Admission Document
Placing and Admission to AIM

iEnergizer

Business Process Outsourcing

ARDEN PARTNERS

Nominated Adviser and Broker

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document and the action you should take, you are recommended immediately to seek your own independent advice from a person duly authorised under the Financial Services and Markets Act 2000 (or, if you are a person outside of the United Kingdom, otherwise duly qualified in your jurisdiction) who specialises in advising on the acquisition of shares and other securities.

iEnergizer Limited (the "Company") and the Directors of the Company, whose names appear on page 5 of this Document, accept responsibility both individually and collectively for the information contained in this Document including responsibility for compliance with the AIM Rules. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and contains no omission likely to affect its import. This Document is an Admission Document required by the rules of AIM ("AIM"), a market operated by London Stock Exchange plc (the "London Stock Exchange"), and has been drawn up in accordance with the AIM Rules. This Document does not contain an offer of transferable securities to the public in the United Kingdom within the meaning of section 102B of the UK Financial Services and Markets Act 2000 (as amended) and is not required to be issued as a prospectus pursuant to section 85 of the UK Financial Services and Markets Act 2000 (as amended).

Application will be made for the Admission of the entire issued share capital of the Company to trading on AIM. It is expected that dealings in the Ordinary Shares will commence on AIM on 14 September 2010. The Ordinary Shares are not dealt in on any other recognised investment exchange and it is emphasised that no application is being made for admission of the Ordinary Shares to the Official List of the United Kingdom Listing Authority. The rules of AIM are less demanding than those of the Official List of the United Kingdom Listing Authority.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on Admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. Neither the London Stock Exchange nor the UK Listing Authority have examined or approved the contents of this Document.

The whole of this Document should be read. You should be aware that an investment in the Company involves a high degree of risk.

Your attention is drawn in particular to the "Risk Factors" set out in Part III of this Document.

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iEnergizer Limited

(Incorporated and registered in Guernsey under the Companies (Guernsey) Law 2008, as amended, with registration number 51870)

Placing of 31,930,706 Existing Ordinary Shares at 116p per Existing Ordinary Share

and

Admission to trading on AIM

Nominated Adviser & Broker

Arden Partners plc

Arden Partners plc ("Arden Partners"), which is authorised and regulated in the United Kingdom by the FSA, is acting as the Company's nominated adviser and broker in connection with the Placing and Admission. Arden Partners' responsibilities as the Company's nominated adviser and broker under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any person in respect of his decision to acquire shares in the Company in reliance on any part of this Document. No representation or warranty, express or implied, is made by Arden Partners as to any of the contents of this Document (without limiting the statutory rights of any person to whom this Document is issued). Arden Partners will not be offering advice and will not otherwise be responsible to anyone other than the Company for providing customer protections to recipients of this Document in respect of the Placing or any acquisition of Ordinary Shares in the Company. In particular (i) the provision of this Document to any person is not a personal recommendation of any investment to which this Document relates; and (ii) Arden Partners is not required to assess the suitability of any investment to which this Document relates or any transaction or arrangement referred to in this Document and no such person will benefit from the protection of the rules assessing suitability in relation thereto.

Other than in accordance with the Company's obligations under the AIM Rules or otherwise required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company, its directors or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere is this Document. The information on the Company's website does not form a part of this Document.

IMPORTANT INFORMATION

The information below is for general guidance only and it is the responsibility of any person or persons in possession of this Admission Document and wishing to make an application for Ordinary Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. No person has been authorised by the Company to issue any advertisement or to give any information or to make any representation in connection with the contents of this Document and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company. This Document does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, this Document does not constitute an offer to sell or the solicitation of an offer to buy any of the Ordinary Shares in the United States of America, Canada, Australia, South Africa, the Republic of Ireland, Singapore or Japan (collectively, the "Prohibited Territories") and this Document should not be forwarded or transmitted to or into the Prohibited Territories or to any resident, national, citizen or corporation, partnership or other entity created or organised under the laws thereof or in any other country outside the United Kingdom where such distribution may lead to a breach of any legal or regulatory requirement. The distribution of this Document may be restricted and accordingly persons into whose possession this Document comes are required to inform themselves about and to observe such restrictions.

Prospective investors should inform themselves as to: (a) the legal requirements of their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

FOR THE ATTENTION OF UNITED KINGDOM RESIDENTS

Arden Partners has not approved this Document for the purposes of the Financial Services and Markets Act 2000 as amended ("FSMA"). This Document is confidential and only for distribution in the United Kingdom (i) at any time, to persons reasonably believed by the Company to be investment professionals within the meaning of Paragraph (5) of Article 19 or to high net worth companies or unincorporated associations within the meaning of Paragraph (2) of Article 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (SI 2005/1529), as amended, and (ii) prior to Admission, to persons who are qualified investors within the meaning of Section 86(7) of FSMA. Outside the United Kingdom (and subject as provided below), this Document is only being sent to persons reasonably believed by the Company to be investment professionals or to persons to whom it may otherwise be lawful to distribute it. This Document is being supplied to you solely for your information and may not be reproduced, further distributed or published in whole or in part by any other person. As the Placing Shares will be offered to fewer than 100 persons (other than qualified investors within the meaning of Section 86(7) of FSMA) per member state of the European Economic Area, the Placing will be an exempt offer of securities to the public for the purposes of Section 86 of FSMA. Accordingly, this Document is not a prospectus and does not require the approval of the FSA or any other relevant authority in any other member state of the European Economic Area.

FOR THE ATTENTION OF EUROPEAN ECONOMIC AREA RESIDENTS

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each, a relevant member state) with effect from and including the date on which the Prospectus Directive is implemented in that relevant member state (the "relevant implementation date"), an offer of the Placing Shares described in this Document may not be made to the public in that relevant member state prior to the publication of a prospectus in relation to the Placing Shares approved by the competent authority in that relevant member state or, where appropriate, approved in another relevant member state and notified to the competent authority in that relevant member state, all in accordance with the Prospectus Directive, except that, with effect from and including the relevant implementation date, an offer of securities may be offered to the public in that relevant member state at any time to any legal entity that is authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities; or to any legal entity that has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43 million and (3) an annual net turnover of more than €50 million, as shown in its last annual or consolidated accounts; or in any other circumstances that do not require the publication of a prospectus pursuant to Article 3 of the Prospective Directive.

Each purchaser of the Placing Shares described in this Document located within a relevant member state will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of Article 2(1)(e) of the Prospectus Directive.

For purposes of this provision, the expression an "offer to the public" in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the Placing and the Placing Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Placing Shares, as the expression may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each relevant member state. No purchaser of the Placing Shares other than Arden Partners is authorised to make any further offer of the Placing Shares on behalf of any other person.

FORWARD-LOOKING STATEMENTS

This Document contains forward-looking statements. These relate to the Company's future prospects, developments and strategies. Forward-looking statements are identified by their use of terms and phrases such as "believe", "could", "envisage", "estimate", "intend", "may", "plan", "seek", "target", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These statements are primarily contained in Parts I, II, III and VI of this Document. The forward-looking statements in this Document are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements.

CONTENTS

DIRECTORS, SECRETARY AND ADVISERS

Directors	Anil Aggarwal, *Executive Director, CEO* Sara Latham, *Non-Executive Chairman* John Behar, *Non-Executive Director* all of the registered office of the Company
Company Secretary	Jupiter Administration Limited PO Box 344 Longue Hougue House Longue Hougue Lane St Sampson Guernsey GY2 4JN
Registered Office	PO Box 344 Longue Hougue House Longue Hougue Lane St Sampson Guernsey GY2 4JN
Nominated adviser and broker	Arden Partners plc 125 Old Broad Street London EC2N 1AR
Legal advisers to the Company as to English law	Stephenson Harwood One, St Pauls Churchyard London EC4M 8SH
Legal advisers to the Company as to Guernsey law	Carey Olsen Carey House Les Banques St Peter Port Guernsey GY1 4BZ
Legal advisers to the Company as to Indian law	Tatva Legal 1101-1104, 11th Floor Tower D Global Business Park Mehrauli Gurgaon Road Gurgaon-122002 India
Legal advisers to the Placing	Lawrence Graham LLP 4 More London Riverside London SE1 2AU
Reporting accountants	Ernst & Young 6th Floor HT House 18-20 Kasturba Gandhi Marg New Delhi 110001, India

Financial PR	FD Holborn Gate 26 Southampton Buildings London WC2A 1PB
Registrar	Capita Registrars (Guernsey) Limited Longue Hougue House Longue Hougue Lane St Sampson Guernsey GY2 4JN

PLACING STATISTICS

Placing Price	116p
Number of Placing Shares being sold pursuant to the Placing	31,930,706
Number of Ordinary Shares in issue upon Admission	150,010,000
Placing Shares as a percentage of the Issued Share Capital	21.29%
Expected market capitalisation upon Admission based on the Placing Price	approximately £174 million

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Admission and commencement of dealings in Ordinary Shares on AIM	8.00 a.m. on 14 September 2010
Delivery of Ordinary Shares into CREST accounts	14 September 2010
Dispatch of definitive share certificates (where applicable)	28 September 2010

Notes:

1 Each of the times and dates above is subject to change. Any such change will be notified by an announcement on a Regulatory Information Service.

2 References to times in this Document are to London times (unless otherwise stated).

DEFINITIONS

The following definitions apply throughout this Document, unless the context otherwise requires:

"$"** or **"US$" or **"USD"**	the lawful currency of the United States
"€" or **"Euro"**	the lawful currency for the time being of the member states of the European Union that adopt the European single currency
"Admission"	the admission of the Ordinary Shares to trading on AIM and such admission becoming effective in accordance with the AIM Rules
"Admission Document" or **"Document"**	this document, drawn up in accordance with the AIM Rules
"AIM"	the market of that name operated by the London Stock Exchange
"AIM Rules"	the AIM Rules for Companies governing admission to and the operation of AIM, as amended from time to time
"Arden Partners"	Arden Partners plc
"Articles"	the articles of incorporation of the Company
"Board"	the board of directors of the Company
"Business Transfer Agreement" or **"BTA"**	the business transfer agreement entered into on 23 August 2010 between iEnergizer IT and iEnergizer India pursuant to which, with effect from 1 May 2010, the business of iEnergizer India was transferred to iEnergizer IT, further details of which are set out in paragraph 10.7 of Part VI of this Document
"certificated" or **"in certificated form"**	the description of a share or security which is in certificated form (that is, not in CREST)
"Code"	the City Code on Takeovers and Mergers, as amended from time to time
"Company" or **"iEnergizer"**	iEnergizer Limited, a company registered in Guernsey with company registered number 51870
"Company Law"	the Companies (Guernsey) Law, 2008 as amended and all subordinate legislation made thereunder and every modification or re-enactment thereof for the time being in force
"Costs Agreement"	the costs agreement entered into on 15 June 2010 between the Company and EICR pursuant to which EICR agreed to pay certain of the Company's costs in relation to the Placing and Admission, further details of which are set out in paragraph 10.5 of Part VI of this Document
"CREST"	the relevant system (as defined in the CREST Regulations) for the paperless settlement of share transfers and the holding of shares in uncertificated form
"CREST Guernsey Requirements"	Rule 8 and such other of the rules and requirements of Euroclear as may be applicable to issuers registered in Guernsey as from time to time specified in the CREST Manual
"CREST Manual"	the document entitled "CREST Reference Manual" issued by Euroclear

"CREST Regulations"	the Uncertificated Securities Regulations 2001 of the United Kingdom (as amended) including any modification or re-enactment thereof for the time being in force
"CustomerLinx"	CustomerLinx Inc, a company incorporated in Delaware
"CustomerLinx Master Services Agreement" or **"CustomerLinx MSA"**	the master services agreement entered into on 30 June 2008 between iEnergizer Holdings and CustomerLinx, further details of which are set out in paragraph 10.9 of Part VI of this Document
"Cyprus"	the Republic of Cyprus
"Deccan"	Deccan iServices Pvt. Limited, a company registered in India
"Directors"	the current directors of the Company, whose names appear on page 5 of this Document
"Director's Option Agreement"	the option agreement entered into on 27 August 2010 between the Company and Sara Latham, further details of which are set out in paragraph 10.11 of Part VI of this Document
"DTR"	the disclosure and transparency rules made by the UKLA in accordance with section 73(A)(3) of FSMA
"EICR"	EICR (Cyprus) Limited, a company registered in Cyprus
"Euroclear"	Euroclear UK & Ireland Limited, the operator of CREST
"Existing Ordinary Shares" or **"Issued Share Capital"**	the 150,010,000 Ordinary Shares of the Company
"Financial Services Authority" or **"FSA"**	the UK Financial Services Authority
"FSMA"	the Financial Services and Markets Act 2000 of the United Kingdom, as amended
"Granada"	Granada Services Pvt. Limited, a company registered in India
"Granada Group"	collectively, Granada, Deccan, iServices and iEnergizer India
"Granada Master Services Agreement" or **"Granada MSA"**	the master services agreement entered into on 23 August 2010 between iEnergizer Holdings and Granada (for itself and on behalf of each member of the Granada Group), further details of which are set out in paragraph 3.4 of Part I and paragraph 10.8 of Part VI of this Document
"Group"	the Company and its subsidiaries, being iEnergizer Holdings and iEnergizer IT
"Group's Business"	the business carried on by the Group following completion of the Reorganisation comprising, *inter alia*, the existing business of iEnergizer Holdings and the business transferred to iEnergizer IT pursuant to the BTA
"IFRS"	International Financial Reporting Standards
"India"	the Republic of India
"iEnergizer Holdings"	iEnergizer Holdings Ltd., a company registered in Mauritius and a subsidiary of the Company

"iEnergizer India"	iEnergizer India Pvt. Ltd., a company registered in India
"iEnergizer IT"	iEnergizer IT Services Pvt Limited, a company registered in India and a subsidiary of iEnergizer Holdings
"iServices"	iServices India Pvt. Limited, a company registered in India
"London Stock Exchange"	London Stock Exchange plc
"Master Services Agreements"	the Granada MSA and the CustomerLinx MSA
"Mauritius"	the Republic of Mauritius
"Members" or **"Shareholders"**	holders of Ordinary Shares from time to time
"Model Code"	the Model Code in the UK Listing Rules
"Option Agreement"	the option agreement dated 27 August 2010 in respect of Ordinary Shares between (1) the Company and (2) Arden Partners, further details of which are set out in paragraph 10.3 of Part VI of this Document
"Ordinary Shares"	the ordinary shares of £0.01 each in the capital of the Company
"Original Business"	the combined business of iEnergizer Holdings and the Granada Group as carried on prior to the Reorganisation
"Panel"	the UK Panel on Takeovers and Mergers
"Placing"	the conditional placing by Arden Partners of the Existing Ordinary Shares with institutional and other investors at the Placing Price pursuant to the Placing Agreement
"Placing Agreement"	the conditional agreement dated 27 August 2010 between (1) Arden Partners, (2) the Company, (3) the Directors and (4) EICR, further details of which are set out in paragraph 10.1 of Part VI of this Document
"Placing Price"	116p per Placing Share
"Placing Shares"	the 31,930,706 Existing Ordinary Shares to be sold on behalf of EICR pursuant to the Placing
"Prospectus Rules"	the prospectus rules published by the FSA under Part VI of the Financial Services and Markets Act 2000
"QCA Guidelines"	the Corporate Guidelines for AIM companies as published and updated from time to time by the Quoted Companies Alliance
"Relationship Agreement"	the relationship agreement dated 27 August 2010 regulating certain matters relating to EICR's holding of Ordinary Shares between (1) the Company, (2) Arden Partners, (3) EICR, (4) Mr. Anil Aggarwal and (5) Geophysical Sub-strata Limited, further details of which are set out in paragraph 10.4 of Part VI of this Document
"Reorganisation"	the corporate reorganisation of the Original Business, as described in more detail in paragraph 3.3 of Part I of this Document
"Rupees", "Rs." or **"INR"**	the lawful currency of India

"Share Exchange Agreement"	the share exchange agreement dated 15 June 2010 between the Company and EICR, further details of which are set out in paragraph 10.6 of Part VI of this Document
"Sterling" or **"£"**	the lawful currency of the UK
"subsidiary" and **"subsidiary undertaking"**	have the meanings respectively ascribed to them by the UK Act
"Technical Services Agreement" or **"TSA"**	the technical services agreement entered into on 23 August 2010 between iEnergizer IT and Granada (for itself and on behalf of each member of the Granada Group) pursuant to which, with effect from 1 May 2010, the services of 34 senior employees of the Group have been provided to the Granada Group, further details of which are set out in paragraph 10.10 of Part VI of this Document
"UK" or **"United Kingdom"**	the United Kingdom of Great Britain and Northern Ireland
"UK Act"	the UK Companies Act 2006 (as amended)
"UKLA"	the United Kingdom Listing Authority
"uncertificated" or **"in uncertificated form"**	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
"US", "USA" or **"United States"**	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction

GLOSSARY OF TERMS

Unless the context otherwise requires or unless otherwise provided, the following technical terms and abbreviations have the following meanings in this Document:

aggregator	a term used by the Group to describe a company with which the Group works jointly to provide services to end users, where the main client relationship is held by that other company
ATM	automated teller machine
BFSI	banking, financial services and insurance
BPO	business process outsourcing
IP	internet protocol
ISO	the International Organisation for Standardisation
IT	information technology
KPI	key performance indicator
MMORPG	massive multi-media online role playing games
SLA	service level agreements

PART I

INFORMATION ON THE GROUP

1. INTRODUCTION

iEnergizer is the holding company for a group of companies which provide third-party integrated business process outsourcing solutions to clients throughout the world in three primary sectors: BFSI, entertainment and telecommunications. The Group's customers are predominantly based in India, the US and Australia and are serviced from six locations in India and one in the US.

The Group's end customers include blue chip corporations, such as investment and commercial banks, leading diversified financial services companies, healthcare insurance companies, mortgage houses, utilities and on-line games and entertainment companies. The Group prides itself on the quality of its work and has developed deep relationships with its customers, often providing business critical services. The Group's ethos is to provide high quality services at an attractive price.

The Group consists of the Company, iEnergizer Holdings and iEnergizer IT. The Group's international customers are customers of iEnergizer Holdings and the Group's domestic Indian customers are customers of iEnergizer IT. The Group operates two independent business models. Under the first model, which is operated by iEnergizer Holdings, the Group subcontracts operations and service provision to another entity under long term master services agreements. iEnergizer Holdings currently subcontracts these services to the Granada Group under the Granada Master Services Agreement and to CustomerLinx under the CustomerLinx Master Services Agreement which are described in more detail at paragraph 3 of this Part I. Certain members of the Group's senior management provide services to the Granada Group under the terms of the Technical Services Agreement which helps the Group to monitor quality and ensure that KPIs and customer contract terms are fulfilled. Under the second model, which is operated by iEnergizer IT, the Group delivers all services to clients directly from its offices in Noida, India. As at 1 May 2010, iEnergizer IT had 1,367 employees.

The Group offers a range of services to its customers, including inbound customer support, outbound customer acquisition, email, chat support, back office processing, transaction processing, fulfilment activities and application processing. These services are often complex and undertaken on a large scale.

In addition to sourcing its own clients directly, the Group works closely with a number of companies in the US known as aggregators, through whom the Group provides services to multiple end-users. The aggregators handle client relationships and account servicing while service delivery is shared between the aggregator and the Group.

Revenues of the Original Business in the year to 31 March 2010 were US$34 million. By comparison, the revenues of the Original Business in 2003 were US$4.6 million, giving a compounded annual growth rate for that period of 33 per cent.

2. HISTORY OF IENERGIZER OPERATIONS (BEFORE THE REORGANISATION)

The Original Business was started in 2000 by a group of young, dynamic professionals in India. The early focus of the Original Business was to provide predominantly web-based rather than voice services to its customers, and the first client win came in December 2000 when the Original Business began to deliver services to two major US IT companies.

Shortly afterwards, in January 2001, the Original Business started to provide services to one of the biggest games companies in the USA, which remains a client of the Group today. At the outset ten team members in one location worked on this account. The account is now serviced by more than 350 team members spread over two locations.

Over the next few years, the Original Business expanded by winning accounts with further games companies to support their massive multi-media online role playing games.

Meanwhile, the Original Business entered the debt collection market in 2003 for the financial services arm of a computer hardware manufacturer, handling its early stage debt collection. Since 2003, the Original Business has developed expertise in both first and third party debt and can now handles both early and late stage collection.

In 2003, the Original Business also started providing transaction processing services through SourceCorp, a service aggregator, which has contracts with some of the leading brands in the BFSI markets. In June 2003 it won a contract handling specialised market intelligence, adding to its expertise.

In 2005 the Original Business continued to broaden the range of sectors within which it operates by winning a contract with a travel company.

In 2006, the Original Business won another contract with a games company, its first contract with a telecommunications client.

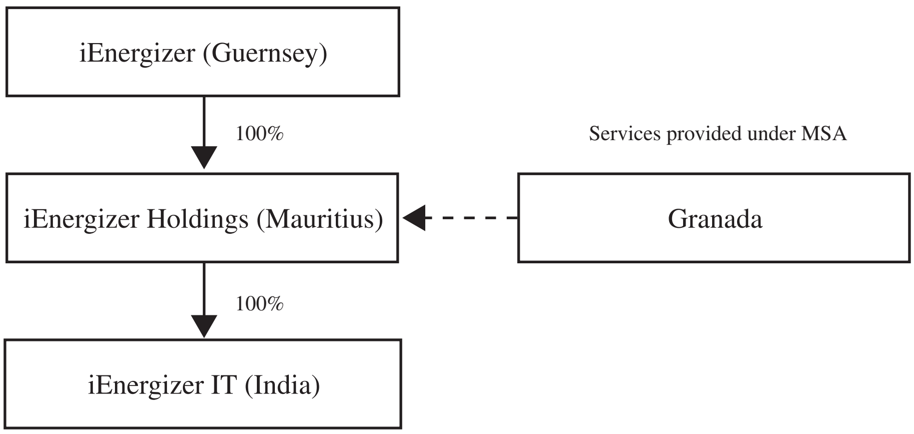
In 2007, the Original Business won the contract to provide back office and voice support services for a financial services joint venture based in South Asia and South East Asia.

The Group has specialists with multi-lingual capabilities providing support in English, Hindi, Bengali, Cantonese, Mandarin and Singhalese.

