asset		5,425	0
Other current assets		357,445	58,343
Cash and cash equivalents		4,416,408	504,425
Total current assets		**14,679,590**	**7,120,181**
Total assets		**16,064,255**	**8,765,275**
EQUITY AND LIABILITIES			
Shareholder's equity			
Share capital		2,208,149	2,099,346
Stock option reserve		63,986	0
Merger reserve	3	999,368	0
Currency translation reserve		89,845	0
Accumulated earnings		7,088,566	1,049,388
Total equity		**10,449,914**	**3,148,734**
Liabilities			
Non-current			
Employee benefit obligations		128,400	0
Total non-current liabilities		**128,400**	**0**
Current			
Trade and other payables		5,299,821	5,500,120
Other liabilities		45,356	91,843
Current tax liability		140,764	24,578
Total current liabilities		**5,485,941**	**5,616,541**
Total liabilities		**5,614,341**	**5,616,541**
Total equity and liabilities		**16,064,255**	**8,765,275**

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Unaudited Condensed Consolidated Income Statement

(All amounts in United States Dollars, unless otherwise stated)

		For the six months ended 30 September 2010
Revenue		
Rendering of services		22,820,025
Other operating income		9,007
		22,829,032
Cost and expenses		
Cost of revenue		14,534,371
Depreciation and amortisation		527,640
Other expenses		467,328
		15,529,339
Operating profit		**7,299,693**
Other income		4,410
Profit before tax		**7,304,103**
Tax expense		215,537
Profit after tax		**7,088,566**
Profit per share		
Basic	**23**	*0.08*
Diluted		*0.08*
Par value of each share (GBP)		*0.01*

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Unaudited Condensed Consolidated Statement Of Other Comprehensive Income

(All amounts in United States Dollars, unless otherwise stated)

	For the six months ended 30 September 2010
Profit for the period	**7,088,566**
Exchange differences on translating foreign operations	89,845
Total comprehensive income for the period	**7,178,411**

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Unaudited Condensed Consolidated Statement Of Changes In Equity

(All amounts in United States Dollars, unless otherwise stated)

	Share capital		Stock option reserve	Merger reserve	Currency translation reserve	Accumulated earnings	Total stockholders' equity
	Number	Amount					
Balance as at 01 April 2010	-	-	-	-	-	-	-
Issue of ordinary shares	150,010,000	2,208,149	-	-	-	-	**2,208,149**
Transaction with owners	150,010,000	2,208,149	-	-	-	-	**2,208,149**
Share based compensation	-	-	63,986	-	-	-	**63,986**
Merger reserve	-	-	-	999,368	-	-	**999,368**
Profit for the period	-	-	-	-	-	7,088,566	**7,088,566**
Exchange differences on translation of foreign operations	-	-	-	-	89,845	-	**89,845**
Balance as at 30 September 2010	**150,010,000**	**2,208,149**	**63,986**	**999,368**	**89,845**	**7,088,566**	**10,449,914**

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Unaudited Condensed Consolidated Statement Of Cash Flows

(All amounts in United States Dollars, unless otherwise stated)

	Six months ended 30 September 2010
(A) Cash flow from operating activities	
Profit before tax	**7,304,103**
Adjustments	
Depreciation and amortisation	527,640
Share based payments	63,986
Provision for employee benefit obligations	128,400
	8,024,129
Changes in operating assets and liabilities	
Accounts payable and other liabilities	2,691,348
Accounts receivable	38,810,598
Other assets	176,984
Cash generated from operations	**49,703,059**
Income taxes paid	(114,972)
Net cash used in operating activities	**49,588,087**
(B) Cash flow for investing activities	
Payments for purchase of property plant and equipment	(398,196)
Consideration towards business combination	(2,705,902)
Net cash used in investing activities	**(3,104,098)**
(C) Cash flow from financing activities	
Payment of dividend to equity holders	(87,000,000)
Proceeds from issue of shares	149
Net cash used in financing activities	**(86,999,851)**
Effect of exchange rate changes on cash	89,845
Net decrease in cash and cash equivalents	**(40,426,017)**
Cash and cash equivalents at the beginning of the period	44,842,425
Cash and cash equivalents at the end of the period	**4,416,408**
Cash and cash equivalents comprise	
Cash in hand	**5,570**
Balances with banks	**4,410,838**
	4,416,408