3. GROUP STRUCTURE

The Group consists of iEnergizer, iEnergizer Holdings and iEnergizer IT. iEnergizer was recently incorporated in Guernsey and is the holding company for iEnergizer Holdings, which in turn is the holding company for iEnergizer IT. Until the Placing and Admission becomes effective, iEnergizer is and will be 100 per cent. beneficially owned by Mr. Anil Aggarwal.

The following diagram depicts the Group structure as at Admission:



3.1 *iEnergizer IT*

All of the Group's domestic Indian customers have contracts with iEnergizer IT. iEnergizer IT was recently incorporated and, pursuant to the Reorganisation, acquired the existing business of iEnergizer India, a subsidiary of Granada, together with certain members of middle and senior management from the Granada Group. iEnergizer IT provides BPO services directly to its clients from its offices located in Noida, India, where it had over 1,367 employees as at 1 May 2010

In addition to providing BPO services, iEnergizer IT also provides training, consultancy and supervision to the Granada Group under the TSA in order to support international client SLAs and to ensure that iEnergizer Holdings is able to fulfil all of its customer obligations. iEnergizer IT receives fees from the Granada Group for these services.

In the event that the Granada Group were unable to provide services to the Group's international clients in any material respect, the Group structure is such that, subject to obtaining the requisite licences and customer consent where necessary, the Group could step in and provide services to any international client of the Group through its own facilities.

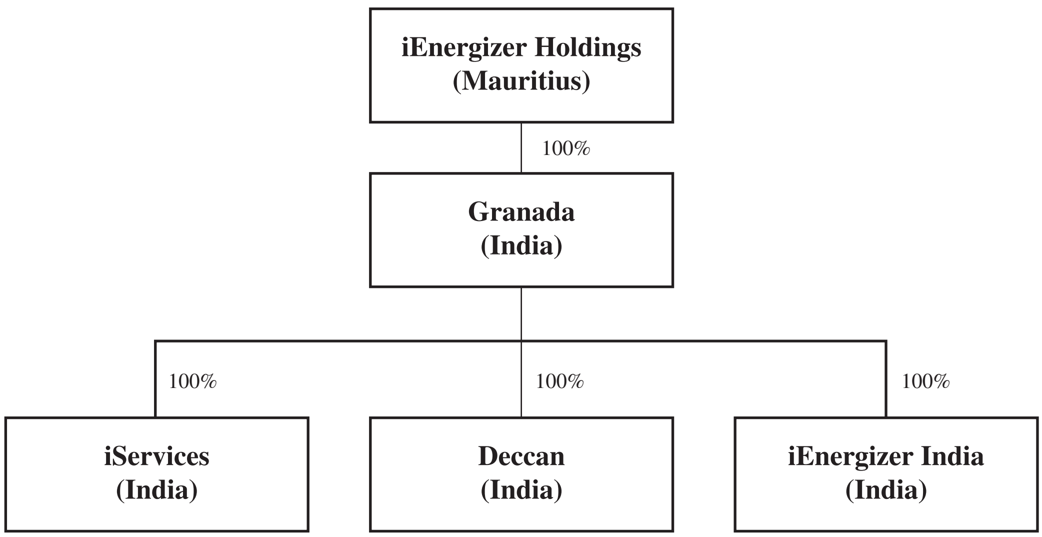
3.2 ***iEnergizer Holdings***

All of the Group's foreign clients have contracts with iEnergizer Holdings. iEnergizer Holdings subcontracts its obligations under these contracts to the Granada Group (in India) and CustomerLinx (in the US) under the terms of the respective Master Services Agreements. The Granada Group and CustomerLinx supply personnel, office facilities and other infrastructure to the Group at the respective locations in order to fulfil the Group's contractual obligations. iEnergizer Holdings retains responsibility for customer relations (including business development), process mapping and migration, training, documentation, technology, disaster recovery, quality, and supervision to ensure fulfilment of customer contract SLAs while it outsources staffing and infrastructure functions under the Master Services Agreements.

iEnergizer Holdings may in future diversify its business and suppliers by subcontracting to other outsourcing companies worldwide other than the Granada Group or CustomerLinx. Depending on client requirements, and subject to obtaining the requisite licences, BPO services may also be provided to international customers directly by the Group.

3.3 ***Reorganisation***

Prior to the Reorganisation, which took effect as from the end of March 2010, iEnergizer Holdings was the holding company for the Granada Group. The corporate structure prior to the Reorganisation was as set out below:



Prior to the Reorganisation, the Original Business provided BPO services directly to current clients of the Group (both foreign and domestic) predominantly through its own infrastructure and staffing with US-based services being provided by CustomerLinx. During 2009 and the first part of 2010, there was an initial realignment of the operations of the Original Business such that substantially all of the foreign customer contracts were transferred to iEnergizer Holdings. The Original Business' domestic customer contracts remained in iEnergizer India.

Under the Reorganisation, the following events occurred:

- Newbury Holdings Two Limited, a company which is beneficially owned by Mr. Ajay Kalsi, transferred all of its shares in EICR to Geophysical Sub-strata Limited, a company beneficially owned by Mr. Aggarwal;
- iEnergizer Holdings transferred all of its shares in Granada to Birkbeck Investments Limited, which is beneficially owned by Mr. Ajay Kalsi;

- the business of iEnergizer India was transferred to iEnergizer IT on a going concern basis;
- Granada transferred certain foreign client contracts to iEnergizer Holdings in return for a payment at fair market value;
- the Company acquired the entire issued share capital of iEnergizer Holdings in return for the issue of 150,000,000 new Ordinary Shares to EICR; and
- iEnergizer Holdings and Granada entered into the Granada Master Services Agreement and iEnergizer IT and Granada entered into the Technical Services Agreement.

3.4 ***Master Services Agreement***

The Granada Master Services Agreement was entered into on 23 August 2010, and took effect from 1 April 2010, between iEnergizer Holdings (as customer), Granada (as service provider) (for itself and on behalf of the Granada Group) and a parent company of Granada which has guaranteed its obligations under the Granada MSA. The Granada MSA sets out the contractual framework under which iEnergizer Holdings may outsource certain services which iEnergizer Holdings has agreed or may in the future agree to provide to its international clients under existing or future client contracts. Orders for services ("Orders") are agreed by the parties to the Granada MSA on a case by case basis by completing and signing statements of work ("SOWs"). The Order mechanism allows iEnergizer Holdings to require Granada to provide it with services falling within the following service categories: (i) inbound and outbound voice call centre services; (ii) web chat and email support services; (iii) customer support services; (iv) account receivable management services; (v) market surveys services; (vi) data entry capture and data conversion business services; (vii) online data correction services; (viii) healthcare claim processing services; (ix) legal back office services, claims, administration services and other remote processing services as may be mutually agreed.

The parties to the Granada MSA are required to enter into separate Orders to cover services under the separate client contracts entered into by iEnergizer Holdings. The scope of the services required and the terms applicable between the parties in the Order will be the same as set out in the relevant client contract (which will be appended to and constitute part of the Order) unless the parties specify otherwise in the Order. Granada may subcontract provision of the services to its subsidiaries within the Granada Group.

Pricing is not set out in the Granada MSA and will be agreed between the parties to the Granada MSA in each Order. However, Granada is required to treat iEnergizer as its 'most favoured customer' in all respects. Further, Granada is not entitled to withhold or delay its agreement to an Order unreasonably. Granada must treat iEnergizer Holdings as its priority customer when allocating its resources and is also subject to a non-compete clause restricting it from providing services to the Group's competitors for the duration of the Granada MSA.

The term of the Granada MSA is for an initial period of five years with automatic renewal annually thereafter unless either party gives 180 days' notice of termination prior to the expiry of the then current term (or the Granada MSA is otherwise terminated in accordance with the normal termination rights). In addition to standard termination rights (including a right of voluntary/no cause termination for iEnergizer Holdings), iEnergizer Holdings may terminate any Order (with no recourse available to Granada) if the relevant client contract is terminated for any reason. If the Granada MSA is terminated, all Orders subsisting under it will also terminate.

iEnergizer Holdings is indemnified by Granada against: all breaches by Granada of representations and warranties in the Granada MSA generally; damages suffered by iEnergizer Holdings where Granada has caused iEnergizer Holdings to be in breach of a client contract; infringement by Granada of third party intellectual property rights and against any employment related claims by personnel of Granada.

Granada is subject to a requirement for continuous improvement in order to remain competitive in the market and is obliged to pass on cost savings to iEnergizer Holdings in adjustments to the pricing. The

Granada MSA is non-exclusive so iEnergizer Holdings can source the services from any other provider or perform them itself. Further, if it considers that Granada is not performing the services in accordance with the relevant requirements it may 'step-in' to provide the services itself or it may use an alternative service provider (and charge the additional cost of doing so back to Granada).

The obligations of Granada under the Granada MSA (together with any Orders placed under it) are guaranteed by a parent company of Granada.

The governing law of the Granada MSA is Indian law. Disputes arising under the Granada MSA or an Order must be referred for arbitration in Singapore in accordance with the rules of the Singapore International Arbitration Centre but are otherwise subject to the exclusive jurisdiction of the Courts of New Delhi, India. The governing law of each Order, however, will be the governing law of the client contract to which it relates. Arrangements have been agreed to attempt to resolve any resulting conflicts of governing law.

In addition to the Granada MSA, iEnergizer Holdings has entered into the CustomerLinx MSA pursuant to which CustomerLinx provides outsourced services to iEnergizer Holdings from the US. Further details of the CustomerLinx MSA are set out in paragraph 10.9 of Part VI of this Document.

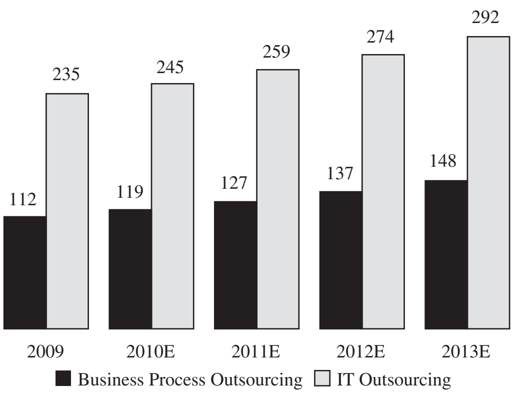
4. BPO MARKET

The global market for BPO services is large and is growing rapidly. According to the 2010 Strategic Review published by NASSCOM, in February 2010 the global BPO market was worth approximately US$112.2 billion in 2009, and is projected to rise to US$147.7 billion by 2013. It is estimated that India currently has 21 per cent. of the global BPO market.

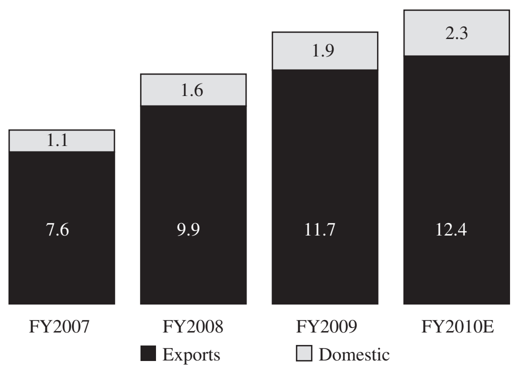
The Indian BPO market has grown significantly since 2000 as new service providers have entered the market and capabilities have improved. Indian-based BPO providers now perform a range of integrated business processes for their clients, such as finance and accounting, insurance claims administration and market research analysis.

The charts below, which are taken from the NASSCOM Strategic Review published in February 2010, show the relative growth rate and size of the global BPO and IT outsourcing industries and charts the expected growth rate of the Indian offshore BPO industry:

Global IT Outsourcing vs. BPO Market (US$ in billions) Indian BPO Industry Revenues (US$ in billions)



Note: Years ending 31 December



Note: Years ending 31 March

According to the same report, India accounts for approximately 51 per cent. of the addressable offshore IT-BPO market. The nearest rival is Canada, on 19 per cent. Reasons for India's predominance include its large, growing and highly educated English-speaking workforce coupled with a business and regulatory environment that is conducive to the growth of the BPO industry.

According to reports prepared by Avendus (*Indian Domestic BPO Market – An Emerging Opportunity*) and Ernst & Young Private Limited (*Destination India – an insight into the domestic BPO market*), India's domestic BPO market was valued at between US$1.6 billion and US$1.8 billion in 2008. Based on a projected compounded annual growth rate of between 35 per cent. and 38 per cent. (which was described as conservative by Ernst & Young Private Limited), by 2012 the value of the domestic BPO market in India is expected to rise to approximately US$6 billion by 2012. Telecommunications and BFSI are the major sectors in the Indian domestic BPO market, contributing approximately 80 per cent. of all domestic Indian BPO revenues. These sectors are expected to grow at 20-30 per cent. over the next two to three years.

5. KEY STRENGTHS OF THE GROUP

Companies outsource work for a number of reasons, including to streamline their organisations, to reduce costs, to create flexibility to improve their processes and, ultimately, to enhance shareholder value. The decision to outsource work offshore typically forms part of a long-term business strategy implemented by the client. The processes that companies outsource are frequently complex and integrated with their core operations. These processes require a high degree of customisation and are often implemented in two or more stages.

Given the long-term, strategic nature of these engagements, the Group's experience is that companies undertake a rigorous process in evaluating their BPO provider. The Directors believe that there are several key criteria which a BPO provider must possess before a client will commit to a long term contract, including:

- an established reputation and industry leadership;
- a proven ability to execute a diverse range of mission-critical and often complex business processes;
- the capability to scale employees and infrastructure without diminution in quality of service; and
- the ability to innovate, add new operational expertise and drive down costs.

The Directors believe that the Group fulfils these criteria and has the following competitive strengths necessary to maintain and enhance its position as a leading provider of offshore BPO services:

5.1 *Competitive Advantage*

The Group has a well established BPO business which offers clients a wide-ranging choice of back office processes and services. The Group's aim is to become an important external partner of the client and not simply another external service provider.

The Group has experience of managing complex processes across a range of industries. The Group closely follows industry trends in order to target services with high potential, including gaming support, game testing, collection strategies and market research services.

The level of support and the length of its working relationship with many industry-leading clients has helped the Group to build an established reputation as a proven provider of offshore business process outsourcing services. The Directors believe that this reputation helps it to attract and win new clients.

5.2 *Industry expertise*

By creating focused business lines that provide industry-specific services, the Group has established solid expertise in its target industries. This industry-focused strategy allows the Group to retain and enhance expertise thereby enabling it to:

- offer a range of services that deliver comprehensive industry-focused BPO programs;
- leverage existing capabilities to win new clients and identify new industry-specific service offerings;
- cultivate existing client relationships through cross-selling;
- deploy proprietary technology platforms for use in niche areas in specific sectors such as game testing and card processing; and

- recruit and retain talented employees by offering industry-focused career paths.

5.3 ***Established and diversified customer base***

The Group serves a large, diversified client base across North America, Europe and Asia, including well known names within their respective industries. The Group has clients across the multiple sectors of the entertainment and BFSI industries as well as other industries such as consumer products, professional services, healthcare and telecommunications.

5.4 ***Relationships with aggregators***

The Group has developed strong working relationships with a number of large, predominantly US-based, aggregators such as Sourcecorp. Through these relationships, the Group works in conjunction with the aggregator by providing a range of services to the aggregator's clients, which include major financial, healthcare insurance and insurance companies. The Group is responsible for providing an agreed scope of services to the client and works closely with the aggregator in doing so. The aggregator retains overall responsibility for client introduction, client relationship and account management as well as delivery of technical services.

5.5 ***High value work***

The proforma EBITDA margin of the Group's Business for the 12 month period to 31 March 2010 was 34.1 per cent., which the Directors believe compares favourably with the Indian BPO industry as a whole. The Group is pursuing an initiative to provide more technology and higher value solutions to its clients, where fee rates are often higher than the current average for the Group's Business and the resultant margins are better.

5.6 ***Established history of stable revenue growth***

A significant portion of the revenues of the Group's Business are from mid to long-term customer contracts, which provide recurring revenue for the Group. The revenues of the Group's Business for the year ended 31 March 2010 were approximately US$34 million, which compared with revenues of the Original Business for the year ended 31 March 2003 give a compounded annual growth rate of 33 per cent. during that period.

5.7 ***Proven management record***

The Group benefits from the effective leadership of a global management team with diverse backgrounds including extensive experience in outsourcing. In the course of their respective careers, the members of the senior management team have gathered experience in successfully integrating acquisitions, developing long-standing client relationships, launching practices in new geographies and developing new service offerings.

5.8 ***Extensive investment in human capital development***

The Group's extensive recruitment process allows it to screen candidates on multiple parameters and appropriately match candidates to the most suitable positions. It provides ongoing training to employees for the purpose of continuously improving their leadership and professional skills. The Group seeks to promote team leaders and operations managers from within, thereby offering internal advancement opportunities and clear long-term career paths.

5.9 ***Barriers to entry***

The Group's services are often complex and integrated within the customers' core operations. Outsourcing these processes requires a high degree of customisation and an in-depth understanding of such processes. The Group has developed a sophisticated program management methodology intended to ensure a smooth transfer of business processes from clients' facilities to the Group's delivery centres.

Customers typically incur high switching costs to transfer outsourced processes back in-house or to other BPO providers. As a result, the Group has longstanding relationships with its customers underpinned by multi-year contracts and embedded services.

5.10 ***Quality assurance***

The Group focuses on delivering client processes effectively and on an ongoing basis. The Group has also invested in a quality assurance team that satisfies the International Standard Organisation, or ISO 9001:2000 standards for quality management system, and applies Six Sigma, a statistical methodology for improving consistent quality across processes, and other process re-engineering methodologies to further improve process delivery.

5.11 ***Sales and marketing***

The Group's sales and marketing teams, which are led by Mr. Aggarwal, have industry knowledge which enables them to understand better a prospective client's business needs and offer appropriate industry-focused solutions. The Group assigns dedicated account managers to its key clients, who work day-to-day with the client and the service delivery teams to address the client's needs. The detailed understanding of the client's business and outsourcing objectives which is developed by this interaction enables the Group's account managers to identify and target additional processes that can be outsourced by the client.

6. STRATEGY FOR GROWTH

Following Admission, the Group intends to maintain its status as a leading provider of outsourcing services in its chosen industry sectors whilst creating further shareholder value through the strategies outlined below.

6.1 ***Domestic expansion***

The Group aims to increase its revenues from the domestic Indian BPO market both by taking advantage of the growth in the market itself and by increasing the Group's share of that growing market. In this regard, the Directors have had regard to the projected growth in the domestic Indian BPO market described in paragraph 4 of this Part I.

6.2 ***International expansion***

The Group will continue to devote resources to growing its client base in the US and the UK, as the Directors believe that these countries have a large proportion of the total market for BPO services worldwide. The Directors further believe that the Group's international business model, under which delivery of service is subcontracted to another entity, will enable the Group to take advantage of opportunities in new jurisdictions quickly.

6.3 ***Possible acquisitions***

In addition to organic growth, the Directors will consider possible strategic relationships with industry leaders that add new long-term client relationships, enhance the depth and breadth of its services or complement its business strategy. The Directors will also selectively consider acquisitions or investments that would expand the scope of the Group's existing services, add new clients or allow it to gain entry into new geographical markets.

6.4 ***Maintaining focus on large-scale, long-term relationships***

The Board intends to continue to develop and maintain large-scale, long-term client relationships. The Directors believe there are significant opportunities to increase the depth and breadth of services the Group provides to existing clients. It will also continue to target new clients. This strategy should allow the Group to use its in-depth client-specific knowledge to provide more fully integrated outsourcing services and develop closer relationships with its clients. Working with large-scale, long-term relationships also allows the Group to focus on quality and to devote the time and resources necessary to provide savings and process improvements and satisfy the needs of its clients.

6.5 ***Offering a broad range of outsourcing services***

The Group seeks to differentiate itself through the quality and price at which it delivers its range of services. The Group believes that its clients increasingly view the Group as their long-term partner that can provide a full range of service offerings. The Group's evolving ability to provide services in complementary areas will maximise opportunities for closely integrating its range of services with clients' business needs.

7. EXPERIENCE AND EXPERTISE

The Group's outsourcing services are structured around industry-focused BPO services, including BFSI, entertainment and telecommunications as well as cross-industry BPO services, such as collections and customer services.

Across the BPO services, the Group's Business has successfully transferred and managed a wide range of services.

Some of the experience and expertise of the Group's Business is demonstrated in the client examples set out below.

7.1 ***Banking and Financial Services***

7.1.1 *Example 1: Leading US bank*

The client is a leading global provider of investment management products and services. For the past four years, the Original Business, and now the Group's Business, has been providing a combination of technological and human support to the client. The average volume of transactions per annum has in the past exceeded 3.25 million and 190 full time operators work on this account. Services provided include:

- back office transaction processing;
- distribution of forms and literature; and
- record keeping and account maintenance.

7.1.2 *Example 2: West-coast based large US bank*

The client is a leading issuer of credit cards headquartered in the USA with over 2.5 million customers which has been a client of the Original Business and the Group of over two and half years. The Group currently runs two processes for the client:

- inbound customer support services, including new account fulfilment, applications, welcome and activation calls, soft collection and servicing existing clients; and
- collections, including 5 day and 30 day outbound collection efforts, resolving disputes, skip tracing and dialling strategy and solutions.

The collections vertical is supported by a training course which lasts for 9 working days given by the underlying client.

7.1.3 *Example 3: Multinational provider of merchant process services*

The client is a leading electronic commerce and payment services company based in Australia which has been a client of the Original Business and the Group for over three years. The client's company processes 1.5 billion payment card transactions per year, provides ATM, cash dispenser and electronic funds transfer network management services and is linked to all major Australian domestic and international ATM networks. The client has a joint venture which provides merchant acquiring processing services throughout South and South East Asia, which gives the Group exposure to Hong Kong, Macau, Singapore, Brunei, India, Malaysia, Bangladesh, Sri Lanka and China. The Group currently performs the following services for the client:

- call centre functions, including voice authorisations, referrals, quick kills, queries and transaction reversals; and
- merchant services functions, including merchant boarding and cancellation, vendor management, voucher processing, query resolution, mail management, finance and credit and risk.

7.2 ***Healthcare insurance***

7.2.1 *Example: A leading US based BPO aggregator*

The client has contracts with some of the largest US based health insurance providers. The Group supports and services 24 /7 the critical and high volume process consisting of:

- claim validation;
- processing simple as well as complex claims per business rules; and
- follow up and remedial of incomplete claims.

Within the life insurance, property and casualty insurance, health insurance and retirement services business lines, the Group provides services in the areas of claims processing, premium and benefit administration, agency management, account reconciliation, policy research, policy servicing and customer service. The Group has acquired significant experience in transferring and managing processes in these areas.

7.3 ***Telecommunications***

7.3.1 *Example 1: Telecommunications company based in India*

The client is an award-winning company emerging as a leader in the Indian telecoms sector. The contract with the Group's Business commenced in September 2009 with an initial team of fewer than 100 team members, which has since grown to over 500 team members handling on average 40,000 daily calls. The Group provides the following services:

- inbound customer calls, which includes handling queries regarding customer balances, roaming charges, new plans and promotions, validity options and value added services; and
- outbound customer calls, which includes welcoming new customers, promotional calls and value added services.

7.3.2 *Example 2: Mobile telephone, India*

The client is a leading telecommunications service provider which is a joint venture between a leading multinational brand and an Indian telecommunications giant. The relationship began almost six months ago and, since then, has expanded to a call-handling capacity of over 650,000 calls per month which are handled in up to 11 languages. The Group provides the following services:

- inbound customer services;
- close-looping, in other words following up with customers to ensure that the problems is resolved and that the customer is satisfied;
- customer retention; and
- welcome calling and health check calling.

7.4 ***Entertainment***

7.4.1 *Example 1: International games testing company*

The client is a leading electronic entertainment company specialising in creating handheld and console video games and has been a client for over three years. The Group works on pre-launch testing applications and functionality testing for MMORPG titles, including:

- critical path testing;
- GUI/interface testing;
- milestone verification;
- build verification tests;
- virtual memory tests;
- load tests;
- quest testing;
- ability/combat/functionality testing; and
- platform/website testing.

7.4.2 *Example 2: Online games company*

The client is the leading Korean online gaming company and has been a client for over 8 years. Up to 150 of the Group's team members provide support for 7 gaming titles to the client's customers in North America and Europe in relation to:

- technical support, including hardware and software support, network related issues and system specifications;
- accounts and billing support by email and voice, including reactivating, deactivating and cancelling accounts and resetting passwords;
- server monitoring, including monitoring the stability of game servers for login authorisation and making in-game announcements;
- game surveillance including identifying violations and taking corrective measures; and
- forum moderation, including setting the scope for communications and identifying violations.

7.4.3 *Example 3: Interactive entertainment company*

The client is one of the top global interactive entertainment software companies, developing, publishing and distributing interactive software worldwide for video game systems, personal computers, wireless devices and the internet. The relationship with the Original Business and the Group has lasted for the past nine years, during which time the services provided have included:

- chat and email support in English, German and French including in-game, technical, accounts and billing support;
- account administration;
- terms of services and forum moderation; and
- US-based voice-support from a subcontracted facility in Austin, Texas under the CustomerLinx MSA.

7.4.4 *Example 4: Customer services*

The client is a social network game developer based in the USA which has been a client since September 2009. The customer support services provided to this client by the Group include:

- 24/7 inbound customer support in several languages including English, German, Italian and French;
- out-bound welcome calls;
- e-mail management;
- customer service, including gameplay issues, technical issues, accounts and billing, terms of service moderation;
- web and voice based customer interaction functions.

7.5 ***Support services***

7.5.1 *Example 1: Office automation*

The client is one of the international leaders in office automation technology and has been a client of the Original Business and the Group for over a year and a half. Services provided by the Group include:

- customer support (voice and email);
- outbound support; and
- remote call assistance team for low cost products and services.

7.5.2 *Example 2: Consumer durables*

The client is one of the leaders in consumer durables and has been a client for over four years. The Group handles approximately 3,500,000 calls each month for this client in up to 11 languages. Services provided by the Group include:

- telephone services, including inbound and outbound complaint registration, demonstration of new products, dedicated dealer helpline, technical troubleshooting, installation, sales lead generation and customer surveys;
- email services; and
- data entry.

7.6 ***Market Intelligence***

7.6.1 *Example: Market research firm*

The client is a leading provider of database products and services to the technology and telecommunication industries in North America, Europe and Latin America. The company was established over eighty years ago and today provides direct marketing services and shopper advertising opportunities to local, regional, national and international consumer and business markets. The services provided by the Group to this customer include updating its database.

8. QUALITY ASSURANCE AND INFORMATION TECHNOLOGY

8.1 ***Quality assurance***

The Directors believe that high quality process and quality assurance compliance programs are critical to the success of the Group's operations. The Group works with service providers in India who have independent quality assurance team to monitor, analyse, provide feedback on and report process performance and compliance. The service provider's quality management system focuses on managing client processes effectively on an ongoing basis. Process delivery is managed by independent teams and measured regularly against pre-defined operational metrics. The service providers in India have strong quality assurance team that satisfies the ISO 9001:2000 standards for quality management systems. They apply the Six Sigma and LEAN methodologies which are statistical methodologies for improving consistent quality across processes as well as quality management principles for improving the operations of the Company's clients' processes and providing a consistent level of service quality. They also apply other process re-engineering methodologies to further improve the process delivery and undertake periodic audits of both the Group's information systems policies and implemented controls.

8.2 ***Information technology***

The information technology network is seen as critical to the Group's operations. The Group's service providers in India operate on ISO 27001:2005 certification which encompass BS 7799 standards. All the delivery centres have individual technology components so as to be able to operate any process independently. The delivery centres are networked with each other so as to have seamless transition in case of effecting business continuity.

9. FINANCIAL INFORMATION

In order to make a proper assessment of the results and financial position of the Company and the Group, investors should not rely solely on the summary information set out below but should read the whole of this Document, including the financial information set out in Part V.

Set out below is a summary historical consolidated financial information for iEnergizer Holdings for the 3 years ended 31 March 2010 which has been extracted without material adjustment from Part V of this Document, prepared in accordance with International Financial Reporting Standards as adopted by the European Union. Also set out below is selected (i) illustrative income statement data for iEnergizer Holdings Limited which has been extracted without material adjustment from the unaudited illustrative statement of earnings before interest and tax for the year ended 31 March 2010 included in Part V of this Document and (ii) pro forma balance sheet data of iEnergizer Holdings as at 31 March 2010 which has been extracted without material adjustment from the unaudited pro forma balance sheet as at 31 March 2010 included in Part V of this Document. The unaudited illustrated statement of earnings before interest and tax represents a hypothetical situation and is not intended to represent the actual results or pro-forma or forecast financial information of the Group. The unaudited pro-forma balance sheet also represents a hypothetical situation and therefore does not represent the actual financial position of the Group.

Income Statement data

	iEnergizer Holdings Illustrative unaudited	*iEnergizer Holdings*		
All in US$ 000	*Year ended 31 March 2010*	*Year ended 31 March 2010*	*Year ended 31 March 2009*	*Year ended 31 March 2008*
Revenue	33,737	34,452	31,928	28,485
Illustrative EBIT / Profit before tax	11,301	118,788	11,263	8,150
Profit for the year	n/a	118,554	10,942	7,778

Balance Sheet data

All in US$ 000	*iEnergizer Holdings Unaudited proforma At 31 March 2010*	*iEnergizer Holdings At 31 March 2010*	*At 31 March 2009*	*At 31 March 2008*
Non Current Assets	1,645	0	10,000	11,164
Current Assets	7,120	92,608	16,917	17,629
Total Assets	8,765	92,608	26,917	28,793
Equity	3,149	3,149	21,374	16,209
Non Current Liabilities	0	0	1,014	1,291
Current Liabilities	5,617	89,459	4,530	11,294
Total equity and liabilities	8,765	92,608	26,917	28,794

Certain hire purchase lease transactions in relation to computer equipment, amounting to approximately US$250,000, have been transferred to the Group under the BTA, but the Group is not reliant on any other third party funding and its normal operations are financed by revenue guaranteed by the Group's Business.

10. CURRENT TRADING

The Group has continued to trade inline with management expectations from 31 March 2010 to the date of this document. The Reorganisation, which includes the incorporation of iEnergizer IT (which will handle the domestic Indian based contracts) has been completed and the business of iEnergizer India has been transferred to iEnergizer IT.

iEnergizer Holdings has been successful in winning a number of new clients, both directly and through aggregators, and has received further positive expressions of interest. iEnergizer IT has also added a new client and is in the process of negotiating terms for the renewal of two existing clients. There are further leads in the pipeline which the Directors hope to convert into binding contracts soon.

Cash flow is strong and inline with management expectations. The momentum of increased revenue observed during the first quarter of 2010 (Jan-Mar 2010) has been maintained and revenues have continued to grow in tandem with expectation. The sales pipeline is strong and the Group expects to meet projections for the year. Business in the games vertical is showing a very healthy trend. BFSI and Telecom verticals are in sync with projections and management is optimistic for continued strong growth.

11. REASONS FOR THE FLOTATION

The Directors have applied for Admission in order to gain access to the UK capital markets. It is anticipated that Admission will raise the Company's profile internationally and help diversify its shareholder base as well as providing a liquid market for the Ordinary Shares.

12. DIVIDEND POLICY

The Directors propose to pursue a progressive dividend policy and intend to commence the payment of dividends from available distributable profits of the Company following Admission.

13. THE BOARD OF DIRECTORS

The Board comprises one executive director and two independent non-executive directors. It is the Board's intention that a European-based finance director will be appointed to the Board within three months following Admission. Brief biographies of the Directors are set out below.

13.1 ***Executive Directors:***

Anil Aggarwal, Chief Executive Officer (aged 49)

Anil Aggarwal is a first generation entrepreneur and is founder and promoter of iEnergizer. He has promoted and managed several successful businesses in various territories including Barker Shoes

Limited in the UK. Mr. Aggarwal is primarily responsible for business development, strategy and overall growth for the company.

13.2 ***Independent Non-Executive Directors:***

Sara Latham, Chairman of the Board (aged 39)

Sara Latham is a former communications adviser to former President Clinton and former Prime Minister Tony Blair with over a decade of experience in strategic communications and public affairs. Ms. Latham is a graduate of Fredericksburg, Virginia.

She worked in the White House as Special Assistant to the Chief of Staff, John Podesta and as Deputy Assistant to the President and Deputy Director of Presidential Scheduling from 1996-2000. Following the Clinton Administration, Sara moved to Brussels as a government affairs adviser for Microsoft Europe, Middle East and Africa. In 2001 Sara moved to London as Managing Director for Philip Gould Associates.

Ms. Latham has worked as Public Affairs Director at Freud Communications and in 2005 worked for Tony Blair on his re-election campaign, travelling with him and producing his campaign events and speeches. Following the 2005 UK General Election, Sara served as Special Adviser to the Secretary of State for Culture, Media and Sport.

Ms. Latham founded Latham Group in 2006, which has worked for Tony Blair Associates, the British Documentary Film Foundation, the Clinton Foundation, Coke, Dow, the Nelson Mandela Foundation, PhrRMA and TIME magazine.

Mr. John Behar, Independent Non-Executive Director (aged 39)

Mr. Behar has over 14 years' financial services and investment banking experience, most recently involved in listings on the Luxembourg Stock Exchange for Indian mid-market companies, as well as private equity transactions across a range of countries and deal sizes. He is the founder and MD of Prospect Capital, a London based corporate finance advisory firm and is the Chief Executive of PL Capital, an international investment banking joint venture with Prabhudas Lilladher, one of India's oldest institutional brokerages and has also acted as a consultant to ICICI Bank UK, part of the major Indian banking and private equity group. Mr. Behar is also a non-executive Director for Indus Gas Limited, the London listed oil and gas company with assets in Rajasthan. Mr. Behar holds a finance MBA from Cass Business School.

13.3 ***Senior Management***

Adarsh Kumar, Chief Operating Officer (aged 45 years)

Mr. Kumar is a qualified Chartered Accountant and is an associate member of the Institute of Chartered Accountants of India, New Delhi. He worked as Head of Finance at Xpro India (a Division of Cimmco Birla Limited) in his previous assignment and was responsible for the costing, banking, MIS and financial structuring of the division.

From 1994-2000, he worked as General Manager, Commodity Trade Division at Phoneix International Limited. During this time he was responsible for procurement, logistics, financial arrangement and delivery of various commodities. The business grew many times during his tenure and the company was positioned as an active trader in all the commodities they dealt.

Mr. Kumar joined iEnergizer in 2000 and worked as the initial team member responsible for setting up the Original Business. He is now Chief Operating Officer and his present responsibilities include ensuring excellence in delivery, monitoring budgets, controlling costs and overseeing the India centre operations. In his present role he is also responsible for business development activities for acquiring new domestic clients.

Sridhar Sundararaman, Chief Operating Officer (aged 55)

Mr. Sundararaman has worked as an investment banker for 20 years in various state owned Indian banks and then Canara Bank. Mr. Sundararaman is responsible for the processing operations of the Group. He has a BSc in mathematics.

Prashant Kapoor, AVP Finance (aged 42)

Mr. Kapoor is a qualified accountant with a graduate degree in commerce. He has completed a post graduate diploma in International Finance and has around 18 years of work experience.

In his earlier assignments Mr. Kapoor was responsible for accounting and cash management for Concorde Motors. He has also handled the accounting, inventory management, treasury management and finance portfolios while working with Swastika Feeds.

Mr. Kapoor joined the Original Business in 2002 and is responsible for accounting, banking, budgeting, cost control and financial consolidation of group accounts and management information systems.

Bhupender Mehta, SVP New projects and HR (aged 36)

Bhupender Mehta joined the Original Business in 2003 as general manager, Human Resources and subsequently assumed the dual roles of heading New Projects/Operations as well as Human Resources.

In the current role as Senior Vice President, New Projects and Human Resources, he is responsible for the day-to-day human resource and training function across various centres and is responsible for implementing new strategies and managing global human resource policies. This includes end-to-end project management, human resource, training, and providing leadership and direction to employees.

Bhupender started his career with HCL Group and has also worked for JobsAhead, where he was HR manager, and Xavient where he was the head of HR.

He has done extensive work in the sphere of organisational culture building, change management, and competency-based HR practices. He also had wide experience in compensation, performance and rewards, and HR accounting and holds a management degree from the Institute of Management Technology.

Jayant Goyal, Vice President, Technologies (aged 30)

Jayant heads the Group's technology function having joined the Original Business nine years ago.

His present responsibilities include evaluating different technology options, providing cost effective solutions, seamless integration with client network, monitoring the LAN and WAN network and providing IT support to operations to increase productivity.

Vikram Vats, Vice President, Operations (aged 46)

Vikram Vats heads the Banking & Financial Services vertical with the Group and played a major role in building the Group's expertise in the BFSI vertical. Prior to joining the Original Group in 2002, Mr. Vats worked for Citibank N A (India, Consumer Service Group) for 12 years, covering various roles in operations, customer services, telephone banking and sales.

Monisha Saberwal, Associate Vice President, Operations (aged 36)

Monisha Saberwal has 17 years of experience and has worked with various organisations in service and BPO industry before joining the Original Business, including AOL, First Source and HCL BPO. Her responsibilities include client delivery, SLA monitoring and migration of various sub-processes.

Bikramjit Singh Randhawa, Associate Vice President, Operations (aged 29)

Bikramjit joined the Original Business in 2000. An avid gamer, Bikramjit is responsible for the gaming vertical in the Group. He has been instrumental in the successful launch of support platforms for many games in the last ten years. Bikramjit's present responsibilities include managing the gaming vertical, driving efficiency, retaining talents and migration of new gaming processes.

14. CORPORATE GOVERNANCE

The Directors recognise the importance of sound corporate governance and intend for the Company to comply with the main provisions of the QCA Guidelines insofar as they are appropriate given the Company's size and stage of development.

The Board is responsible for formulating, reviewing and approving the Company's strategy, budgets and corporate actions. Following Admission, the Directors intend to hold Board meetings at least quarterly and at such other times as they deem necessary. The Board will create a remuneration committee, an audit committee and a nomination committee with effect from Admission.

The audit committee will initially consist of Mr. Behar as chairman and Ms. Latham . It will meet at least twice each year and will be responsible for ensuring that the financial performance of the Group is properly monitored and reported on and for meeting with the auditors and reviewing findings of the audit with the external auditor. It is authorised to seek any information it properly requires from any employee and may ask questions of any employee. It will meet with the auditors once a year without any members of management being present and is also responsible for considering and making recommendations regarding the identity and remuneration of such auditors.

The remuneration committee will initially consist of Mr. Behar as chairman and Ms. Latham . It will meet at least once each year and will consider and recommend to the Board the framework for the remuneration of the executive directors of the Company and any other senior management. It will further consider and recommend to the Board the total individual remuneration package of each executive director including bonuses, incentive payments and share options or other share awards. In addition, subject to existing contractual obligations, it will review the design of all share incentive plans for approval by the Board and the Company's shareholders and, for each such plan, will recommend whether awards are made and, if so, the overall amount of such awards, the individual awards to executive directors and the performance targets to be used. No director will be involved in decisions concerning his own remuneration.

The nomination committee will initially consist of Ms. Latham as committee chairman and Mr. Behar . The nomination committee will meet at least once each year and will consider the selection and re-appointment of Directors. It will identify and nominate candidates to all Board vacancies and will regularly review the structure, size and composition of the Board (including the skills, knowledge and experience) and will make recommendations to the Board with regard to any changes.

The Company has adopted a share dealing code (based on the Model Code) and the Company will take all proper and reasonable steps to ensure compliance by the Directors and relevant employees.

Guernsey companies are not otherwise currently subject to a corporate governance regime.

In early 2010, the Guernsey Financial Services Commission (the "**GFSC**") undertook a public consultation in respect of a proposed code of corporate governance that will apply to Guernsey companies which hold or are deemed to hold a licence, registration, or authorisation from the GFSC under certain regulatory laws in Guernsey. It is expected that the proposed Guernsey code will come into effect later in 2010 and, as the Company does not hold a licence, registration or authorisation from the GFSC, it is not currently expected to apply to the Company.

15. CONTROL BY SIGNIFICANT SHAREHOLDER

Upon completion of the Placing, EICR, the ultimate beneficial owner of which is Anil Aggarwal, will have an interest in approximately 78.71 per cent. of the Issued Share Capital. EICR will therefore be able to exercise significant influence over certain corporate governance matters requiring shareholder approval, including the election of directors and the approval of significant corporate transactions and any other transactions requiring a majority vote.

The Company, Arden Partners, Mr. Aggarwal and certain other companies including EICR have on the date of this Document entered into a relationship agreement to regulate the arrangements between them following Admission. The relationship agreement applies for as a long as EICR directly or indirectly holds in excess of thirty per cent. of the issued share capital of the Company and the Company's shares remain admitted to trading on AIM. The relationship agreement includes provisions to ensure that:

(i) the Board and its committees are able to carry on their business independently of the individual interests of EICR;

(ii) the constitutional documents of the Company are not changed in such a way which would be inconsistent with the relationship agreement;

(iii) all transactions between the Group and EICR (or its affiliates) are on a normal commercial basis and at arm's length;

(iv) in the event of a conflict of interests between EICR and the Board, no person who is connected with EICR is appointed as a non-executive Director of the Company and no existing non-executive Director is removed as a director of the Company unless such appointment or removal has been previously approved by the nomination committee of the Board and that to the extent that any recommendation of the nomination committee concerning the composition of the Board which has been approved by the Board requires the approval of the shareholders of the Company then EICR will vote its Ordinary Shares in favour;

(v) EICR does not approve a resolution to cancel the Admission unless such cancellation is recommended by a majority of the independent directors of the Board; and

(vi) certain restrictions are put in place to prevent interference by EICR with the business of the Company.

16. EMPLOYEES

The Group has two offices at Noida, India. As at 1 May 2010, the Group employed 1,367 employees, including the members of senior management who are subject to the TSA with the Granada Group. The remaining employees of the Group are engaged in various supervisory and operational roles. The Group also has access to employees of the Granada Group and CustomerLinx at four further facilities in India and one in the US pursuant to the terms of the Master Services Agreements.

17. SHARE OPTIONS

The Board recognises the need to attract, incentivise and retain key members of staff. Conditional upon Admission, the Company has granted an option to subscribe for Ordinary Shares to Sara Latham, as described in paragraph 10.11 of Part VI of this Document. The Board will consider the implementation of a more general employee share option scheme in due course following Admission.

18. THE CITY CODE ON TAKEOVERS AND MERGERS

The Code applies to offers for all listed and unlisted public companies considered by the Panel to be resident in the UK, the Channel Islands or the Isle of Man. The Panel will normally consider a company to be resident only if it is incorporated in the United Kingdom, the Channel Islands or the Isle of Man and has its place of central management in one of those jurisdictions. The Company is incorporated in Guernsey and, given the current make up of the Board, the Panel has confirmed that the Code is currently applicable.

The Directors are considering making additional appointments to the Board in the future. If further changes to the Board are made, the Company will consult with the Panel to ascertain whether this would affect the applicability of the Code. Were the Panel to determine that the Company has its place of central management and control outside the UK, the Isle of Man or the Channel Islands, the Code would not apply to the Company.

Accordingly, the Company has incorporated certain provisions analogous to parts of the Code, in particular the making of mandatory offers, into the Articles in order to regulate certain acquisitions of Ordinary Shares in circumstances where the Code no longer applies to the Company, so as to provide Shareholders with protections similar to certain of those contained in the Code. Further details of these provisions are set out in paragraph 5.2.11 of Part VI of this Document.

19. DISCLOSURE AND TRANSPARENCY RULES

As a company incorporated in Guernsey, Shareholders are not obliged to disclose their interests in the Company in the same way as shareholders of certain companies incorporated in the UK. In particular, the relevant provisions of chapter 5 of the DTR do not apply. While the Articles contain provisions requiring the disclosure of voting rights in Ordinary Shares which are similar to the provisions of the DTR, this may not always ensure compliance with the requirements of Rule 17 of the AIM Rules. Furthermore, the Articles may be amended in the future by a special resolution of the Shareholders.

20. FURTHER INFORMATION

Your attention is drawn to Part III of this Document which contains certain risk factors relating to an investment in the Company and to Part VI of this Document which contains further information on the Group.

PART II

THE PLACING

Details of the Placing

Pursuant to the Placing Agreement, Arden Partners has conditionally agreed with the Company and EICR, on and subject to the terms set out therein, to use reasonable endeavours to procure institutional and other investors to purchase Placing Shares from EICR at the Placing Price. To the extent that any Placing Shares are not subscribed by Placees, Arden Partners will be required to purchase such Placing Shares. The Placing is conditional, *inter alia*, upon the Placing Agreement becoming unconditional and not being terminated in accordance with its terms and Admission taking place. No new Ordinary Shares are being issued pursuant to the Placing and the proceeds from the Placing will be received by EICR as vendor of the Placing Shares.