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Notes to Unaudited Condensed Consolidated Interim Financial Statements

(All amounts in United States Dollars, unless otherwise stated)

1. INTRODUCTION

iEnergizer Limited (the 'Company' or 'iEnergizer ') was incorporated in Guernsey on 12 May 2010 pursuant to the Act of Royal Court of the Island of Guernsey.

iEnergizer acquired all of the ordinary shares of iEnergizer Holdings Limited, Mauritius ("IHL") from EICR Limited, Cyprus on 15 June 2010. The Company was admitted to trading on the Alternative Investment Market ('AIM') of London Stock Exchange on 14 September 2010.

iEnergizer, through its wholly owned subsidiaries, iEnergizer Holdings Limited and iEnergizer IT Services Private Limited (together the 'Group') is engaged in the business of call centre operations and providing business process outsourcing ('BPO') and back office services to their international customers, who are based in the United States of America, India and other countries.

2. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS

The Unaudited Condensed Consolidated Interim Financial Statements of the Group for the six months ended 30 September 2010 have been prepared in accordance with *IAS 34 – Interim Financial Reporting*. These statements do not contain comparative information as the Company was not incorporated until after the comparative period. The Unaudited Condensed Consolidated Interim Financial Statements have been prepared on a going concern basis, and are prepared and presented in United States Dollar (US$) which is the Company's functional currency.

3. GROUP RESTRUCTURING

Prior to acquisition by the Company, iEnergizer Holdings Limited was the wholly owned subsidiary of EICR Limited, Cyprus. On 15 June 2010, the Company entered into a share exchange agreement with EICR Limited. As per the agreement, EICR Limited has transferred 2,099,346 shares of 1 USD each in iEnergizer Holdings Limited in exchange for the issue by the Company of 150,000,000 ordinary shares to EICR Limited. Consequent to this exchange, iEnergizer Holdings Limited became the wholly owned subsidiary of the Company, which in turn became the wholly owned subsidiary of EICR Limited. EICR Limited was diluted to 78.71 percent holding in the Company upon the placing and admission of all the Company's shares to AIM.

The subsidiaries which consolidate under iEnergizer group comprise the following entities:

Name of the entity	Holding company	Country of incorporation	Effective group shareholding (%) as of 30 Sep 2010
iEnergizer Holdings Limited ('IEH')	iEnergizer	Mauritius	100
iEnergizer IT Services Private Limited ('IITS')	IHL	India	100

In the absence of explicit guidance available under IFRS on accounting of acquisition of common control entities, the Group has chosen to account for this transaction using "Pooling of interest method". As per the pooling of interest method, these unaudited condensed consolidated interim financial statements have been prepared assuming that transfer of shares was completed on the first day of the period presented being 01 April 2010.

The difference between the nominal value of shares issued by the Company to EICR Limited and the aggregated net value of assets and liabilities of iEnergizer Holdings Limited as at 01 April 2010 is adjusted in equity under the heading 'merger reserve'. The adjustment taken to merger reserve has been computed as under:

Particulars	Amount US$
iEnergizer Holdings Limited	
Share capital	2,099,346
Retained earnings	1,108,022
Total	**3,207,368**
Shares issued by the Company to EICR	2,208,000
Difference adjusted through merger reserve	**999,368**

4. APPLICATION OF NEW STANDARDS

The following new standards, amendments to standards or interpretations are mandatory for the first time for the financial year beginning on 01 April 2010, but are not currently relevant to the Group or have not had a material impact on the Group:

• IFRIC 17, "Distributions of non-cash assets to owners"
• IFRIC 18, "Transfers of assets from customers"
• Amendment to IFRS 1, "First-time adoption of IFRSs" – amendments relating to oil and gas assets and determining whether an arrangement contains a lease

The following new standards, amendments to standards or interpretations have been issued, but are not effective for the financial year beginning 01 April 2010 and have not been early adopted:

• IFRS 9, "Financial instruments"
• IAS 24 (revised), "Related party disclosures"
• Amendment to IFRIC 14, "Prepayment of a minimum funding requirement"
• IFRIC 19, "Extinguishing financial liabilities with equity instruments"
• Amendment to IAS 32, "Classification of rights issues"
• Improvements to International Financial Reporting Standards 2010 were issued in May 2010. The effective dates vary standard by standard, but most are effective 1 January 2011

The Group is yet to assess full impact of these standards. The directors anticipates that future adoption of all the other standards, interpretations and amendments listed above will not have material impact on the Group's condensed consolidated interim financial statements

5. BASIS OF PREPARATION

This condensed consolidated interim financial statements for the six months ended 30 September 2010 as been prepared in accordance with IAS 34, Interim Financial Reporting.
The condensed consolidated interim financial statements have been prepared on a going concern basis and are presented in United States dollar (USD).