The Company and the Directors have, under the Placing Agreement, given certain warranties (which, in relation to the Directors and EICR, are limited in amount), in favour of Arden Partners. In addition, each of the Company and EICR has given Arden Partners an indemnity which applies in certain circumstances.

Arden Partners is entitled to terminate the Placing Agreement in its absolute discretion in certain specified circumstances prior to Admission, including, *inter alia*, for a breach of the terms of the Placing Agreement in any material respect by the Company or the Directors or if an event occurred or a matter arose prior to Admission which has rendered any of the warranties untrue or incorrect in any material respect or in the case of an event of *force majeure* arising (as defined in the Placing Agreement).

On Admission, based on the Placing Price, the Company will have a market capitalisation of approximately £174 million.

Further details of the Placing Agreement are set out in paragraph 10.1 of Part VI of this Document.

Allocation and Placing

The Placing Price and the basis of allocation have been determined by Arden Partners after consultation with the Company and EICR. In doing so, they have taken into account various matters, including the level and the nature of the demand for Placing Shares and the desire for an orderly after-market. All Placing Shares are being sold at the Placing Price.

Arden Partners, and any of its affiliates acting as an investor for its own account, may purchase Ordinary Shares pursuant to the Placing and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities or any other related investments in connection with the Placing or otherwise. Accordingly, references in this Document to Existing Ordinary Shares being offered or otherwise dealt with should be read as including any offer to purchase or dealing by Arden Partners and any of its affiliates acting as an investor for its own account. Arden Partners does not intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.

Lock-in and orderly market arrangements

EICR currently holds 100 per cent. of the issued share capital of the Company comprising 150,010,000 Ordinary Shares. Following Admission and the disposal of the Placing Shares by EICR pursuant to the Placing, EICR will hold 118,079,294 Ordinary Shares representing approximately 78.71 per cent. of the Issued Share Capital.

Each of EICR and the Directors has, under the terms of the Placing Agreement, agreed with Arden Partners and the Company not to dispose of, or agree to dispose of, directly or indirectly, and procure that their connected persons shall not dispose of or agree to dispose of, any Ordinary Shares or interests therein at any time prior to the first anniversary of the date of Admission save in certain limited circumstances. In addition, the parties have agreed to certain orderly market arrangements with regard to their shareholdings in the period up to the second anniversary of the date of Admission.

Further details of the lock-in arrangements are summarised in the Placing Agreement summary which can be found at paragraph 10.1 of Part VI of this Document.

Admission, settlement and dealings

Application has been made for Admission of all of the Ordinary Shares to trading on AIM. It is expected that Admission to trading will become effective and that dealings in the Ordinary Shares will commence at 8.00 a.m. on 14 September 2010.

The Articles permit the Company to issue shares in uncertificated form in accordance with the CREST Regulations.

Application will be made for all of the Issued Share Capital to be eligible for admission to CREST with effect from Admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place in CREST if the relevant Shareholder so wishes. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a share certificate and transferred otherwise than by written instrument. The Articles permit the holding and transfer of Ordinary Shares under the CREST system.

It is expected that, subject to the satisfaction of the conditions of the Placing, the Placing Shares will be registered in the names of the persons purchasing them and transferred either:

- in certificated form, where the placee so elects, with the relevant share certificate expected to be despatched by post, at the placee's risk, by 28 September 2010; or

- in CREST, where the placee so elects and only if the placee is a "system member" (as defined in the CREST Regulations) in relation to CREST, with delivery (to the designated CREST account) of the Placing Shares subscribed for expected to take place on 14 September 2010.

Notwithstanding the election by placees as to the form of delivery of the Placing Shares, no temporary documents of title will be issued. All documents or remittances sent by or to a placee, or as they may direct, will be sent through the post at their risk.

Pending the dispatch of definitive share certificates (as applicable), instruments of transfer will be certified against the Company's register of members.

PART III

RISK FACTORS

THE ATTENTION OF PROSPECTIVE INVESTORS IS DRAWN TO THE FACT THAT OWNERSHIP OF SHARES IN THE COMPANY WILL INVOLVE A VARIETY OF RISKS WHICH, IF THEY OCCUR, MAY HAVE A MATERIALLY ADVERSE EFFECT ON THE GROUP'S BUSINESS OR FINANCIAL CONDITION, RESULTS OR FUTURE OPERATIONS. IN SUCH CASE, THE MARKET PRICE OF THE ORDINARY SHARES COULD DECLINE AND AN INVESTOR MIGHT LOSE ALL OR PART OF HIS OR HER INVESTMENT. IN ADDITION TO THE INFORMATION SET OUT IN THIS DOCUMENT, THE FOLLOWING RISK FACTORS SHOULD BE CONSIDERED CAREFULLY IN EVALUATING WHETHER TO MAKE AN INVESTMENT IN THE COMPANY. THE FOLLOWING FACTORS ARE NOT SET OUT IN ANY ORDER OF PRIORITY. IN PARTICULAR, THE COMPANY'S PERFORMANCE MIGHT BE AFFECTED BY CHANGES IN MARKET AND/OR ECONOMIC CONDITIONS AND IN LEGAL, REGULATORY AND TAX REQUIREMENTS. ADDITIONALLY, THERE MAY BE RISKS OF WHICH THE BOARD IS NOT AWARE OR BELIEVES TO BE IMMATERIAL WHICH MAY, IN THE FUTURE, ADVERSELY AFFECT THE GROUP'S BUSINESS AND THE MARKET PRICE OF THE ORDINARY SHARES. BEFORE MAKING A FINAL INVESTMENT DECISION, PROSPECTIVE INVESTORS SHOULD CONSIDER CAREFULLY WHETHER AN INVESTMENT IN THE COMPANY IS SUITABLE FOR THEM AND, IF THEY ARE IN ANY DOUBT, SHOULD CONSULT WITH AN INDEPENDENT FINANCIAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 WHO SPECIALISES IN ADVISING ON THE ACQUISITION OF SHARES AND OTHER SECURITIES IN THE UK.

RISKS RELATING TO THE GROUP'S INDUSTRY, GROUP'S BUSINESS AND OPERATIONS

If the Group is unable to meet its service obligations under its customer contracts, the Group's Business and results of operations may be adversely affected

The Group depends on meeting customer requirements and standards to earn its revenues. If it does not meet its service obligations, its revenues will suffer and it may suffer reputational harm or lose clients. Much of the Group's work is subject to service level agreements which have strict turnaround times although for various reasons, these requirements may not be met. If these requirements are not met, the Group may be liable to the customer under the contract and/or the customer may be able to terminate the contract.

The Group relies heavily on the successful operation of its information technology systems to meet its customer service obligations

Each of the areas of the Group's Business rely on technology to communicate with customers and to carry out all areas of its operations. If serious breaches, errors or breakdowns in the Group's information technology or telecommunications systems or if its operations are subject to power or other failures which are prolonged or occur on a regular basis then the Group could incur substantial costs in identifying and fixing the systems (including increased labour costs and maintenance fees), could lose the goodwill of its customers and could also materially breach contracts it has with its customers and thereby lose revenues, face customer claims and suffer reputational harm.

If security breaches occur in the Group's information technology systems, the Group may be in breach of its customer contracts or applicable laws and its business and results of operations may be adversely affected

The Group processes sensitive and private financial and personal data that is protected under the laws of a number of jurisdictions, including India and the US. There is a risk that this data could become public if there were a security breach at the Group in respect of such data. There can be no assurance that any security systems or protocols put in place by the Group to protect sensitive data will always be adhered to by every Group employee or any other third-party who has been allowed access to the Group's IT infrastructure. If a security breach were to occur then the Group could face liability under data protection laws, violate its contractual obligations to its customers and could also lose the goodwill of its customers which would have a material adverse effect on the Group's Business. The Group may also be required to indemnify other otherwise compensate its customers for any costs they may incur as a result of such breaches under the terms of their agreements and its reputation and ability to retain or attract customers may be seriously affected, which may significantly harm the Group's Business and results of operations.

The Group may not be able to manage its growth strategy, which may adversely affect its business and results of operations

There can be no assurance that the Group will be successful in implementing its growth strategy, or that even if successfully implemented, this strategy will produce favourable financial results. The failure of the Group to continue to improve and upgrade its systems, procedures and controls, develop new and existing disciplines, integrate new operations or otherwise manage growth successfully may significantly harm the Group's Business and results of operations.

Additional management responsibilities may adversely affect the Group's productivity and efficiency

The planned future growth of the Group will result in new and increased responsibilities for the Group's management team as well as increased demands on the Group's internal systems, procedures and controls and on its managerial, administrative, financial, marketing, information and other resources. Significant time and attention is also required for the Directors to implement the Group's expansion strategy. These responsibilities and demands, including the diversion of management attention from existing business operations during any expansion process and the lack of strategic business reporting, may significantly harm the Group's Business and results of operations.

The Group is heavily reliant on the Master Services Agreements

iEnergizer Holdings has entered into the Master Services Agreements with Granada and CustomerLinx pursuant to which the Group's obligations under all of its international customer contracts are delegated to a member of the Granada Group or CustomerLinx (as the case may be). The Group is exposed to the risks associated with placing such levels of reliance on a small number of suppliers, including quality assurance, liability for breach of terms, disputes and the threat of repudiation or termination. Furthermore, Granada has certain limited ability to refuse to carry out work orders placed with it by iEnergizer Holdings under the Granada MSA and to negotiate the price for its services.

Although the Group has taken steps to mitigate its risks under the Master Services Agreements, and in particular under the Granada MSA, there can be no guarantee that the long term relationship between the Group, Granada and CustomerLinx will remain on good terms. In the event that a dispute does arise, damages may not be an adequate remedy for the Group.

A number of the Group's long term contracts are due for renewal soon

The Group often enters into medium to long term relationships with its customers. Some of the Group's customer contracts have already expired and are being renegotiated whilst others are due to expire over the course of the next 12 months. Although the Group has in the past been successful at renewing medium and long term customer contracts, there is no guarantee that the Group will be able to do so in respect of the contracts which it is currently renegotiating or any which the Group may in future renegotiate. In so far as the Group is continuing and does continue to provide services under lapsed or expired contracts, there is no guarantee that the terms of the former contract will be held by a court to govern the relationship between the parties after expiry.

Certain of the customer contracts entered into by the Group contain provisions that may have an adverse effect on the Group's Business and results of operations

The Group has entered into agreements with a number of customers containing certain terms and provisions that set onerous, unfavourable or unbalanced obligations and responsibilities on the Group. Examples of these include unequal limits on liability, reporting obligations, restrictions on subcontracting and customer's ability to terminate the agreement at any point without good reason. In addition, the Group has given certain restrictive covenants in its agreements with aggregators which may be difficult to monitor. No assurance can be given that the Group will at all times be able to meet such onerous obligations nor that any customer will not demand specific performance on any term or provision of an agreement that may have an adverse impact on the business and operations of the Group.

Many of the customers which the Group seeks to service are organisations with substantially stronger negotiating positions. No assurances can be given that the Group's future contracts will not create new onerous or unusual obligations in addition to those already present in the existing agreements, nor that the Group will always be able to negotiate such terms to obtain a favourable result for the Group.

The Group is highly dependent on certain key personnel

The operations and future success of the Group are dependent upon the existence and expertise in this sector of certain key personnel, including Mr. Aggarwal. The loss of services of any of these individuals for any reason or the Group's inability to attract suitable replacements would have a material adverse effect on the financial condition of the Group's Business and operations.

The Group is reliant on a small number of customers that provide a large proportion of its revenues, and if those customers discontinue their relationships with the Group, the Group's Business and results of operations may be adversely affected

A small number of customers represent a significant proportion of the Group's total revenues and any loss of revenue from any one of them would have a material effect on the Group's revenues and results of operations. No assurance can be given that such customers will continue to use the Group's services. Any failure to retain such customers will significantly harm the Group's Business and results of operations.

The Group is reliant on its customers paying for services on a timely basis, and any delay in making such payments will have a significant adverse effect on the Group's revenues, business and results of operations

The Group's customers receive regular invoices requesting the payment of services supplied to them by the Group. There can be no assurance that the Group's customers will abide by the payment terms of the invoices or will ensure that payment is received by the Group within the time period requested. Furthermore, no assurance can be given that the Group will be able to obtain any of the sums unpaid or overdue under any particular invoice and the Group may incur further costs in pursuing any late payments. Should any payments be unpaid or delayed by customers then the Group may also be unable to meet its own payment obligations to suppliers. Any delay in receiving payment for services will have a significant effect upon the Group's revenue, business and results of operations.

The Group competes with other businesses in the markets for its products and services, and if it is unable successfully to compete, its business and results of operations may be adversely affected

The Group competes with other businesses in the markets for its products and services in fragmented markets that include national, regional and local service providers, as well as service providers with global operations. These companies offer products and services that are similar to those offered by the Group and compete with it for customers. The Group also competes with the in-house operations of its customers. There can be no assurance that the Group will be able to compete effectively against its competitors or timely implement new or enhanced products and services to meet innovations introduced by its competitors. Many of its competitors attempt to differentiate themselves by offering lower priced alternatives to the products and services offered by the Group. Increased competition and cost pressures affecting the healthcare markets in general may result in lower prices for the Group's services, reduced operating margins and the inability to increase its market share.

Current and potential competitors may have financial, technical and marketing resources that are greater than those of the Group. As a result, competitors may be able to respond more quickly to evolving technological developments or changing customer needs or devote greater resources to the development, promotion or sale of their technology or services than the Group. In addition, competition may increase due to consolidation of competitors. As a result of such consolidation, there may be a greater number of providers of BPO services with sufficient scale and service mix to attract the Group's current and potential customers. Current and potential competitors may establish cooperative relationships with third parties to increase their ability to attract the Group's current and potential customers.

The Group's growth is dependent on the willingness of new customers to outsource and adopt new technology platforms

The Group plans to grow, in part, by capitalising on perceived market opportunities to provide its services to new customers. If the Group is to attract new customers to its products and services, those customers must be willing to outsource functions which may otherwise have been performed within their organisations.

If the Group is unable to develop and maintain sufficient back-office capacity to carry out its contractual operations, its ability to meet current client demand and to grow its business will be materially adversely affected

The Group depends on its back-office capabilities to perform its domestic contracts and the back-office capabilities of Granada and CustomerLinx to perform its international contracts. In the event that the Group is able to implement its growth strategy and thereby grow its customer bases it will also need to grow its back-office capabilities. There can be no assurance that it will be able to continue to grow its back-office capacity in order to meet future demand.

If the Group is unable successfully to recruit and retain qualified personnel, its ability to grow its business may be adversely affected

The Group's success depends, in part, upon its ability to attract and retain qualified multi-lingual staff. Competition for well trained staff may force the Group to increase the compensation and benefits paid to its staff, which could reduce operating margins and profitability. In addition, rising wage costs in India and the Group's need to accommodate these (directly or indirectly) in order to recruit and retain employees may also reduce operating margins and profitability. The Group provides extensive training at its own expense to help ensure that its staff have and maintain the requisite skills although the cost of such training may rise as time goes on. Such an increase in competition and costs would have a material effect on the Group's operations and business.

The failure to recruit and retain qualified multi-lingual staff may have an adverse effect on the Group's ability to service customers and maintain high standards of quality service as well as its ability to grow.

The Group's insurance coverage may not be adequate to compensate it fully for liabilities or other exposure

Whilst the Group has obtained insurance in respect of its exposure to risks relating to liabilities arising from its operations and other generally insured risks, there can be no assurance that such insurance covers all potential liabilities faced by the Group or will cover fully those liabilities or potential liabilities for which cover has been acquired. In addition there can be no assurance that any claims made by the Group under such policies will be timely or fully paid out by its insurers. Any failure in coverage or reimbursement may significantly harm the Group's Business and results of operations.

The Group is exposed to fluctuations of the value of the Indian rupee against the US Dollar

Although the Group's accounts are prepared in US Dollars much of its operations are carried out in India with resulting payments to staff and suppliers made in Rupees. Movements in the rate of exchange between the Indian Rupee and the US Dollar could have an adverse effect on returns to investors.

Political and economic instability could adversely affect business and economic conditions in India generally and the Group's Business, results of operations and financial condition

A substantial part of the Group's operations and assets and a significant majority of its employees are located in India. Consequently, political, economic, and social factors, changes in Indian law or regulations and the status of India's relations with other countries may adversely affect the Group's operations and its ability to carry out its business. In addition, the Indian economy may differ favourably or unfavourably from other economies in several respects, including the rate of growth of GDP, the rate of inflation, resource self-sufficiency and balance of payments position. The Indian government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Further actions or changes in policy (including taxation) of the Indian central government or the respective Indian state governments could have a significant effect on the Indian economy, which could adversely affect private sector companies, market conditions and the success of the Group's operations.

Since 1991, successive Indian governments have pursued policies of economic liberalisation and financial sector reforms. However, there can be no assurance that such policies will continue and any significant change in the Indian government's future policies could affect general business and economic conditions in India and could also affect the Group's Business. There can be no assurance that a new government will not seek to reverse some or all of the deregulation and liberalisation policies of past governments.

In addition, any political instability in India could adversely affect the Indian economy in general, which could also affect the business and operations of the Group. India has in the past experienced periods of political instability and, in some cases, civil unrest and clashes and is located in a region historically characterised by instability. The occurrence of local unrest or external tensions could also adversely affect India's political and economic stability and, consequently, adversely affect the Group's operations. India has witnessed civil disturbances in recent years. While these civil disturbances have not had any direct effect on the Group's operations, it is possible that future civil unrest, as well as other adverse social, economic and political events in India, could have an adverse impact upon the Group and its business and operations. India has recently been a target of terrorist attacks and may be again in the future.

The Group's operations are subject to a number of laws and regulations, principally in the United States and India, which may be subject to change without warning

The Group's services are subject to a variety of laws and regulations, principally in the United States and India but also in other jurisdictions where applicable. No assurance can be given that no member of the Group will ever find itself in breach of such laws and regulations. Also, laws and regulations are often amended or repealed with very little notice, and the Group may need to incur substantial costs to become compliant with any additional legal requirements. No assurance can be given that where there is a change in the law that such change is immediately catered for by the Group and that its operations and business are altered accordingly. Where there is a change in any applicable law or regulation then this may significantly harm the Group's Business and results of operations.

The Group may need to obtain additional capital to fund its operations which may require the raising of equity finance, which will dilute existing Shareholders' interest in the Company

The Group may require additional capital in the future for expansion or business development. If the Group is unable to obtain financing on terms acceptable to it, then it may be forced to curtail its planned development or may need to raise additional capital from equity sources. If additional funds are raised through the issue of new equity or equity-linked securities of the Group other than on a *pro rata* basis to existing Shareholders, the percentage of Ordinary Shares held by the Shareholders in the share capital of the Group may be reduced. Shareholders may experience subsequent dilution and/or such securities may have preferred rights, options and pre-emption rights senior to the Ordinary Shares. Further, there can be no guarantee that further capital raisings will be successful and if not then this may significantly harm the Group's Business and results of operations.

The Group's Business, results of operations or financial condition could be materially adversely affected by litigation

At present the Group is not subject to any litigation that could have a materially adverse effect on the Group's operations, business or reputation. However, no assurance can be given that the Group may not in the future be subject to litigation and/or court proceedings that could damage its reputation and significantly affect its business and operations.

The Group carried out a significant restructuring shortly before Admission which may have adverse tax and other consequences for the Group

The Group was created as a result of the Reorganisation which was completed shortly before Admission. The Reorganisation was carried out to make the Group more tax efficient as well as to reflect the changing focus and nature of its operations and business. However, there can be no assurance that the projected benefits of the Reorganisation will be achieved.

The Company cannot guarantee that it will pay its shareholders a dividend

There can be no assurance as to the level and frequency of future dividends. The declaration, payment and amount of any future dividends of the Company is subject to the discretion of the Directors and will depend, amongst other things, upon the Group's earnings, financial position, cash requirements and the Company's satisfaction of the solvency test prescribed by the Company Law as well as the provisions of relevant laws.

INVESTMENT AND AIM RISKS

Suitability of Ordinary Shares as an investment

The Ordinary Shares may not be a suitable investment for all people receiving this Document. Before making any investment, potential investors should consult an investment adviser, authorised by the FSA, who specialises in advising on the acquisition of listed securities. The value of the Ordinary Shares and the income received from them can go down as well as up and investors may get back less than their original investment.

Risks relating to investment in the Company's Ordinary Shares

Share prices may fluctuate from time to time for various reasons. As well as being affected by the Company's actual or forecast operating results, the market price of the Ordinary Shares may fluctuate significantly as a result of factors beyond the Group's control, including among others:

- changes in research analysts' recommendations or any failure by the Group to meet the expectations of research analysts;
- changes in the performance of the support services sector as a whole and of any of the Group's competitors;
- fluctuations in share prices and volumes, and general market volatility; and
- involvement of the Group in any litigation.

Substantial shareholder influence

Following Admission, EICR will own a significant percentage of the Company and would technically have the ability to exercise influence on the business. EICR may cause or take actions that are not in, or may conflict with, the best interests of the Company and/or its Shareholders. Notwithstanding that EICR has entered into a relationship agreement designed to help protect minority investor rights, there are no guarantees that it will always be effective.

Share price effect of sales of Ordinary Shares by significant shareholder

The market price of Ordinary Shares could decline significantly as a result of any sales of Ordinary Shares by EICR following expiry of the lock-in period, as explained in the paragraph headed 'Lock-in and orderly market arrangement' in Part II of this Document, or the perception by the market that such sales could occur.

Guernsey law

Guernsey law does not make a distinction between private and public companies and some of the protections and safeguards that investors may expect to find in relation to a public company under the Act are not provided for under Guernsey law.

Investment risk and AIM

The Ordinary Shares will be quoted on AIM rather than the Official List. The AIM Rules are less demanding than those of a primary listing on the Official List and an investment in shares quoted on AIM may carry a higher risk than an investment in shares with a primary listing on the Official List. AIM has been in existence for some time but its future success and the liquidity in the market for the Ordinary Shares cannot be guaranteed. Investors should be aware that the value of the Ordinary Shares may be volatile and may go down as well as up and investors may therefore not recover their original investment. The market price of the Ordinary Shares may not reflect the underlying value of the Group's net assets. The price at which investors may dispose of their Ordinary Shares will be influenced by a number of factors, some of which will be outside the Group's control. On any disposal Shareholders may realise less than the original amount invested. Stock markets have also from time to time experienced extreme price and volume fluctuations, which have affected the market prices of securities and which have been unrelated to the operating performance of the companies affected. These broad market fluctuations, as well as general economic and political conditions, could adversely affect the market price of the Ordinary Shares.

There is currently no market for the Ordinary Shares and a market for the Ordinary Shares may not develop, which could adversely affect the liquidity and price of the Ordinary Shares

There is currently no market for the Ordinary Shares. Therefore, prospective investors should be aware that they cannot benefit from information about the prior market history of the Ordinary Shares in making their decisions to invest. Furthermore, an active trading market for the Ordinary Shares may never develop or, if it does develop, may not be maintained. Shareholders may be unable to sell their Ordinary Shares unless a market can be established or maintained.

The Group will incur increased costs as a result of the Company being a public company

Upon Admission, the Group expects to incur significant legal, accounting and other expenses that have not been incurred historically as a private company. For example, the Group will incur additional general and administrative costs associated with public company reporting requirements. Compliance may require significant management attention resulting in a diversion of management from revenue generating activities to compliance activities.

Forward looking statements

Certain statements in this Document constitute "forward-looking statements". Forward-looking statements include statements concerning the plans, objectives, goals, strategies and future operations and performance of the Company and the assumptions underlying these forward-looking statements. The Company uses the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "may", "will", "should", and any similar expressions to identify forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the Company's actual results, performances or achievements to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as at the date of this Document. The Company is not obliged, and does not intend, to update or to revise any forward-looking statements, whether as a result of new information, future events or otherwise except to the extent required by any applicable law or regulation. All subsequent written or oral forward-looking statements attributable to the Company, or persons acting on behalf of the Company, are expressly qualified in their entirety by the cautionary statements contained throughout this Document. As a result of these risks, uncertainties and assumptions, a prospective investor should not place undue reliance on these forward-looking statements.

The risks noted above do not necessarily comprise all those faced by the Group and are not intended to be presented in any assumed order of priority.

PART IV

TAXATION

The following information, which relates only to UK and the Bailiwick of Guernsey, is applicable to the Company and to persons who are resident or ordinarily resident in the UK or resident in Guernsey, Alderney and Herm and who hold Ordinary Shares as investments. It is based on the law and practice currently in force in the UK and Guernsey.

The information is not exhaustive and, if any potential investor is in any doubt as to his taxation position, he should consult his professional adviser without delay. Investors should note that tax law and its interpretation can change and that, in particular, the levels and bases of, and reliefs from, taxation may change and such changes may alter the benefits of investment in the Company. These comments do not apply to certain classes of shareholders, such as dealers in securities, insurance companies, collective investment schemes and shareholders who have, or are deemed to have, acquired their shares by reason of, or in connection with, an office or employment.

1 Guernsey taxation

1.1 *The Company*

In response to the review carried out by the European Code of Conduct Group, the States of Guernsey has, with effect from 1 January 2008, abolished exempt status for tax purposes for a majority of companies in Guernsey and introduced a zero rate of tax for companies carrying on all but a few specified types of regulated business (including banking business or the provision of credit facilities to the public which is taxable at the intermediate rate of 10 per cent.) or where income is derived from the ownership of land and buildings situated in Guernsey and thus remains taxable at 20 per cent. However, because collective investment schemes were not one of the regimes in Guernsey that were classified by the European Union Code of Conduct Group as being harmful, companies qualifying as collective investment schemes continue to be able to apply for exempt status for Guernsey tax purposes after 31 December 2007.

Tax residence is determined by virtue of incorporation or Guernsey shareholder control. A company may also become liable to Guernsey income tax if it is conducting a trade or business in the Bailiwick of if it has a Guernsey source of income.

The Company is considered resident for tax purposes in Guernsey and is subject to the company standard rate of income tax of zero per cent.

A further consequence of the changes to the tax law is that there is now an obligation on the Company, when it makes distributions, and in the case of certain deemed distribution events, to report those events to the Income Tax Office on a six monthly basis and to withhold and account for tax where those distributions are being made to Guernsey tax resident "beneficial members". The deemed distribution withholding only applies to resident individuals only with an interest greater than 1 per cent.

Provided the beneficial member is not resident in Guernsey then the Company's distributions can be made without further deduction of withholding tax. There is no requirement for the Company to withhold Guernsey tax on any interest payments made, subject to the comments below concerning the application of the EU Savings Tax Directive.

In keeping with its ongoing commitment to meet international standards, the States of Guernsey are currently undertaking a review of its tax regime with the expectation of implementing any required revisions to the regime in the period between 2012 and 2015. At this point in time, the key features of any revised regime have yet to be determined. It is currently not anticipated that there will be any change to the current exemption for collective investment schemes.

Guernsey does not levy taxes upon capital inheritances, capital gains, gifts, sales or turnover, nor are there any estate duties, save for a small ad valorem fee for the grant of probate or letters of administration. No stamp duty is chargeable in Guernsey on the issue, transfer or redemption of shares.

1.2 ***EU Savings Tax Directive***

Although not a Member State of the European Union, Guernsey in common with certain other jurisdictions has agreed to apply equivalent measures to those contained in the EU Savings Tax Directive (2003/48/EC), with the exception that the EU resident individual to whom interest is paid will suffer a retention tax on such payment (currently set at a rate of 20 per cent.) where they have not agreed to exchange certain information about their identity, residence and savings income with the tax authorities in their Member State of residence.

However, no retentions or exchanges of information under the EU Savings Tax Directive as implemented in Guernsey are expected to apply to holdings of Ordinary Shares where payment in respect of such holdings is made by a Guernsey paying agent.

It should be noted the States of Guernsey have announced their intention to move to an automatic exchange of information policy as stipulated in the EU Savings Tax Directive during 2011.

1.3 ***Shareholders***

Non Guernsey resident Shareholders will receive dividends without deduction of Guernsey income tax. Any Shareholders who are resident in Guernsey, Alderney or Herm will incur Guernsey income tax on any dividends paid on Ordinary Shares owned by them and will be subject to a deduction of tax by the Company from any such dividends payable by the Company. The rate at which the Company is required to deduct tax is 20 per cent. on distributions and, where appropriate, on deemed distributions.

Deemed distributions arise on investment income and certain trigger events such as the disposal of the company shares, amalgamation, or death or migration or the shareholder. Distributions and deemed distributions are for investment companies reported and tax deducted at six monthly intervals, i.e, the end of June and December.

2. UK taxation

2.1 ***The Company***

It is the intention of the Directors to conduct the affairs of the Company so that the central management and control of the Company is not exercised in the United Kingdom and so that the Company does not carry out any trade in the United Kingdom (whether or not through a permanent establishment situated there). On this basis, the Company should not be liable for United Kingdom taxation on its profits and gains other than certain profits or gains deriving from a United Kingdom source.

2.2 ***UK Shareholders***

Taxation of dividends

Shareholders who are resident in the United Kingdom for tax purposes may, depending on their circumstances, be liable to UK income tax or corporation tax in respect of dividends paid by the Company whether directly or by way of reinvestment of income.

For shareholders who are individuals and who are not taxable on the remittance basis, income tax will generally be charged at the rate of 10 per cent., 32.5 per cent. or 42.5 per cent. (the 32.5 per cent. tax rate applies if the individual is a higher rate tax payer and the 42.5 per cent. tax rate applies if the individual has other taxable income in excess of £150,000 per annum). Where a taxpayer has other taxable income of less than £150,000 the receipt of a dividend may result in his total taxable income exceeding the £150,000 threshold. In that event the dividend will be taxed partly at 32.5 per cent. (up to the £150,000 income threshold) and partly at 42.5 per cent. (on the excess above the £150,000 threshold). Any dividend will carry a tax credit equal to one ninth of the dividend, provided that the individual's interest in the Company is less than 10 per cent.

Individuals who are taxable on the remittance basis should seek their own advice in relation to the tax treatment of dividends paid by the Company.

For corporate shareholders, the tax treatment of dividends paid by the Company will depend on the size of the recipient company. Small companies will generally be subject to UK corporation tax at a rate of 28 per cent. on all dividends received from the Company. Please note that under the 2010 emergency budget the corporate tax rate for future periods will decline by one per cent per annum until 2014/15. These are proposals and have not yet passed into statute. A tax credit is generally given for any tax withheld at source. In addition, a tax credit should also be given for any underlying tax (that is, tax paid on the profits out of which the dividend was paid), provided the relevant corporate shareholder controls at least 10 per cent. of the voting rights in the Company and certain detailed conditions are satisfied.

Any corporate shareholder which is not small and that has a holding of less the 10 per cent, will generally be exempt from corporation tax on the dividend. Corporate shareholders should seek their own separate advice as to whether they are a small company for these purposes.

Scrip dividends

Generally, a scrip dividend payable by a non-UK resident company is not taxable as income for UK income or corporation tax purposes.

Taxation of chargeable gains

In the case of those shareholders who are individuals or otherwise not within the charge to corporation tax, capital gains tax may be payable on any chargeable gain arising upon a disposal of Ordinary Shares. Any such gain may be subject to tax at a rate of 18 per cent. (please note that the 2010 emergency budget proposes this remains for basic rate tax payers, but rises to 28 per cent. for higher rate tax payers) subject to the availability of relevant reliefs and exemptions. Individual shareholders are not subject to tax on chargeable gains up to the annual exempt amount. For the 2010/2011 tax year this is £10,100.

Shareholders within the charge to UK corporation tax may be subject to corporation tax on chargeable gains in respect of any gain arising on a disposal of Ordinary Shares. Indexation allowance may apply to reduce any chargeable gain arising on a disposal of the Ordinary Shares but will not create or increase an allowable loss. An exemption from tax is available to the extent the shareholding qualifies for the Substantial Shareholding Exemption.

Close company

Shareholders who are resident or ordinarily resident for tax purposes in the United Kingdom who hold more than 10 per cent. of the Company (either alone or taking into account the interests of persons connected with them), should seek their own separate advice on the basis that in certain circumstances (ie if the Company is or becomes a close company for UK tax purposes) a proportion of gains made by the Company could be attributable to them under section 13 of the Taxation of the Chargeable Gains Act 1992.

Collective investment scheme

The Company should not be regarded as a mutual fund for the purposes of Schedule 22 Finance Act 2009. On this basis a shareholding in the Company should not be regarded as a material interest in an offshore fund for the purposes of Sections 756A to 764 (as amended by the Finance Act 2005) of the Income and Corporation Taxes Act 1988 (the "Taxes Act").

Controlled foreign company

A UK resident corporate shareholder who, together with connected or associated persons, holds at least a 25 per cent. interest in the Company should note the provisions of the controlled foreign companies legislation contained in Sections 747 to 756 of the Taxes Act. It should be noted that it is envisaged that the UK Government will announce that it intends to alter the rules relating to controlled foreign companies in the near future. Shareholders should seek their own specific advice on how these changes may impact upon them.

Transfer of assets abroad

The attention of individuals ordinarily resident in the United Kingdom is drawn to the provisions of section 714 to 751 of the Income Taxes Act 2007 which may render such individuals liable to tax on the income of the Company (taken before any deduction for interest) in certain circumstances.

Transactions in securities

The attention of investors is drawn to Section 684 of the Income Tax Act 2007 under which HM Revenue & Customs may seek to cancel tax advantages from certain transactions in securities.

2.3 ***Individual Savings Accounts ("ISA") and Personal Equity Plans ("PEP")***

Ordinary Shares in the Company will not be eligible to be held in the stocks and shares component of an ISA or an existing PEP.

2.4 ***Self-invested Personal Pension Schemes ("SIPPs")***

HM Revenue & Customs automatically treats SIPPs existing at 6 April 2006 or set up after that date as registered pension schemes. In accordance with HM Revenue & Customs guidance note RPSM07105010 registered pension schemes may invest in equities regardless of whether or not they are quoted on a recognised stock exchange, and therefore Ordinary Shares should be eligible investments.

2.5 ***Stamp Duty and Stamp Duty Reserve Tax***

The following comments are intended as a guide to the general UK Stamp Duty and Stamp Duty Reserve Tax ("SDRT") position and do not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with depository arrangements or clearance services to whom special rules apply. No UK Stamp Duty or SDRT will be payable on the issue of Ordinary Shares. Provided that Ordinary Shares are not registered in any register kept in the United Kingdom by or on behalf of the Company any agreement to transfer Ordinary Shares should not be subject to SDRT.

An exemption from stamp duty is available where the amount or value of the consideration is £1,000 or less, provided that it is certified on the instrument of transfer that the transaction does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000.

Any person who is in any doubt as to his/her tax position or requires more detailed information than the general outline above should consult his/her professional advisers.

PART V

FINANCIAL INFORMATION

A. iEnergizer Holdings Limited, Mauritius

Audited consolidated historical financial information for the three years ended 31 March 2010

B. iEnergizer Holdings Limited, Mauritius

Un-audited illustrative statement of Earnings Before Interest and Tax for the year ended 31 March 2010

Un-audited pro-forma Balance Sheet as at 31 March 2010

Ernst & Young
6th Floor
HT House
18-20 Kasturba Gandhi Marg
New Delhi
110001, India

27 August 2010

Dear Sirs,

The Directors
iEnergizer Limited

PO Box 344
Longue Hougue House
Longue Hougue Lane
St Sampson
Guernsey GY2 4JN

iEnergizer Holdings Limited, Mauritius

We report on the financial information of iEnergizer Holdings Limited, Mauritius set out on pages 48 to 94 for the three years ended 31 March 2010. This financial information has been prepared for inclusion in the AIM admission document dated 27 August 2010 of iEnergizer Limited, Guernsey ('the Admission Document') on the basis of the accounting policies set out in note 2 to the financial information. This report is required by Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with that schedule and for no other purpose.

Save for any responsibility arising under Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Schedule Two of the AIM Rules for Companies, consenting to its inclusion in the AIM admission document.

Responsibilities

The Directors of iEnergizer Holdings Limited, Guernsey are responsible for preparing the financial information on the basis of preparation set out in note 2 to the financial information and in accordance with International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion as to whether the financial information gives a true and fair view, for the purposes of the Admission Document, and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document dated 27 August 2010, a true and fair view of the state of affairs of iEnergizer Holdings Ltd, Mauritius as at the dates stated and of its profits, cash flows and changes in equity for the periods then ended in accordance with the International Financial Reporting Standards as adopted by European Union.

Declaration

For the purposes of paragraph (a) of Schedule 2 of the AIM Rules for Companies, we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully,

Ernst & Young

PART V – A: iEnergizer Holdings Limited
Consolidated statement of comprehensive income
For the year ended 31 March

	Notes	*2010* *USD*	*2009* *USD*	*2008* *USD*
Rendering of services		34,452,465	31,928,342	28,485,449
Revenue		34,452,465	31,928,342	28,485,449
Other income	7	381,089	237,379	201,734
Gain on disposal of investments in subsidiary	5	107,159,030	–	–
Raw material consumed		(23,718)	(14,597)	–
Cost of outsourced services		(3,671,093)	(2,264,919)	(345,855)
Software usage charges		(347,476)	(112,893)	(21,844)
Employee benefit expenses	8	(12,150,989)	(11,087,238)	(12,655,032)
Power and electricity		(1,096,699)	(1,133,634)	(1,088,650)
Rent	26	(794,865)	(825,694)	(946,736)
Leaseline and connectivity charges		(857,041)	(959,346)	(1,068,557)
Travelling expenses		(303,475)	(363,775)	(478,983)
Repair and maintenance expenses		(512,946)	(326,998)	(374,517)
Communication costs		(367,031)	(529,005)	(346,295)
Legal and professional charges	26	(556,221)	(563,610)	(415,237)
Other expenses	9	(827,161)	(728,227)	(961,997)
Depreciation and amortisation	14 &15	(1,635,722)	(1,693,970)	(1,497,318)
Finance income	10	209,328	111,732	164,603
Finance costs	11	(271,473)	(415,254)	(506,772)
Share of profit/(loss) of an associate	6	2,392	4,510	5,808
		84,335,929	(20,665,539)	(20,335,648)
Profit before tax		118,788,394	11,262,803	8,149,801
Income tax expense	12	234,769	321,095	372,004
Profit for the year		118,553,625	10,941,708	7,777,797
Other comprehensive income				
Exchange differences on translation of foreign operations		3,701,075	(4,717,076)	756,321
Other comprehensive income for the year, net of tax		3,701,075	(4,717,076)	756,321
Total comprehensive income for the year, net of tax		122,254,700	6,224,632	8,534,118
Profit attributable to:				
Equity holder of the parent		118,553,625	10,941,708	7,777,797
		118,553,625	10,941,708	7,777,797
Total comprehensive income attributable to:				
Equity holder of the parent		122,254,700	6,224,632	8,534,118
		122,254,700	6,224,632	8,534,118
Earnings per share				
Basic and diluted profit for the year attributable to ordinary equity holder of the parent	13	56.47	5.21	3.70

iEnergizer Holdings Limited
Consolidated statement of financial position
As at 31 March

	Notes	*2010 USD*	*As at 31 March 2009 USD*	*2008 USD*	*As at 1 April 2007 USD*
Assets					
Property, plant and equipment	14	–	3,751,204	5,279,422	4,326,133
Intangible assets	15	–	130,384	103,107	138,663
Other non-current non-financial assets	16	–	2,856,089	3,935,557	3,966,020
Investment in associates	6	–	63,208	77,399	65,703
Other non-current financial assets	17	–	1,390,612	797,346	1,772,867
Deferred tax asset, net	12	–	1,808,578	971,637	157,901
Total non-current assets		–	10,000,075	11,164,468	10,427,287
Inventories	18	–	21,779	–	–
Trade and other receivables	19	45,906,074	4,032,602	5,568,428	4,534,128
Other current non-financial assets	16	1,626	499,932	477,936	440,389
Other current financial assets	17	1,857,957	10,315,089	10,923,734	6,660,287
Current tax asset		–	177,895	52,403	66,203
Cash and cash equivalents	20	44,842,425	1,869,905	606,935	626,615
Total current assets		92,608,082	16,917,202	17,629,436	12,327,622
Total assets		92,608,082	26,917,277	28,793,904	22,754,909
Equity and liabilities					
Equity share capital	21	2,099,346	2,099,346	2,099,346	2,099,346
Retained earnings		1,049,386	23,234,931	13,353,703	5,760,090
Currency translation reserve		–	(3,960,755)	756,321	–
Total equity		3,148,732	21,373,522	16,209,370	7,859,436
Borrowings	17	–	810,880	1,119,465	1,793,717
Employee benefit liabilities	23	–	202,748	171,198	116,781
Total non-current liabilities		–	1,013,628	1,290,663	1,910,498
Trade and other payables	24	89,434,769	2,208,254	2,372,070	1,382,825
Employee benefit liabilities	23	–	144,257	164,632	120,873
Other current non-financial liabilities	25	–	348,200	397,350	333,960
Income tax payable		24,581	957,712	739,463	–
Borrowings	17	–	871,704	7,620,356	11,147,317
Total current liabilities		89,459,350	4,530,127	11,293,871	12,984,975
Total equity and liabilities		92,608,082	26,917,277	28,793,904	22,754,909

iEnergizer Holdings Limited
Consolidated statement of changes in equity
For the year ended 31 March

	Attributable to the equity holder of the parent			
	Equity share capital (refer note 21) USD	*Retained earnings USD*	*Foreign currency translation reserve (refer note 21) USD*	*Total equity USD*
As at 1 April 2007	2,099,346	5,760,090	–	7,859,436
Profit for the Year	–	7,777,797	–	7,777,797
Other comprehensive income	–	–	756,321	756,321
Total comprehensive income	–	7,777,797	756,321	8,534,118
Distribution of reserves to parent on account of financial guarantees issued (refer note 17.2 f))	–	(171,211)	–	(171,211)
Distribution of reserves to parent on account of interest-free loans given to related parties (refer note 17.1 e))	–	(12,973)	–	(12,973)
As at 31 March 2008	2,099,346	13,353,703	756,321	16,209,370
Profit for the Year	–	10,941,708	–	10,941,708
Other comprehensive income	–	–	(4,717,076)	(4,717,076)
Total comprehensive income	–	10,941,708	(4,717,076)	6,224,632
Distribution of reserves to parent on account of financial guarantees issued (refer note 17.2 f))	–	(1,004,038)	–	(1,004,038)
Distribution of reserves to parent on account of interest-free loans given to related parties (refer note 17.1 e))	–	(56,442)	–	(56,442)
As at 31 March 2009	2,099,346	23,234,931	(3,960,755)	21,373,522
Profit for the Year	–	118,553,625	–	118,553,625
Other comprehensive income	–	–	3,701,075	3,701,075
Total comprehensive income	–	118,553,625	3,701,075	122,254,700
Distribution of reserves to parent on account of interest-free loans given to related parties (refer note 17.1 e))	–	(82,988)	–	(82,988)
Disposal of subsidiaries (refer note 5)	–	–	259,680	259,680
Dividend declared (refer note 22)	–	(140,656,182)	–	(140,656,182)
As at 31 March 2010	2,099,346	1,049,386	–	3,148,732

iEnergizer Holdings Limited
Consolidated statement of cash flows
For the year ended 31 March

	Notes	*2010* *USD*	*2009* *USD*	*2008* *USD*
Operating activities				
Profit before tax		118,788,394	11,262,803	8,149,801
Non-cash adjustments to reconcile profit before tax to net cash flows:				
Depreciation of property, plant and equipment	14	1,579,107	1,650,083	1,432,366
Amortisation of intangible assets	15	56,615	43,887	64,952
Loss/(gain) on disposal of property, plant and equipment	7 and 9	195	–	(3,250)
Share of (profit)/loss of an associate	6	(2,392)	(4,510)	(5,808)
Income from financial guarantee contracts	7	(243,799)	(200,709)	(160,078)
Advances written off	9	6,372	34,198	–
Trade receivable written-off	9	31,647	160,061	39,421
Gain on disposal of investment in subsidiaries	5	(107,159,030)	–	–
Unrealised foreign exchange loss/(gain)		7,339	(26,420)	(7,133)
Payables written-back	7	(5,781)	(149)	(12,878)
Finance income	10	(209,328)	(111,732)	(164,603)
Finance Cost	11	271,473	415,254	506,772
Working capital adjustments:				
Decrease/(Increase) in trade and other receivable	19	(2,408,478)	267,383	(661,705)
Decrease/(Increase) in inventories	18	(37,912)	(24,453)	–
Decrease/(Increase) in other non-financial assets	16	75,896	49,267	231,401
Decrease/(Increase) in other financial assets	17	(168,792)	(774,667)	(205,652)
Increase/(Decrease) in other non-financial liabilities	25	(49,784)	49,772	33,423
Increase/(Decrease) in trade and other payables	24	1,856,681	90,004	876,394
Increase/(Decrease) in employee benefit liabilities	23	118,074	101,255	76,342
		12,506,497	12,981,327	10,189,765
Interest received	10	140,466	82,813	82,408
Taxes paid (net of refunds)		(2,183,884)	(1,240,972)	(411,968)
Net cash flows from operating activities		10,463,079	11,823,168	9,860,205
Investing activities				
Purchase of property, plant and equipment	14	(2,171,060)	(1,328,734)	(2,000,497)
Purchase of intangible assets	15	(156,182)	(101,749)	(17,547)
Loans given to related parties	17	(4,373,231)	(3,792,806)	(2,519,656)
Loans received back from related parties	17	1,721,633	1,855,189	179,984
Proceeds from sale of property, plant and equipment	7, 9 and 14	7,505	–	7,572
Advances for capital assets	16	66,539	(27,075)	148,677
Proceeds from disposal of subsidiary, net of cash disposed	5 and 19	87,147,397	–	–
Net cash flows used in investing activities		82,242,601	(3,395,175)	(4,201,467)

iEnergizer Holdings Limited

	Notes	*2010* *USD*	*2009* *USD*	*2008* *USD*
Financing activities				
Repayment of borrowings	17	(12,858,230)	(13,901,452)	(17,542,339)
Proceeds from borrowings	17	16,472,978	7,316,366	12,213,321
Dividends paid to equity holder of the parent	22	(53,656,182)	–	–
Interest paid	11	(271,473)	(350,260)	(403,030)
Net cash flows from/(used in) financing activities		(50,312,907)	(6,935,346)	(5,732,048)
Net increase/(decrease) in cash and cash equivalents		42,392,773	1,492,647	(73,310)
Net Foreign Exchange difference		579,747	(229,677)	53,630
Cash and cash equivalents at 1 April	20	1,869,905	606,935	626,615
Cash and cash equivalents at 31 March	20	44,842,425	1,869,905	606,935

iEnergizer Holdings Limited
Notes to the consolidated financial statements

1. Corporate Information

iEnergizer Holdings Limited (the 'Company' or 'IHL'), is a private company with limited liability by shares. The Company is incorporated in Mauritius and has a Category 1 Global Business License issued by the Financial Services Commission. The address of the IHL's registered office is IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius.