6. FOREIGN CURRENCY TRANSLATION

This consolidated financial information is presented in USD, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial information of each entity are measured using that functional currency.

a. Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

b. Group companies

The assets and liabilities of foreign operations are translated into USD at the rate of exchange prevailing at the reporting date and their consolidated statements of comprehensive income are translated at exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the consolidated income statement.

7. REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales taxes or duty. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

Rendering of services

Revenue from rendering services is recognized upon performance of the underlying services.

8. TAXES

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date, in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

9. EMPLOYEE BENEFITS

a. Gratuity

The Gratuity Plan is a defined benefit plan that, at retirement or termination of employment, provides eligible employees with a lump sum payment, which is a function of the last drawn salary and completed years of service. The liability recognised in the consolidated statement of financial position in respect of gratuity plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, if any, together with adjustments for unrecognised past–service costs. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method at the end of each reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using government bonds rate that have terms to maturity approximating to the terms of the related gratuity liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the consolidated income statement in the period in which they arise.

The defined benefit asset or liability comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds, as explained in note 3), less past service costs and actuarial gains and losses not yet recognised but are not deducted by the fair value of plan assets as the defined benefit plans are unfunded.

b. Compensated absences

The Group operates both accumulating and non–accumulating absences plan. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur. The Group records a liability for accumulating balance based on actuarial valuations done by independent actuaries using the projected unit credit method at the end of every reporting period.

c. Short term employee benefits

The Group recognizes a liability and an expense for bonuses. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Wages, salaries, paid annual leave and sick leave, bonuses, and any non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

d. Provident fund

Under Indian law, employees are entitled to receive benefits under the plan called Provident Fund, which is a defined contribution plan. Under this plan, both the employee and the employer make monthly contributions to a government recognized fund at a pre-determined rate of the employee's basic salary. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they accrue. These contributions are charged by the Group to the consolidated income statement in the period to which they relate. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

10. FINANCIAL INSTRUMENTS

a. Financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group's financial assets include cash and cash equivalents, trade and other receivables, security deposits, restricted and unrestricted deposits and loans given to related parties and all of these assets are classified as loans and receivables.

Subsequent measurement of loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method ('EIR'), less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the income statement of the period. The losses arising from impairment are recognised in the profit and loss of the period as finance costs.

De-recognition
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset.

In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets
The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost
For financial assets carried at amortised cost the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial assets original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the consolidated income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the consolidated income statement. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited in the consolidated income statement.

The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

b. Financial liabilities

Initial recognition and measurement
Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, other financial liabilities, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of other financial liabilities, plus directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, bank overdraft, borrowings and financial guarantee contracts. All these financial liabilities except for financial guarantee contracts are classified as other financial liabilities.

Subsequent measurement of other financial liabilities
After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the consolidated income statement when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance cost in the consolidated income statement.

De-recognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the consolidated income statement.

c. Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

d. Fair value of financial instruments
The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

11. PROPERTY, PLANT AND EQUIPMENT

Plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the consolidated income statement as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Asset	Life of assets
Computers	5 Years
Office equipments	5 Years
Furniture and fixtures	5 Years
Air conditioners and generators	10 Years
Vehicles	5 Years

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement when the asset is derecognised.

Leasehold improvements are depreciated on a straight-line basis over the lease period or the estimated useful lives of respective items of property, plant and equipment, whichever is lower.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

Advances paid for the acquisition of property, plant and equipment outstanding at the balance sheet date and the cost of property, plant and equipment not put to use before such date are disclosed as 'Capital work-in-progress'.

When assets are retired or otherwise disposed of, the cost of the asset and related accumulated depreciation are eliminated from the financial records. Any gain or loss on disposition is recognised in income statement.