Up to 28 March 2010, IHL was a wholly-owned subsidiary of EICR (Cyprus) Ltd. ('EICR Cyprus'), which in turn was a wholly-owned subsidiary of Newbury Holdings Two Ltd. ('Newbury'). Newbury was controlled by Mr. Ajay Kalsi. On 29 March 2010, Newbury sold its entire ownership of EICR Cyprus to Geophysical Sub-strata Ltd, an entity controlled by Mr. Anil Aggarwal. On 30 March 2010, IHL sold all its subsidiaries, described in the table below, to Birkbeck Investments (Mauritius), an entity beneficially controlled by Mr. Ajay Kalsi. Also refer note 5.

On 12 May 2010, a new company iEnergizer Limited (the 'IL') was incorporated as a public limited company incorporated in Guernsey to serve as the holding company of IHL for the purpose of listing the shares of IL on the Alternative Investment Market ('AIM') in London. IL acquired all of the ordinary shares of IHL from IHL's erstwhile immediate parent EICR Cyprus on 15 June 2010. Also refer notes 5 and 29.

Up to 29 March 2010, the principal activities of IHL and its subsidiaries (together the 'Group') consisted of the operation of call centres and providing business process outsourcing ('BPO') and back office services to their customers, who were primarily based in the United States of America and India, from its operating offices in India.

Subsequent to the sale of its subsidiaries on 30 March 2010, as further described in note 29, (i) IHL purchased two customer contracts, that were open or had still not expired as of 31 March 2010, from Granada, entered by Granada with international customers, at their respective fair values on the date of purchase of the respective contracts.; (ii) IHL entered into a Master Service Agreements with these entities whereby they will continue to service the customers on behalf of IHL; and (iii) IHL purchased the domestic BPO business of iEnergizer India Private Limited. IHL's principal activities will consist of providing BPO services to customers in India, the United States and other international customers primarily under services agreements with third parties. The Company's operations during the period 29 March 2010 to 31 March 2010 were not material.

This consolidated financial information includes the financial statements of IHL and its subsidiaries listed in the following table:

			% equity interest as at			
				31 March		1 April
Name of the entity	*Holding company*	*Country of incorporation*	*2010**	*2009*	*2008*	*2007*
Granada Services Private Limited ('Granada')	IHL	India	–	100	100	100
Deccan iServices Private Limited ('Deccan')	Granada	India	–	100	100	100
iEnergizer India Private Limited ('IIPL')	Granada	India	–	100	100	100
iServices India Private Limited ('iServices')	Granada	India	–	100	100	100

* All of these four entities were part of the Group to 30 March 2010.

2. Summary of significant accounting policies

(a) *Basis of preparation*

This consolidated financial information includes the consolidated statement of financial position of IHL and its subsidiaries (together the 'Group') as of 31 March 2010, 2009 and 2008 and the consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the years then ended along with the relevant notes and opening consolidated statement of financial position as at the date of transition, 1 April 2007. This consolidated financial information was authorised for issue in accordance with a resolution of the directors on 27 August 2010.

The consolidated financial statements have been prepared on a historical cost basis. The consolidated financial statements are presented in United States dollar (USD) except when otherwise indicated.

This consolidated financial information has been prepared for inclusion in the Admission Document of IL dated 27 August 2010 (refer note 29) in accordance with International Financial Reporting Standards as adopted by European Union ('EU'). These are the Group's first consolidated financial statements and IFRS 1 has been applied.

For all periods up to and including the year ended 31 March 2010, although IHL prepared separate financial statements in accordance with IFRS but it did not prepare consolidated financial statements previously. Further, the other Group entities only prepared separate financial statements in accordance with their respective local generally accepted accounting principles. Accordingly, since, the Group has not prepared consolidated financial statements previously, the Group does not have any previous GAAP for purposes of consolidated financial statements. These financial statements, for the year ended 31 March 2010, are the first consolidated financial statements that the Group has prepared in accordance with IFRS and the Group has followed the provisions of IFRS 1, "First time adoption of IFRS", in preparing its opening IFRS consolidated Statement of Financial Position as of the date of transition., 1 April 2007.

IFRS 1 requires restatement of opening balances subject to certain exemptions and all adjustments on transition are to be recognized directly through retained earnings (or another category of equity where appropriate) as at the date of transition, 1 April 2007. This is the effect of the general rule of IFRS 1 which is to apply IFRS retrospectively. Since the Group did not prepare the consolidated financial statements previously and accordingly does not have a previous GAAP, the Group is not required to present reconciliation as per IFRS 1.

Accordingly, the Group has prepared financial statements which comply with IFRS applicable for periods beginning on or after 1 April 2009 as described in the accounting policies. The following note explains the principal adjustments made by the Group in preparing its opening statement of financial position as at 1 April 2007.

Exemptions from retrospective application availed by the Group on first-time adoption:

Following are the optional exemptions which the Group has opted to apply:

i. **Cumulative translation differences exemption** – As the management has determined the functional currency of all the Group entities other than IHL to be their respective local currencies while the Group has opted for USD as the presentation currency for this consolidated financial statements leading to an adjustment on account of currency translation reserve, the Group has opted to set the accumulated cumulative translation reserve to zero as at the date of transition i.e. 1 April 2007.

Exceptions from full retrospective application on first-time adoption:

i. **Estimates exception** – Upon an assessment of the estimates made under the respective local GAAP of each of the entities, the Group has concluded that there was no necessity to revise the estimates under IFRS except for the following:

a. **Employee benefits** – Although the accounting requirements under previous GAAP were similar to those under IAS 19, but there was an error in the estimation of the attrition rate to be used for actuarial valuation using projected unit credit method. The impact of revised valuation as of the date of transition i.e. 1 April 2007 has been adjusted within opening reserves although the amount was not significant.

b. **Estimated useful life for items of property, plant and equipment** – Each entity in the Group had been depreciating the property, plant and equipment under local GAAP based on the depreciation rates prescribed under local regulations. Under IFRS, the Group has used depreciation rates based on the useful life of the respective items of property, plant and equipment. The impact of the change in accumulated depreciation until the date of transition i.e. 1 April 2007 has been adjusted within opening reserves.

(b) ***New standards and interpretations***

i *Early adoption of standards, interpretations and amendments endorsed by EU and effective for the years beginning on or after 1 April 2010*

As these are the Group's first consolidated financial statements in accordance with IFRS, in accordance with IFRS 1, the Group has applied the standards and interpretations effective as at 31 March 2010 in preparing the consolidated financial statements for the years ended 31 March 2010, 2009 and 2008 as well as the opening consolidated statement of financial position as of the date of transition i.e. 1 April 2007.

The following standards, interpretations and amendments to published standards endorsed by EU that are not yet effective for the Group's accounting periods beginning on or after 1 April 2009, but which the Group has decided to early adopt, are:

Restructured IFRS 1 First-time Adoption of IFRS

In November 2008, the IASB issued a restructured version of IFRS 1. IFRS 1 (revised 2008) retains the substance of the previous version, but with in a changed structure. Amendments to IFRS 1 are applicable for a period beginning on or after 1 July 2009. These amendments had no impact on the consolidated financial statements.

IFRS 3 *Business Combinations (Revised) and* IAS 27 *Consolidated and Separate Financial Statements (Amended) effective 1 July 2009*

IFRS 3 (Revised) introduces significant changes in the accounting for business combinations occurring after this date. Changes affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results. The adoption of changes under IFRS 3 (Revised) did not have any impact on the Group's consolidated financial statements as the Group has not made any acquisitions from incorporation to 31 March 2010 which qualify as business combinations.

IAS 27 (Amended) requires that a change in the ownership interest of a subsidiary (without loss of control) be accounted for as a transaction with owners in their capacity as owners. Therefore, such transactions will no longer give rise to goodwill, nor will it give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The adoption of changes under IAS 27 (Amended) did not have any impact on the Group's consolidated financial statements from the date of transition to 31 March 2010 as the Group has not entered into any such transactions during this period which may qualify as change in ownership interest of a subsidiary without loss of control.

IFRIC 17, 'Distribution of non-cash assets to owners' effective 1 July 2009

This interpretation provides guidance on how to account for non-cash distributions to owners. The interpretation applies to all non-reciprocal distributions of non-cash assets, including those giving the shareholders a choice of cash or other assets. The interpretation clarifies when to recognise a liability, how to measure it and the associated assets, and when to derecognise the asset and liability. The Group has concluded that IFRIC 17 does not have any impact on its consolidated financial statements as the Group has not made any non-cash distributions to its shareholders in the past.

IFRIC 18 *Transfers of Assets from Customers effective* 1 July 2009

This interpretation provides guidance on how to account for items of property, plant and equipment received from customers, or cash that is received and used to acquire or construct specific assets. This interpretation is only applicable to such assets that are used to connect the customer to a network or to provide ongoing access to a supply of goods or services or both. The Group has concluded that IFRIC 18 does not have any impact on its consolidated financial statements as the Group does not receive any items from its customers which may qualify for recognition as property, plant and equipment by the Group.

IFRS 2 Share-based payments effective 1 January 2010

In June 2009, the IASB issued an amendment to clarify its scope and accounting for group cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services when that entity has no obligation to settle the share-based payment transaction. The Board has also withdrawn IFRIC 8 and IFRIC 11 as this amendment also incorporates the guidance contained in these two interpretations. The Group has concluded that this amendment does not have any impact on its consolidated financial statements as none of the Group employees have been issued any share-based options by either any of the Group entities or any other related parties.

IAS 32 Financials Instruments: Presentation and disclosure (amendment) effective 1 February 2010

In October 2009, the IASB issued an amendment that allows rights issues to be classified as equity when the price is denominated in a currency other than the entity's functional currency. The strike price of the right is denominated in currencies other than the issuer's functional currency when the entity is listed in more than one jurisdiction and is required to do so by law or regulation. A fixed strike price in a non-functional currency would normally fail the 'fixed for fixed' requirement in IAS 32 to be treated as an equity instrument. However, the amendment has created an exception to the 'fixed for fixed' requirement whereby such rights issues are now classified as equity. The amendment is effective for annual periods beginning on or after 1 February 2010. The Group has concluded that this amendment does not have any impact on its consolidated financial statements as the Group has not made any right issues.

IAS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items* effective 1 July 2009

The amendment clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as a hedged item. This also covers the designation of inflation as a hedged risk or portion in particular situations. The Group has concluded that the amendment does not have any impact on its consolidated financial statements as the Group has not entered into any such hedges up to date.

Improvements to IFRSs

In April 2009, the IASB issued omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard. The Group has concluded that the adoption of the following amendments, which have been endorsed by the EU and are effective for annual periods starting on or after 1 April 2010, do not have any impact on the Group's consolidated financial statements:

- IFRS 2 Share-based Payment: Scope of IFRS 2 and revised IFRS 3
- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations: Disclosures of non-current assets (or disposal groups) classified as held for sale or discontinued operations
- IFRS 8 Operating Segment Information: Disclosure of information about segment assets
- IAS 1 Presentation of Financial Statements: Current/non-current classification of convertible instruments
- IAS 7 Statement of Cash Flows: Classification of expenditures on unrecognised assets
- IAS 17 Leases: Classification of leases of land and buildings
- IAS 18 Revenue: Determining whether an entity is acting as a principal or as an agent
- IAS 36 Impairment of assets:
  - Unit of accounting for goodwill impairment test; and
  - Measuring the fair value of an intangible asset acquired in a business combination
- IAS 38 Intangible Assets: Additional consequential amendments arising from revised IFRS 3
- IAS 39 Financial instruments: Recognition and measurement:
  - Treating loan prepayment penalties as closely related embedded derivatives;
  - Scope exemption for business combination contracts; and
  - Cash flow hedge accounting
- IFRIC 9 Reassessment of embedded derivatives: Scope of IFRIC 9 and revised IFRS 3
- IFRIC 16 Hedges of a net investment in a foreign operation: Amendment to the restriction on the entity that can hold hedging instruments

ii *New standards, interpretations and amendments issued by IASB but not yet endorsed by EU*

The following standards and amendments to existing standards have been published by the Board but have not yet been endorsed by the EU and the Group believes that these would need to be further analysed on endorsement by the EU to determine if they may have any impact on Group's consolidated financial statements:

IAS 24 Related Parties Disclosure (amendment) effective 1 January 2011

In November 2009, IASB introduced an amendment for exemption from all of the disclosure requirements of IAS 24 for transactions between government-related entities and the government, and all other government-related entities. This is a significant relaxation of the disclosure requirements and should be of substantial benefit to government-related entities. The complexity and volume of the disclosures in the financial statements and the costs of record-keeping will be reduced. The amendment will make the definition of a related party easier to apply, but some entities will be required to make additional disclosures. The Group has concluded that this amendment does not have any impact on its consolidated financial statements as the Group is not a government-related entity.

IFRS 1 First-time adoption of International Financial Reporting Standards (Amendment) effective 1 January 2010

In July 2009, the IASB issued an amendment that allows an entity to use the deemed cost exemption for oil and gas assets but requires the disclosure of the basis on which carrying amounts determined under previous GAAP were allocated. It also replaces "fair value or revaluation as" with "deemed cost". This amendment is effective for annual periods beginning on or after 1 January 2010. The Group has concluded that this amendment does not have any impact on its consolidated financial statements as the Group neither has any oil and gas assets nor has opted for deemed cost exemption at the time of first-time adoption.

IFRS 1 First-time adoption of International Financial Reporting Standards (Amendment) effective 1 July 2010

IFRS 1 has been amended to allow first-time adopters to utilise the transitional provisions in IFRS 7 *Financial Instruments*: *Disclosures* as they relate to the March 2009 amendments to the standard. These provisions give relief from providing comparative information in the disclosures required by the amendments in the first year of application. This amendment is effective for annual periods beginning on or after 1 July 2010. The Group has concluded that this amendment does not have any impact on its consolidated financial statements.

IFRS 9, 'Financial instruments' effective 1 January 2013

IASB took on board requests that the accounting for financial instruments should be improved quickly hence IASB developed a new standard for financial reporting for financial instruments that is principle-based and less complex. To achieve this, the Board announced an accelerated phased project to replace IAS 39. As the Board completes each phase, it will delete the relevant portions of IAS 39 and (along with its current project on de-recognition of financial instruments) create an IFRS that will eventually replace IAS 39. IFRS 9 issued on 12 November 2009 only covered financial assets. The Group will apply this standard from the effective date endorsed by EU.

Amendment to IFRIC 14 Prepayments of a Minimum Funding Requirement effective 1 January 2011

In November 2009, the IASB introduced an amendment requiring entities to recognize as an economic benefit any prepayment of minimum funding requirement contributions. The Board also removed the references to 'present value' and 'the surplus in the plan' and also amended the term 'future accrual of benefits' to 'future service' for consistency. This amendment is effective for annual periods beginning on or after 1 January 2011. The management believes that this amendment would not have any impact on the Group's consolidated financial statements as there are no minimum funding requirements under any of the employee benefit plans.

IFRIC 19 *Extinguishing financial liabilities with equity instruments effective* 1 July 2010

This interpretation clarifies that equity instruments issued to a creditor to extinguish a financial liability are consideration paid in accordance with paragraph 41 of IAS 39 *Financial Instruments; Recognition and Measurement*. The equity instruments issued are measured at their fair value, unless this cannot be reliably measured, in which case they are measured at the fair value of the liability extinguished. Any gain or loss is recognised immediately in profit or loss. If only part of a financial liability is extinguished, the entity needs to determine whether part of the consideration paid relates to a modification of the liability outstanding. If so, the consideration paid is allocated between the two parts. This interpretation is effective for annual periods beginning on or after 1 July 2010. The Group will apply this standard from the effective date endorsed by EU.

Improvements to IFRSs

In May 2010, the IASB has issued omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard. These amendments have not yet been endorsed by EU and the Group believes that these would need to be further analysed on endorsement by EU to determine if they may have any impact on Group's financial statements:

- IFRS 1 *First-time Adoption of International Financial Reporting Standards:*
  - Accounting policy changes in the year of adoption; and
  - Use of deemed cost for operations subject to rate regulation
- IFRS 3 *Business Combinations*:
  - Transition requirements for contingent consideration from a business combination that occurred before the effective date of the revised IFRS;
  - Measurement of non-controlling interests; and
  - Un-replaced and voluntarily replaced share-based payment awards
- IFRS 7 *Financial Instruments: Disclosure:* Clarification of disclosures
- IAS 1 *Presentation of Financial Statements:* Clarification of statement of changes in equity
- IAS 27 *Consolidated and Separate Financial Statements:* Transition requirements for amendments arising as a result of IAS 27 *Consolidated and Separate Financial Statements*
- IAS 34 *Interim Financial Reporting:* Significant events and transactions
- IFRIC 13 *Customer Loyalty Programmes:* Fair value of award credits

(c) ***Basis of consolidation***

This consolidated financial information comprise the financial statements of IHL and its subsidiaries as at 31 March 2010, 2009, 2008 and for the years then ended and as of the date of transition, 1 April 2007.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, income and expenses, unrealised gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

Losses are attributed to the non-controlling interest even if that results in a deficit balance. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained

- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss

(d) ***Investment in an associate***

The Group's investment in its associate is accounted for using the equity method. An associate is an entity in which the Group has significant influence.

Under the equity method, the investment in the associate is carried in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The consolidated statement of comprehensive income reflects the share of the results of operations of the associate. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The share of profit of associates is shown on the face of the consolidated statement of comprehensive income. This is the profit attributable to equity holders of the associate and therefore is profit after tax and non-controlling interests in the subsidiaries of the associates.

The financial statements of the associate are prepared for the same reporting period as the parent company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the consolidated statement of comprehensive income.

Upon loss of significant influence over the associate, the Group measures and recognises any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal are recognised as profit or loss.

(e) ***Foreign currency translation***

These consolidated financial statements are presented in USD, which is also the IHL's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group has elected to recycle the gain or loss that arises from the direct method of consolidation, which is the method the Group uses to complete its consolidation.

(i) *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.

All differences are taken to the consolidated statement of comprehensive income with the exception of all monetary items that provide an effective hedge for a net investment in a foreign operation. These are recognised in other comprehensive income until the disposal of the net investment, at which time they are recognised in the consolidated statement of comprehensive income. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in equity.

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.

(ii) *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 statement of comprehensive income.

(f) ***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

The Group recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectibility is reasonably assured.

Interest income

For all financial instruments measured at amortised cost, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the consolidated statement of comprehensive income.

(g) ***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 statement of comprehensive income. 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.

(h) ***Employee benefits***

(i) *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 statement of comprehensive income 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/government 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.

(ii) *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.

(iii) *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.

(iv) *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 statement of comprehensive income 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.

(i) ***Financial instruments – initial recognition and subsequent measurement***

(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 consolidated statement of comprehensive income. The losses arising from impairment are recognised in the consolidated statement of comprehensive income in 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.

(b) *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 statement of comprehensive income. 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 statement of comprehensive income. 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 statement of comprehensive income.

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.

(c) *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 statement of comprehensive income 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 statement of comprehensive income.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation.

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 statement of comprehensive income.

(d) *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.

(e) *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.

(j) ***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 statement of comprehensive income 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:

• Computers	5 years
• Office equipment	5 years
• Furniture & Fixtures	5 years
• Air-conditioners & 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 statement of comprehensive income 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.

(k) ***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.

For arrangements entered into prior to 1 January 2005, the date of inception is deemed to be 1 January 2005 in accordance with the transitional requirements of IFRIC 4.

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 statement of comprehensive income.

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 statement of comprehensive income on a straight line basis over the lease term.

(l) ***Borrowing costs***

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The Group has not capitalized any borrowing costs to date as there are no qualifying assets.

(m) ***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 statement of comprehensive income 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 are 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.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 statement of comprehensive income when the asset is derecognised.

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

(n) ***Inventories***

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product, to its present location and condition, are accounted for as follows:

Raw materials – purchase cost on a first in, first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(o) ***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 statement of comprehensive income unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(p) ***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.

(q) ***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 statement of comprehensive income 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.

3. Significant accounting judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements 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 statements:

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.

Refer note 12 for detailed disclosures.

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. Further details about the assumptions used are given in Note 23.

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. Refer note 17.1 for carrying value of these financial assets.

Fair valuation of financial guarantee contracts

The Group does not receive any commission for providing the guarantees for loans taken by the entities outside the Group but controlled by Mr. Ajay Kalsi ('fellow subsidiaries') from banks, The fair value of these financial guarantee contracts classified as other financial liabilities has been estimated by discounting the future cash flows, that the management believes a bank would have earned for giving the financial guarantee in an arms' length transaction, at the market rate that would have been available to the Group for providing similar financial guarantees. Refer note 17.2 for carrying value of financial guarantee contracts.

4. 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

	2010	*2009*	*2008*
	USD	*USD*	*USD*
USA*	28,961,575	26,850,184	24,339,284
India*	4,876,640	4,202,456	3,921,914
Rest of the world*	614,250	875,702	224,251
Total revenue per consolidated statement of comprehensive income	34,452,465	31,928,342	28,485,449

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

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

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Customer 1	2,848,182	5,699,462	6,374,555
Customer 2	3,309,378	3,320,200	1,832,228
Customer 3	6,558,758	4,929,845	2,269,611
Total contribution to revenue	12,716,318	13,949,507	10,476,394

Non-current assets

The non-current assets of the Group are primarily located in India. Non current assets for this purpose comprise of property plant and equipment, intangibles, =other non current non financial assets and investment in associates.

5. Gain on disposal of subsidiaries

Newbury, the erstwhile parent of IHL, intended to exit from the BPO business and Mr. Anil Aggarwal wanted to enter into the business of providing BPO services to customers in India, the United Stated and other international customers.

With the above objectives in mind, Newbury sold its 100 per cent. equity interest in EICR (Cyprus), the immediate parent of IHL to Geophysical Sub-strata Limited, an entity beneficially controlled by Mr. Anil Aggarwal for a purchase consideration of USD 1.Under terms of this agreement:

(i) EICR (Cyprus) will continue to be liable for payment of its existing loan of USD 168 million due to Newbury; and

(ii) Geophysical guaranteed this debt of USD 168 million owed by EICR (Cyprus) and undertook to pay the debt to Newbury along with interest of 10 per cent. per annum. if the amount is not paid by EICR (Cyprus) within next 3 years from the date of this agreement.

Granada, along with its three direct subsidiaries, is in the business of providing BPO services to the customers in India as well as outside India. On 30 March 2010, IHL sold its entire equity interest in Granada Services Private Limited for a total consideration of USD 131,238,000 (@USD 69 per share of Granada) to Birkbeck Investments (Mauritius), a fellow subsidiary of Newbury. Of the total consideration, USD 42,662,000 is receivable by IHL from Birkbeck Investments Ltd as of 31 March 2010 (refer note 19). Also refer note 29.

This transaction lead to a complete change to IHLs business model since up to 29 March 2010, IHLs business model was to provide BPO services through its Indian subsidiaries while subsequent to the above transactions, IHL will use a third party service provider to provide BPO services to its customers. Also refer note 29.

The disposal of Granada resulted in a gain of USD 107,159,030 as follows:

	2010 *USD*
Property, plant and equipment	4,965,821
Intangible assets	256,640
Other non-current non-financial assets	3,032,753
Investment in associates	75,772
Other non-current financial assets	976,205
Deferred tax asset	3,777,754
Inventories	65,431
Trade and other receivables	4,593,704
Other current non-financial assets	702,724
Other current financial assets	13,444,366
Current tax asset	351,887
Cash and cash equivalents	1,428,604
	33,671,661
Borrowings	(5,523,946)
Post employment benefit plans	(334,249)
Post employment benefit plans	(193,002)
Trade and other payables	(2,610,158)
Other current non-financial liabilities	(350,658)
Current tax liabilities	(840,358)
	(9,852,371)
Net assets	23,819,290
Add: Currency translation reserve relating to subsidiaries disposed	259,680
Net carrying value of Granada as at 30 March 2010	24,078,970
Sale consideration	131,238,000
Gain on disposal of subsidiaries	107,159,030

6. Investment in associate

The Group has a 20 per cent. interest in Exigent Games Art Pvt Ltd which is involved in the development of video games in India.

Exigent Games Art Pvt Ltd is a private limited company that is not listed on any stock exchange. The carrying value of Group's investment in Exigent is USD Nil (2009: USD 63,208, 2008: USD 77,399 and 2007: USD 65,703) as of 31 March 2010. This investment was disposed off on sale of stake in Granada by IHL (refer note 5). The following information illustrates summarised financial information of the Group's investment in Exigent Games Art Private Limited:

		As at 31 March		*As at 1 April*
	2010	*2009*	*2008*	*2007*
	USD	*USD*	*USD*	*USD*
Share of the associate's statement of financial position:				
Current assets	–	30,963	40,277	25,780
Non-current assets	–	22,218	32,344	26,001
Current liabilities	–	(20,623)	(39,014)	(26,858)
Non-current liabilities	–	(3,849)	(1,319)	(653)
Equity	–	28,709	32,288	24,270
Goodwill included in cost of investment*	–	34,499	45,111	41,433
	–	63,208	77,399	65,703

* The change in the carrying value of goodwill is due to exchange difference on translation.

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Share of the associate's revenue and profit/(loss)			
Revenue	85,750	120,799	185,578
Profit/(loss)	2,392	4,510	5,808

7. Other Income

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Payables written-back	5,781	149	12,878
Refund of statutory dues	107,500	–	–
Income from financial guarantee contracts	243,799	200,709	160,078
Net gain from exchange fluctuations	–	18,192	–
Net gain on disposal of property, plant and equipment	–	–	3,250
Miscellaneous income	24,009	18,329	25,528
Total	381,089	237,379	201,734

8. Employee benefits expense

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Salaries, wages and bonus	10,776,160	9,733,727	11,020,371
Provision for gratuity	104,004	81,748	61,960
Provision for compensated absences	22,632	30,392	32,467
Contribution to provident fund	342,022	332,286	372,465
Staff transportation charges	454,918	426,067	505,014
Staff welfare expenses	412,673	462,140	532,845
Recruitment expenses	38,580	20,878	129,910
Total	12,150,989	11,087,238	12,655,032

9. Other expenses

	2010 *USD*	2009 *USD*	2008 *USD*
Insurance	102,034	102,693	157,517
Security charges	139,172	143,751	175,050
Printing and stationery	41,010	53,304	43,519
Computer hire charges	26,464	55,583	140,214
Net loss from exchange fluctuations	256,368	–	192,076
Trade receivable written-off	31,647	160,061	39,421
Advances written-off	6,372	34,198	–
Business promotion	136,693	113,180	140,927
Net loss on disposal of property, plant and equipment	195	–	–
Miscellaneous expenses	87,206	65,457	73,273
Total	827,161	728,227	961,997

10. Finance income

	2010 *USD*	2009 *USD*	2008 *USD*
Interest income on bank deposits	68,805	18,119	14,666
Accretion on interest free loan given to related parties (refer notes 17.1 e) vi and vii)	68,862	28,919	82,196
Interest accrued on security deposits	71,661	64,694	65,571
Interest on tax refund	–	–	2,170
Total	209,328	111,732	164,603

11. Finance cost

	2010 *USD*	2009 *USD*	2008 *USD*
Interest on debts and borrowings	46,028	97,992	257,455
Interest on loans taken for purchase of assets	40,628	39,856	39,121
Finance charges payable under finance lease	10,111	–	–
Accretion on interest free loan taken from related parties (refer note 17.2 d) (ii))	–	64,994	103,742
Interest on late payment of current tax liabilities	97,556	165,874	71,919
Bank charges	77,150	46,538	34,535
Total	271,473	415,254	506,772

12. Taxation

The major component of income tax expense for the year ended 31 March 2010, 2009 and 2008 are:

Consolidated statement of comprehensive income:

	2010 *USD*	*2009* *USD*	*2008* *USD*
Current income tax:			
Current income tax charge	1,821,361	1,517,461	1,164,069
Deferred tax			
Relating to origination and reversal of temporary differences	(1,586,592)	(1,196,366)	(792,065)
Income tax expense recorded in the consolidated income statement	234,769	321,095	372,004

The reconciliation between tax expense and the product of applying the domestic tax rate to the profit for the country concerned for three years ended 31 March, 2010, 2009 and 2008 is as follows:

	2010 *USD*	*2009* *USD*	*2008* *USD*
Accounting profit before income tax	118,788,394	11,262,803	8,149,801
At respective applicable tax rates*	6,443,276	3,460,450	2,496,214
Non deductible expenses for tax purposes	(38,479)	29,142	(10,782)
Exempt income for tax purposes			
Benefit claimed under tax holiday period of Indian Income Tax Act	(2,956,939)	(3,249,069)	(2,234,078)
Gain on disposal of investment in subsidiary in the books of IHL	(3,214,771)	–	–
Bank interest in the books of IHL	(2,088)	(881)	(5,839)
Temporary difference reversing during tax holiday period	3,770	81,453	126,489
Income tax expense reported in the consolidated statement of comprehensive income	234,769	321,095	372,004

* The amount at respective applicable tax rates has been calculated by applying the tax rates applicable in the respective jurisdictions of the entities generating income. The applicable tax rate was 3 per cent. (2009: 3 per cent. and 2008: 3 per cent.) and 33.99 per cent. (2009: 33.99 per cent. and 2008: 33.99 per cent.) in Mauritius and India, respectively during the year ended 31 March 2010.

Deferred tax

Deferred tax relates to the following:

Deferred tax assets/liabilities (as per consolidated statement of financial position) as of 31 March:

		As at 31 March		*As at 1 April*
	2010	*2009*	*2008*	*2007*
	USD	*USD*	*USD*	*USD*
Deferred tax asset/(liability)				
Accelerated Depreciation for tax purposes	–	(16,104)	(37,985)	(6,566)
Prepaid lease rentals	–	(994,122)	(1,380,166)	(1,341,330)
Accelerated Depreciation for tax purposes	–	59,631	–	474
Provision for compensated absences	–	49,033	55,958	40,444
MAT credit entitlement	–	1,456,419	702,319	–
Provision for gratuity	–	68,914	58,190	34,899
Provision for bonus	–	30,962	38,912	–
Security deposits	–	1,153,845	1,534,409	1,429,980
Net deferred tax asset/(liability)	–	1,808,578	971,637	157,901

Deferred income tax (as per consolidated statement of comprehensive income) for the year ended 31 March:

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Deferred tax expense/(income)			
Accelerated Depreciation for tax purposes	9,684	(81,488)	31,052
Provision for compensated absences	(8,289)	(12,015)	(11,810)
Prepaid lease rentals	(66,010)	(67,846)	(78,367)
Security deposits	23,324	20,949	21,196
MAT credit entitlement	(1,326,602)	(859,251)	(695,596)
Provision for gratuity	(31,844)	(195,362)	(20,000)
Provision for bonus	(186,855)	(1,353)	(38,540)
Net deferred tax expense/(income)	(1,586,592)	(1,196,366)	(792,065)

Reconciliation of net deferred tax (liabilities)/assets (net):

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Opening balance as on 1 April	1,808,578	971,637	157,901
Tax income/(expense) during the period recognised in profit & loss account	1,586,594	1,196,366	792,065
Exchange difference	382,582	(359,425)	21,671
Less: Disposal of subsidiary*	(3,777,754)	–	–
Closing balance as of 31 March	–	1,808,578	971,637

* The net deferred tax recognized in relation to Indian entities of the Group was disposed off on sale of stake in Granada by IHL (refer note 5).

The Group's Indian entities benefited from certain tax incentives provided to the entities having their servicing units located in software technology park of India ('STPI') under Indian tax laws. These incentives provided a deduction from taxable income of an amount equal to 100 per cent. exemption on profits derived from the business for the 10 consecutive years commencing from the date on which the servicing unit located in STPI start operating. The benefit period is assessable separately for each legal entity. The benefit of this deduction was due to expire starting from the year ended 31 March 2010 through the year ending 31 March 2011 before these entities got disposed off on sale of stake in Granada by IHL (refer note 5).

No deferred tax liability has been recognized for the taxes that would be payable on the undistributed earnings of certain of the Group's subsidiaries' as the Group is able to control the timing of the reversal of the temporary differences and it is probable that these temporary differences will not reverse in the foreseeable future. The temporary differences associated with investments in subsidiaries and its associate, for which a deferred tax liability has not been recognised aggregate to USD Nil (2009: USD 879,878, 2008: USD 1,764,619 and 1 April 2007: USD 1,918,197).

There are no income tax consequences attached to the payment of dividends during the year ended 31 March 2010 by the IHL to its parent.

13. Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following information reflects the income and share data used in the basic and diluted earnings per share computations:

	2010 *USD*	*2009* *USD*	*2008* *USD*
Net profit attributable to ordinary equity holder of the parent continuing operations	118,553,625	10,941,708	7,777,797
Net profit attributable to ordinary equity holder of the parent for basic and diluted earnings	118,553,625	10,941,708	7,777,797

	2010	*2009*	*2008*
Weighted average number of ordinary shares for basic and diluted earnings per share	2,099,346	2,099,346	2,099,346

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements except for those discussed in note 29.

14. Property, plant and equipment

	Computer	*Office equipment*	*Furniture and fixtures*	*Air conditioner and generator*	*Vehicles*	*Leasehold improvements*	*Total*
Cost:							
As at 1 April 2007	3,505,053	254,679	624,736	831,956	151,855	2,065,069	7,433,348
Additions	1,490,729	118,354	75,138	24,323	–	291,953	2,000,497
Disposals	–	–	–	–	(17,108)	–	(17,108)
Exchange adjustment	325,530	23,751	56,180	74,082	13,314	186,126	678,983
As at 31 March 2008	5,321,312	396,784	756,054	930,361	148,061	2,543,148	10,095,720
Additions	525,059	71,813	121,515	105,480	–	504,867	1,328,734
Exchange adjustment	(1,309,292)	(101,199)	(191,156)	(230,408)	(34,832)	(653,505)	(2,520,392)
As at 31 March 2009	4,537,079	367,398	686,413	805,433	113,229	2,394,510	8,904,062
Additions	1,083,670	82,660	128,945	176,714	14,155	684,916	2,171,060
Disposals	–	–	–	–	(17,766)	–	(17,766)
Exchange adjustment	785,153	63,272	116,676	138,438	17,747	421,187	1,542,473
Disposal of subsidiary (refer note 5)	(6,405,902)	(513,330)	(932,034)	(1,120,585)	(127,365)	(3,500,613)	(12,599,829)
As at 31 March 2010	–	–	–	–	–	–	–

	Computer	Office equipment	Furniture and fixtures	Air conditioner and generator	Vehicles	Leasehold improvements	Total
Accumulated depreciation:							
As at 1 April 2007	1,606,417	64,048	392,910	195,023	56,605	792,212	3,107,215
Depreciation charge for the year	799,696	62,981	93,601	91,424	32,735	351,929	1,432,366
Disposals	–	–	–	–	(12,786)	–	(12,786)
Exchange adjustment	150,295	6,294	35,781	18,195	5,217	73,721	289,503
As at 31 March 2008	2,556,408	133,323	522,292	304,642	81,771	1,217,862	4,816,298
Depreciation charge for the year	806,673	73,233	90,263	83,252	24,370	572,292	1,650,083
Exchange adjustment	(689,632)	(39,374)	(132,744)	(80,774)	(21,902)	(349,097)	(1,313,523)
As at 31 March 2009	2,673,449	167,182	479,811	307,120	84,239	1,441,057	5,152,858
Depreciation charge for the year	893,048	83,975	125,265	90,953	13,494	372,372	1,579,107
Disposals					(10,066)		(10,066)
Exchange adjustment	477,988	31,585	83,676	54,209	13,572	251,077	912,107
Disposal of subsidiary (refer note 5)	(4,044,485)	(282,742)	(688,752)	(452,282)	(101,239)	(2,064,506)	(7,634,006)
As at 31 March 2010	–	–	–	–	–	–	–
Net book value:							
As at 31 March 2010	–	–	–	–	–	–	–
As at 31 March 2009	1,863,630	200,216	206,602	498,313	28,990	953,453	3,751,204
As at 31 March 2008	2,764,904	263,461	233,762	625,719	66,290	1,325,286	5,279,422
As at 1 April 2007	1,898,636	190,631	231,826	636,933	95,250	1,272,857	4,326,133

The Group has not capitalized any borrowing costs to date as there are no qualifying assets.

There were some additions during the year on account of computer equipments taken on finance lease amounting to USD 449,332 (2009: USD Nil and 2008: USD Nil). All of these assets taken on finance lease were disposed off on sale stake in Granada by IHL (refer note 5).

For other details of security refer note 17.2.

15. Intangible assets

	Software
Cost:	
As at 1 April 2007	321,619
Additions	17,547
Exchange adjustment	28,717
As at 31 March 2008	367,883
Additions	101,749
Exchange adjustment	(97,674)
As at 31 March 2009	371,958
Additions	156,182
Exchange adjustment	68,428
Disposal of subsidiary (refer note 5)	(596,568)
As at 31 March 2010	–

	Software
Accumulated amortisation:	
As at 1 April 2007	182,956
Amortisation charge for the year	64,952
Exchange adjustment	16,868
As at 31 March 2008	264,776
Amortisation charge for the year	43,887
Exchange adjustment	(67,089)
As at 31 March 2009	241,574
Amortisation charge for the year	56,615
Exchange adjustment	41,739
Disposal of subsidiary (refer note 5)	(339,928)
As at 31 March 2010	–
Net book value:	
As at 31 March 2010	–
As at 31 March 2009	130,384
As at 31 March 2008	103,107
As at 1 April 2007	138,663

For details of security refer note 17.2.

16. Other non-financial assets

		As at 31 March		*As at 1 April*
	2010	*2009*	*2008*	*2007*
	USD	*USD*	*USD*	*USD*
Prepaid expenses	1,626	90,493	114,368	93,610
Statutory dues recoverable (net of provision for impairment of 2010: USD Nil (2009: USD 30,458, 2008: USD Nil and 2007: USD Nil))	–	149,944	4,090	2,156
Prepaid lease rental (refer note 17.1 a))	–	2,924,747	4,060,507	3,946,249
Advances to suppliers	–	46,922	49,421	49,755
Advances for capital assets	–	113,467	116,840	245,190
Dues from officers and employees	–	30,448	68,267	69,449
Total	1.626	3,356,021	4,413,493	4,406,409
Current	1,626	499,932	477,936	440,389
Non-current	–	2,856,089	3,935,557	3,966,020

The carrying value of the prepaid lease rentals include USD Nil (2009: USD 2,917,559, 2008: USD 4,047,469 and 2007: USD 3,930,932) pertaining to one of the fellow subsidiaries, Phoenix International Limited. Phoenix International Limited ceased to be a related party on change in ultimate controlling party of the Group on 29 March 2010 (refer note 5). These prepaid lease rentals, including those given to Phoenix International Limited, were disposed off on sale of stake in Granada by IHL (refer note 5).

17. Other financial assets and financial liabilities

17.1 *Other financial assets*

		As at 31 March		*As at 1 April*
	2010	*2009*	*2008*	*2007*
	USD	*USD*	*USD*	*USD*
Security deposits (refer note a) below)	–	769,095	877,204	591,933
Restricted deposits with banks (refer note b) below)	–	117,702	103,130	64,986
Loan to employees (refer note c) below)	–	172,499	–	–
Unrestricted deposits with banks (refer note d) below)	–	436,715	142,237	207,174
Loans to related parties (refer note e) below)	1,857,957	10,197,803	10,585,771	7,569,061
Other financial assets	–	11,887	12,738	–
Total other financial assets	1,857,957	11,705,701	11,721,080	8,433,154
Current	1,857,957	10,315,089	10,923,734	6,660,287
Non-current	–	1,390,612	797,346	1,772,867

(a) The security deposits were interest free and had been paid to fellow subsidiaries as well as unrelated parties for land and building taken on lease. These security deposits paid for land and building have primarily been given under long-term leases and are refundable after periods ranging from 5 years to 20 years. These long-term deposits were fair valued on the date of agreement using discounted cash flows method and the difference between face value and discounted value of the respective deposits was recognized as prepaid lease rental. The prepaid lease rental was being charged to consolidated statement of comprehensive income on straight-line basis over the period of respective lease agreements. The carrying value of the security deposits paid to one of the fellow subsidiaries Phoenix International Limited included in the balance of security deposits above is USD Nil (2009: USD 586,125, 2008: USD 694,655 and 1 April 2007: USD 580,191). Phoenix International Limited ceased to be a related party on change in ultimate controlling party of the Group on 29 March 2010 (refer note 5). These security deposits, including those given to Phoenix International Limited, were disposed off on sale of stake in Granada by IHL (refer note 5).

(b) Restricted deposits shown above are kept as security with the banks against bank guarantees and bid security bonds. These restricted deposits have been disposed off on sale of stake in Granada by IHL (refer note 5).

(c) Loan to employees has been given to one of the employees of a subsidiary and is unsecured, interest-free and recoverable on demand. This loan has been disposed off on sale of stake in Granada by IHL (refer note 5).

(d) These deposits have been kept with the banks for a contractual maturity period ranging from 6 months to 39 months.

(e) Loan to related parties comprise of loans to the following fellow subsidiaries (also refer note 26):

		As at 31 March		*As at 1 April*
	2010	*2009*	*2008*	*2007*
	USD	*USD*	*USD*	*USD*
Granada Footwear Private Limited (refer note i below)	34,865	34,865	34,865	34,865
Xoil Limited (refer note ii below)	19,086	12,880	8,612	–
Birkbeck Investments Limited (refer note iii below)	18,709	12,868	8,995	–
Focus energy Ltd. (refer note iv below)	–	8,308,899	7,656,525	5,240,896
Phoenix International Limited (refer note v below)	–	383,330	1,449,607	1,239,347
Gynia Holdings Limited (refer note vi below	1,610,587	1,291,301	1,419,656	1,053,953
iServices Investments Limited (refer note vii below)	174,710	153,660	7,511	–
	1,857,957	10,197,803	10,585,771	7,569,061

Loan movement during the year for loan given to:

(i) *Granada Footwear Private Limited*

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Particulars			
Opening balance as on 1 April	34,865	34,865	34,865
Movement during the year	–	–	–
Closing Balance as on 31 March	34,865	34,865	34,865

The Group had transferred funds to Granada footwear Pvt. Ltd. as advance for a project to be undertaken by the latter for the implementation of a plant for manufacturer of synthetic footwear. However as the project did not materialize, both the parties agreed to convert this advance into a loan. This loan is unsecured, interest free and immediately recoverable. Granada Footwear Private Limited ceased to be a related party on change in ultimate controlling party of the Group on 29 March 2010 (refer note 5).