12. LEASES

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Group as a lessee

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the consolidated income statement.

Leased assets are depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the consolidated income statement on a straight line basis over the lease term.

13. INTANGIBLE ASSETS – ACQUIRED SOFTWARE

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the consolidated income statement in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is derecognised.

Amortisation of acquired software is calculated on a straight-line basis over an estimated useful life of 5 years.

14. IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated income statement unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the consolidated statement of financial position and consolidated statement of cash flow comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

16. PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, 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. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

17. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these judgments, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

In the process of applying the Group's accounting policies, management has made the following judgments, estimates and assumptions which have the most significant effect on the amounts recognised in the consolidated financial information:

Taxes
Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group also considers the possible consequences of audits by the tax authorities of the respective countries in which it operates and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Group entities' domicile.

Deferred tax assets are recognised for all deductible temporary differences. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Pension benefits
The cost of defined employee benefit obligations and the present value of these obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate, future salary increases, mortality rates and attrition rates. Due to the complexity of the valuation, the underlying assumptions and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds denominated in the respective currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases are based on expected future inflation rates for the respective countries and expected future salary increases for the respective entities. Attrition rate is based on expected future attrition rate for the respective entities.

Fair valuation of non-current financial assets
Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable

markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

18. SHARE BASED PAYMENTS

On 27 August 2010, the Company entered into an option agreement with Arden Partners plc and Sara Latham. Under agreement with Arden Partners plc, they were granted the right to subscribe at the Placing Price for 159,654 Ordinary Shares (equivalent to 0.5 per cent. in number of the number of Placing Shares). Such right may be exercised at any time during the period starting on the date of Admission and ending on the third anniversary of Admission. Under agreement with Sara Latham, Ms. Latham was granted the right to subscribe at the placing price for 10,000 ordinary shares. Such right may be exercised between the first anniversary of admission and the fifth anniversary of admission, after which it will lapse to the extent it has not been exercised.

During the period to 30 September 2010, these share options have been accounted for in accordance with the principles set out under IFRS 2: Share based payments.

19. EQUITY, RESERVES AND DIVIDEND PAYMENTS

Share capital represents the nominal value of shares that have been issued. Additional paid-in-capital includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from the proceeds, net of any related income tax benefits.

Retained earnings include all current and prior period earnings.

20. INTANGIBLE ASSETS

The Intangible assets comprises of computer software, customer contracts.

Particulars	Customer contracts	Computer software
Balance at 01 April 2010	**-**	**-**
Acquired under business combination	490,308	168,042
Additions	-	20,861
Balance as at 30 September 2010	**490,308**	**188,903**
Amortisation	352,659	16,522
Net carrying value	**137,649**	**172,381**

Customer contracts acquired under business combination will be amortised as follows

Particulars	Customer contracts
Cost as at 30 September 2010	490,308
Cost to be amortised over a period of	
0 - 12 months	108,725
12 - 24 months	18,657
24 - 36 months	1,245

21. BUSINESS COMBINATION

On 01 May 2010, iEnergizer Holdings Limited, a wholly owned subsidiary of the Company acquired 100% of the share capital of iEnergizer IT Services Private Limited, a company which manages BPO operations in India for customers based in India for the purchase consideration of USD 2.60 million.

iEnergizer IT Services Private Limited was incorporated on 12 April 2010. iEnergizer IT Services Private Limited entered to business purchase agreement with iEnergizer India Private Limited to acquire all employees of the Company and their related liabilities, customer contracts, and assets including property, plant and equipment, accounts receivables and other receivables at fair value of these assets amounting to INR 120 million. The following assets were acquired in the business combination and no major line of business was disposed of as result of the combination.

Assets and liabilities acquired	Value of asset (USD)
Equipments	984,739
Accounts receivable	1,304,687
Other current and non current assets	230,675
Customer contracts	213,744
Employee provisions	(219,060)
Purchase consideration	**(2,705,902)**
Goodwill arising in business combination	**191,117**

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22. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprise of the following:

Particulars	Computer	Office Equipment	Furniture and fixtures	Air conditioner and generator	Vehicles	Leasehold improvement	Total
Cost							
Balance as at 01 April 2010	-	-	-	-	-	-	-
Assets acquired under business combination	247,654	3,600	164,153	103,571	38,009	258,916	**815,903**
Additions	100,922	-	-	641	-	-	**101,653**
Disposals/transfers	-	-	-	-	-	-	-
Balance as at 30 September 2010	**348,576**	**3,600**	**164,153**	**104,212**	**38,009**	**258,916**	**917,466**
Accumulated Depreciation							
Balance at 01 April 2010	-	-	-	-	-	-	-
Depreciation for the year	72,741	1,478	54,972	5,083	3,058	21,127	**158,459**
Balance as at 30 September 2010	**72,741**	**1,478**	**54,972**	**5,083**	**3,058**	**21,127**	**158,459**
Carrying values							
At 30 September 2010	**275,835**	**2,122**	**109,181**	**99,129**	**34,951**	**237,789**	**759,007**

23. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profits attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period.

Calculation of basic and diluted profit per share for period ended 30 September 2010 is as follows:

Basic earning per share

Particulars	30 September 2010
Profit attributable to shareholders of iEnergizer Limited	7,088,566
Weighted average numbers shares outstanding during the period for basic	88,532,350
Basic profit per share (US$)	0.08

Dilutive earning per share

Particulars	30 September 2010
Profit attributable to shareholders of iEnergizer Limited	7,088,566
Potential ordinary shares*	5,103
Weighted average numbers shares outstanding during the period for dilutive	88,532,350
Diluted profit per share (US$)	0.08

* Shares to be issued under share options granted

24. RELATED PARTY TRANSACTIONS

The related parties for each of the entities in the Group have been summarised in the table below:

Nature of the relationship	Related Party's Name
I. Ultimate controlling party	Mr. Anil Agarwal
II. Entities directly or indirectly through one or more intermediaries, control, are controlled by, or are under common control with, the reported enterprises	EICR Limited (Cyprus) *Parent for iEnergizer Limited*
III. Key Management Personnel and significant shareholders :	Mr. Anil Agarwal *(Ultimate Shareholder, EICR Limited (Cyprus))* Mr. John Behar, *(Director, iEnergizer Limited)* Ms. Sara Latham, *(Director, iEnergizer Limited)* Mr. Adarsh Kumar *(iEnergizer IT Services Private Limited)* Ms. Shilpa Agarwal *(Wife of Mr. Adarsh Kumar)*

Disclosure of transactions between the Group and related parties and the outstanding balances is as under:

Transactions with parent and subsidiary companies

Particulars	30 September 2010
Transactions during the period	
Share issued to EICR Limited, Cyprus for 100% shares of iEnergizer Holdings Limited, Mauritius	165,600,000
Reimbursement of share issue expenses by EICR Limited *(under cost agreement dated 15 June 2010)*	155,298
Interest free demand loan given to EICR Limited	1,500,149
Balances at the end of September 30, 2010	
Expenses recoverable	219,284
Demand loan	1,500,149

Above receivables and payables from related parties do not bear any interest and are repayable on demand. Hence, the management is of the view that fair values of such receivables and payable closely approximates their carrying values.

Transactions with Key Management Personnel and connected parties

Particulars	30 September 2010
Transactions during the period	
Remuneration paid	104,070
Balances at the end of 30 September 2010	
Total remuneration payable	44,792

25. SEGMENT REPORTING

For management purposes, the Group's activities are principally related to business process outsourcing which involve the performance of different processes for the customers. All the processes are primarily subject to the same risks and returns. All other activities performed by the Group are solely to support its primary revenue generation activities of business processes outsourcing. As such, the management monitors the consolidated operating results of the Group for making decisions about resource allocations and performance assessment and accordingly, the Group has only one business segment as its primary reporting segment. The Group primarily serves the customers in the United States of America apart from serving some of the customers in India.

Entity-wide disclosures:

Revenue from external customers

Particulars	India	Other than India	Total
Revenue*	3,285,528	19,534,497	22,820,025
Net result	306,968	6,800,995	7,107,963

Revenue from three of the customers amounted to more than 10 per cent of consolidated revenue during the presented periods:

Particulars	Customer 1	Customer 2	Customer 3
Revenue*	4,111,180	2,556,176	2,298,367

* The above revenue information is based on the location of the customer.