(ii) *Xoil Limited*

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Particulars			
Opening balance as on 1 April	12,880	8,612	–
Add: Movement during the year	6,206	4,268	8,612
Closing Balance as on 31 March	19,086	12,880	8,612

This loan is unsecured, interest-free and was given at different dates for a contractual period ranging from two to four years. This loan is contractually recoverable during the year ending 31 March 2011. This long-term loans was fair valued on the date of agreement using discounted cash flows method and the difference between face value and discounted value of the respective loans was recognized as the distribution of reserves to parent since this loan has been given on behalf of the ultimate parent. Xoil Limited ceased to be a related party on change in ultimate controlling party of the Group on 29 March 2010 (refer note 5).

(iii) *Birkbeck Investments Limited*

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Particulars			
Opening balance as on 1 April	12,868	8,995	–
Add: Movement during the year	5,841	3,873	8,995
Closing Balance as on 31 March	18,709	12,868	8,995

This loan is unsecured, interest-free and was given at different dates for a contractual period ranging from two to four years. This loan is contractually recoverable during the year ending 31 March 2011. This long-term loans was fair valued on the date of agreement using discounted cash flows methods and the difference between face value and discounted value of the respective loans was recognized as the distribution of reserves to parent since this loan has been given on behalf of the ultimate parent. Birkbeck Investments Limited ceased to be a related party on change in ultimate controlling party of the Group on 29 March 2010 (refer note 5).

(iv) *Focus Energy Limited*

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Particulars			
Opening balance as on 1 April	8,308,899	7,656,525	5,240,896
Add: Loan given during the year	3,333,528	2,930,364	2,111,740
Less: Loan received back during the year	(965,451)	(175,458)	(179,984)
Exchange differences	1,552,045	(2,102,532)	483,873
	12,229,021	8,308,899	7,656,525
Less: Disposal of loan on sale of stake in Granada by IHL	(12,229,021)	–	–
Closing Balance as on 31 March	–	8,308,899	7,656,525

This loan was unsecured, interest-free and recoverable on demand. This loan was disposed off on sale of stake in Granada by IHL (refer note 5). Focus Energy Limited ceased to be a related party on change in ultimate controlling party of the Group on 29 March 2010 (refer note 5).

(v) *Phoenix International Limited*

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Particulars			
Opening balance as on 1 April	383,330	1,449,607	1,239,347
Add: Loan given during the year	–	344,321	99,291
Less: Loan received back during the year	–	(1,158,626)	–
Exchange differences	60,817	(251,972)	110,969
	444,147	383,330	1,449,607
Less: Disposal of loan on sale of stake in Granada by IHL	(444,147)	–	–
Closing Balance as on 31 March	–	383,330	1,449,607

This loan was unsecured, interest-free and recoverable on demand. This loan was disposed off on sale of stake in Granada by IHL (refer note 5). Phoenix International Limited ceased to be a related party on change in ultimate controlling party of the Group on 29 March 2010 (refer note 5).

(vi) *Gynia Holdings Limited*

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Particulars			
Opening balance as on 1 April	1,291,301	1,419,656	1,053,953
Add: Loan given during the year	1,017,720	345,572	283,761
Less: Loan received back during the year	(756,182)	(496,802)	–
Add: Accretion of interest	57,748	22,875	81,942
Closing Balance as on 31 March	1,610,587	1,291,301	1,419,656

This loan was unsecured, interest-free and recoverable on demand. Gynia Holdings Limited ceased to be a related party on change in ultimate controlling party of the Group on 29 March 2010 (refer note 5).

(vii) *iServices Investments Ltd.*

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Particulars			
Opening balance as on 1 April	153,660	7,511	–
Add: Loan given during the year	9,936	164,408	7,257
Less: Loan received back during the year	–	(24,303)	–
Add: Accretion of interest	11,114	6,044	254
Closing Balance as on 31 March	174,710	153,660	7,511

This loan was unsecured, interest-free and recoverable on demand. iServices Investments Limited ceased to be a related party on change in ultimate controlling party of the Group on 29 March 2010 (refer note 5).

17.2 ***Other financial liabilities***

	As at 31 March			*As at 1 April*
	2010	*2009*	*2008*	*2007*
	USD	*USD*	*USD*	*USD*
Corporate bank loan (refer note a) below)	–	–	609,160	1,039,068
Post shipment export finance (refer note b) below)	–	465,511	989,342	573,476
Obligation under finance leases and assets on loan (refer note c) below)	–	161,525	213,997	200,417
Loan from related parties (refer note d) below)	–	–	5,687,488	9,207,025
Term loan from bank (refer note e) below)	–	21,567	–	–
Financial guarantee contracts (refer note f) below)	–	223,101	120,369	127,331
Total current other financial liabilities	–	871,704	7,620,356	11,147,317

				As at
		As at 31 March		*1 April*
	2010	*2009*	*2008*	*2007*
	USD	*USD*	*USD*	*USD*
Corporate bank loan (refer note a) below)	–	–	–	559,498
Obligation under finance leases and assets on loan (refer note c) below)	–	135,358	282,231	160,232
Loan from related parties (refer note d) below)	–	–	718,111	991,674
Financial guarantee contracts (refer note f) below)	–	675,522	119,123	82,313
Total non-current other financial liabilities	–	810,880	1,119,465	1,793,717

(a) *Corporate bank loan*

The term loan from bank was secured by way of a first charge on the fixed assets of Granada, both present and future, except for those acquired under finance leases on which the bank has a second charge. The loan was further secured by a pledge of 191,007 equity shares of Granada further secured by guarantees given by few other parties and a mortgage on some of the immovable properties of those other parties. These charges, save and except for fixed assets, ranked *pari passu* with the charges created in favour of the bank for obtaining post shipment export finance. The loan was repayable in 36 equal monthly instalments of USD 78,397. The loan was fully repaid during the year ended 31 March 2009. This loan was at a floating rate of interest of the lender's Prime Lending rate ('PLR') less 2 per cent.

(b) *Post shipment export finance*

Post shipment export finance was secured by hypothecation of the book debts of Granada both present and future. The loan was further secured by a pledge of 191,007 (previous year 191,007) equity shares of Granada held by IHL Ltd, and a personal guarantee given by one of the directors of Granada. The loan was further secured by guarantees given by a few other parties and a mortgage on some of their immovable properties. These charges, save and except for book debts, ranked *pari passu* with the charges created in favour of the bank for obtaining the above corporate bank loan. Post shipment export finance was repayable on demand. This loan in 2010 was at floating rate of interest of PLR less 2.5 per cent. and in earlier years at PLR less 3.75 per cent. This borrowing was disposed off on sale of stake in Granada by IHL (refer note 5).

(c) *Loans taken to purchase the asset*

Loans taken to purchase the assets were secured against the computers, computer software and vehicles. These loans were taken from different banks and were at different floating rates of interest and the applicable rate of interest rate was Nil as of 31 March 2010 (31 March 2009: ranged from 8.96 per cent. to 20.66 per cent. and 31 March 2008: ranged from 8.96 per cent. to 20.66 per cent.). These borrowing were disposed off on sale of stake in Granada by IHL (refer note 5).

(d) *Loans from related parties*

Loan from related parties comprise of loans from the following fellow subsidiaries:

	As at 31 March			*As at 1 April*
	2010	*2009*	*2008*	*2007*
	USD	*USD*	*USD*	*USD*
Focus Energy Limited (refer note (i) below)	–	–	5,687,488	9,207,024
iServices Investments Ltd. (refer note (ii) below)	–	–	718,111	991,674
Closing balance	–	–	6,405,599	10,198,698

(i) Focus Energy Limited

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Particulars			
Opening balance as on 1 April	–	5,687,488	9,207,024
Add: Loan taken during the year	7,336,181	–	–
Add: Transfer from loan receivable	–	(672,213)	–
Less: Loan repaid during the year	(3,791,020)	(4,883,567)	(4,295,282)
Exchange differences	213,713	(131,708)	775,746
	3,758,874	–	5,687,488
Less: Disposed off on sale of stake in Granada by IHL (refer note 5)	(3,758,874)	–	–
Closing balance as on 31 March	–	–	5,687,488

This loan was unsecured, interest-free and repayable on demand. Focus Energy Limited ceased to be a related party on change in ultimate controlling party of the Group on 29 March 2010 (refer note 5).

(ii) iServices Investments Limited

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Particulars			
Opening balance as on 1 April	–	718,111	991,674
Less: Loan repaid during the year	–	(783,105)	(377,305)
Add: Accretion of interest	–	64,994	103,742
Closing Balance as on 31 March	–	–	718,111

This loan was unsecured, interest free and was for duration of four years. This loan was paid off before its maturity during the year ended 31 March 2009. iServices Investment Limited ceased to be a related party on change in ultimate controlling party of the Group on 29 March 2010 (refer note 5).

(e) *Term loan from bank*

Term loan from bank was secured by way of a first charge on the computers of Deccan. The loan was repayable in 34 equal monthly instalments of USD 1,076. The term loan was at floating rate of interest of PLR less 1 per cent. This loan was fully repaid during the year ended 31 March 2010.

(f) *Financial guarantee contracts*

The Group had provided guarantees of loans taken by the following fellow subsidiaries from banks:

(i) for loans taken by Focus Energy Limited for Rs. 1,300,000,000 for the whole loan duration of 7 years;

(ii) for Phoenix International Limited for Rs. 170,000,000 for the whole loan duration of 8 years;

(iii) for Focus Energy Limited for Rs. 250,000,000 for the whole loan duration of 3 years;

(iv) for Focus Energy Limited for Rs. 473,200,000 for the whole loan duration of 2.92 years.

Since these guarantees were issued on behalf of the ultimate controlling party for loans taken by fellow subsidiaries, the fair value of financial guarantee contract at the time of initial recognition has been considered as a distribution of reserves to the parent.

Focus Energy Limited and Phoenix International Limited ceased to be related parties on change in ultimate controlling party of the Group on 29 March 2010 (refer note 5).

These financial guarantee contracts were disposed off on sale of stake in Granada by IHL (refer note 5).

17.3 ***Fair values***

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are carried in the financial statements.

	Carrying amount				*Fair value*			
		As at 31 March		*As at 1 April*		*As at 31 March*		*As at 1 April*
	2010	*2009*	*2008*	*2007*	*2010*	*2009*	*2008*	*2007*
	USD	*USD*	*USD*	*USD*	*USD*	*USD*	*USD*	*USD*
Financial assets								
Trade and other receivables	45,906,074	4,032,602	5,568,428	4,534,128	45,906,074	4,032,602	5,568,428	4,534,128
Other financial assets								
Security deposits	–	769,095	877,204	591,933	–	731,530	780,145	541,036
Restricted deposits with banks	–	117,702	103,130	64,986	–	117,702	103,130	64,986
Unrestricted deposits with banks	–	436,715	142,238	207,174	–	436,715	142,238	207,174
Loans to related parties	1,857,957	10,197,803	10,585,771	7,569,061	1,857,957	10,197,803	10,585,771	7,569,061
Loan to employees	–	172,499	–	–	–	172,499	–	–
Other financial assets	–	11,887	12,738	–	–	11,887	12,738	–
Cash and cash equivalents	44,842,425	1,869,905	606,935	626,615	44,842,425	1,869,905	606,935	626,615
Total	92,606,456	17,608,208	17,896,444	13,593,897	92,606,456	17,570,643	17,799,385	13,543,000
Financial liabilities								
Other financial liabilities								
Loans taken to purchase the assets	–	(296,883)	(496,228)	(360,649)	–	(296,883)	(496,228)	(360,649)
Post shipment export finance	–	(465,511)	(989,342)	(573,476)	–	(465,511)	(989,342)	(573,476)
Corporate bank loan	–	–	(609,159)	(1,598,566)	–	–	(609,159)	(1,598,566)
Term loan from bank	–	(21,567)	–	–	–	(21,567)	–	–
Loans from related parties	–	–	(6,405,599)	(10,198,698)	–	–	(6,405,599)	(10,198,698)
Financial guarantee contracts	–	(898,623)	(239,492)	(209,644)	–	(786,619)	(160,236)	(140,836)
Trade and other payables	(89,434,769)	(2,208,254)	(2,372,070)	(1,382,825)	(89,434,769)	(2,208,254)	(2,372,070)	(1,382,825)
Total	(89,434,769)	(3,890,838)	(11,111,890)	(14,323,858)	(89,434,769)	(3,778,834)	(11,032,634)	(14,255,050)

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(a) Cash and cash equivalents, trade and other receivables, other financial assets except for security deposits, trade and other payables and other financial liabilities except for financial guarantee contracts approximated their carrying amounts largely due to the short-term maturities of these instruments.

(b) The fair value of fixed rate or non-interest bearing non-current financial assets and liabilities were estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

18. Inventories

	As at 31 March			*As at 1 April*
	2010	*2009*	*2008*	*2007*
	USD	*USD*	*USD*	*USD*
Raw materials (at cost)	–	21,779	–	–
Total inventories at lower of cost and net realisable value	–	21,779	–	–

19. Trade and other receivables

	As at 31 March			*As at 1 April*
	2010	*2009*	*2008*	*2007*
	USD	*USD*	*USD*	*USD*
Trade receivables	3,244,074	4,032,602	5,568,428	4,534,128
Receivable from Birkbeck Investments Limited (refer note 5)	42,662,000	–	–	–
	45,906,074	4,032,602	5,568,428	4,534,128

Trade receivables are non-interest bearing and are generally on 30-60 day terms.

As at 31 March, the ageing analysis of trade receivables is as follows:

		Neither past due nor	*Past due but not impaired*		
	Total	*impaired*	*0-90 days*	*90-180 days*	*180-365 days*
2010	3,244,074	2,051,645	1,180,741	11,688	
2009	4,032,602	3,150,301	770,768	96,784	14,749
2008	5,568,428	3,558,078	1,166,613	843,737	–
As at 1 April 2007	4,534,128	3,161,582	1,004,560	366,296	1,690

For details of security refer to note 17.2.

20. Cash and cash equivalents

	As at 31 March			*As at 1 April*
	2010	*2009*	*2008*	*2007*
	USD	*USD*	*USD*	*USD*
Cash on hand	–	19,760	26,910	21,820
Cash at banks	44,842,425	1,850,145	580,025	604,795
	44,842,425	1,869,905	606,935	626,615

21. Issued capital & reserves

The authorized share capital is USD Nil as of 31 March 2010, 2009, 2008 and 2007 as the legal requirements in Mauritius do not require an entity to have authorized share capital.

Ordinary shares issued and fully paid up

	As at 31 March			*As at 1 April*
	2010 (In No.)	*2009 (In No.)*	*2008 (In No.)*	*2007 (In No.)*
Opening	2,099,346	2,099,346	2,099,346	2,099,346
Issued during the year	–	–	–	–
Closing	2,099,346	2,099,346	2,099,346	2,099,346

Foreign currency translation reserve

The foreign currency translation reserve was used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. This reserve was eliminated on sale of stake in Granada by IHL (refer note 5).

22. Dividends paid and proposed

	2010 USD	*2009 USD*	*2008 USD*
Dividend on ordinary shares:			
Final dividend declared but not yet paid: USD 41.44 (2009: USD Nil and 2008: USD Nil) per share (refer note 24)	87,000,000	–	–
Interim dividend declared and paid: USD 25.55 (2009: USD Nil and 2008: USD Nil) per share	53,656,182	–	–
Total	140,656,182	–	–

23. Employee benefit plans

	As at 31 March			*As at 1 April*
	2010 USD	*2009 USD*	*2008 USD*	*2007 USD*
Provision for gratuity	–	202,748	171,198	116,781
Provision for compensated absences	–	144,257	164,632	120,873
	–	347,005	335,830	237,654
Current	–	144,257	164,632	120,873
Non-current	–	202,748	171,198	116,781

The following are the employee benefit plans applicable to the employees of the Group:

(a) ***Defined benefit plans – Gratuity***

In accordance with applicable laws, the Group's provides for gratuity, a defined benefit plan, covering eligible employees, in India. This plan provides for a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment that is based on salary and tenure of employment. Liabilities with regard to this plan are determined by actuarial valuation.

The movement in the benefit obligation for gratuity benefit plan over the years is as follows:

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Beginning of year	202,748	171,198	116,781
Current service cost	73,448	59,025	49,881
Interest cost	17,726	11,759	8,857
Actuarial losses/(gains)	12,830	10,964	3,222
Benefits paid	(10,308)	(1,107)	(3,126)
Exchange differences	37,805	(49,091)	(4,417)
Disposal of subsidiary (refer note 5)	(334,249)	–	–
End of year	–	202,748	171,198

The components of amounts recognised in the consolidated statement of comprehensive income for gratuity benefit plan are as follows:

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Current service cost	73,448	59,025	49,881
Interest cost	17,726	11,759	8,857
Actuarial losses/(gains)	12,830	10,964	3,222
Total	104,004	81,748	61,960
Experience adjustment:			
Experience adjustment on plan liabilities loss	12,830	10,964	3,222
Total	12,830	10,964	3,222
Enterprise best estimate of contribution during the next year	140,078	106,539	96,284
Total	140,078	106,539	96,284

The principal actuarial assumptions used for determining the gratuity benefit plan amounts were as follows:

	As at 31 March			*As at 1 April*
	2010	*2009*	*2008*	*2007*
Discount rate	8%	8%	8%	8%
Future salary increase	7%	7%	7%	7%
Mortality rates have been taken as per	LIC (1994-96) Ultimate Table	LIC (1994-96) Ultimate Table	LIC (1994-96) Ultimate Table	LIC (1994-96) Ultimate Table

(b) ***Compensated absences plan***

The Group permits encashment of leave accumulated by their employees on retirement and separation. The liability for encashment of leaves is determined and provided on the basis of actuarial valuations performed by an independent actuary as of each reporting date. This plan is completely unfunded as of 31 March 2010.

The liability for compensated absences plan was USD Nil as of 31 March 2010 (2009: USD 144,257, 2008: USD 164,632 and 2007: USD 120,873). During the years ended 31 March 2010, 2009 and 2008, an amount of USD 22,632, USD 30,392 and USD 32,467, respectively has been charged to the consolidated statement of comprehensive income.

24. Trade & other payables

	As at 31 March			As at 1 April
	2010	2009	2008	2007
	USD	USD	USD	USD
Trade payables (refer note b) below)	2,434,769	2,208,254	2,372,070	1,368,411
Dividend payables (refer note a) below)	87,000,000	–	–	–
Interest accrued but not due on loans	–	–	–	14,414
	89,434,769	2,208,254	2,372,070	1,382,825

Terms and conditions of the above trade and other payables:

(a) Dividend payable for USD 87,000,000 is on account of final dividend declared and approved by the shareholder but not yet paid as of 31 March 2010 (refer note 22).

(b) Trade payables are non-interest bearing and are normally settled on 30-45 day terms.

(c) For explanations on the Group's credit risk management processes, refer to Note 28.

25. Other current non-financial liabilities

	As at 31 March			As at 1 April
	2010	2009	2008	2007
	USD	USD	USD	USD
Statutory dues payables	–	348,200	397,350	333,960
	–	348,200	397,350	333,960

26. Related party disclosures

For the details of the subsidiaries, refer note 1.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

		Services rendered to related parties (USD)	*Amounts owed by related parties (USD)*
Associate:	2010	–	–
Exigent Game Art Private Ltd	2009	51,054	19,905
	2008	61,884	10,800

The ultimate parent

The immediate parent of the IHL was EICR (CYPRUS) LIMITED, a company incorporated in Cyprus, until 12 May 2010 and post this date, the immediate holding company is IL as IL, on this date, purchased the entire stake in IHL from EICR (Cyprus). Until 29 March 2010, the Group was controlled by Newbury, which was ultimately controlled by Mr. Ajay Kalsi but as discussed in note 5, post 29 March 2010, the Group is controlled by Geophysical, which is ultimately controlled by Mr. Anil Aggarwal. There were no transactions other than dividends between IHL and its parent except for declaration of dividends by IHL to EICR (Cyprus) for USD 140,656,182 during the year ended 31 March 2010 (2009: Nil and 2008: Nil) (refer note 22).

Associate: Exigent Games Art Private Ltd

The Group had a Nil interest in Exigent Games Art Private Limited (2009: 20 per cent., 2008: 20 per cent. and 1 April 2007: 20 per cent.). This investment was disposed off on sale of stake in Granada by IHL (refer note 5).

Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash. The Group had provided financial guarantees for loans taken by the fellow subsidiaries (refer note 27). These financial guarantees were disposed off on sale of stake in Granada by IHL (refer note 5). The Group has not recorded any impairment of receivables relating to amounts owed by related parties during the year ended 31 March 2010 (2009: Nil and 2008: Nil). The assessment of recoverability is undertaken each financial year through examining the financial position of the related party and the market in which the respective related parties operate.

Key management personnel

Until 29 March 2010, Mr. Ajay Kalsi and Mr. Anil Aggarwal were the key management personnel of the Group and post 29 March 2010, Mr. Anil Aggarwal is the sole key management personnel for the Group. The Group does not pay any emoluments to either any of these key management personnel or any of the directors on the board of IHL.

Loans given to/taken from related parties

For loans given to related parties, refer note 17.1 and for loans taken from related parties, refer note 17.2.

Lease transactions:

The rental expense in the consolidated statement of comprehensive income includes rent paid for land and building taken on lease from the following subsidiaries:

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Phoenix International Limited	499,582	513,305	592,082
Focus Energy Limited	175,433	180,252	207,916
	675,015	693,557	799,998

For the carrying value of prepaid lease rentals and security deposits, refer to notes 16 and 17.1(a), respectively.

Legal and professional charges

The legal and professional charges in the consolidated statement of comprehensive income include professional charges paid to one entity under common control iEnergizer Inc for USD 109,565 (2009: USD 164,348 and 2008: USD 299,809).

Financial guarantees given:

For financial guarantees given for loans taken by related parties, refer notes 17.2 and 27.

27. Commitments and contingencies

Operating lease commitments – Group as lessee

The Group had entered into commercial cancellable and non-cancellable leases on certain office premises and cancellable leases on computers. The cancellable leases for office premises and computers were cancellable at any time at the option of either of the parties to the lease agreement. The lease term for the non-cancellable office premises were for five to twenty years and some of these were further renewable on mutual agreement between both the parties. There was no escalation clause in these lease agreements. None of these office premises had been given on sub-lease. There were no restrictions placed upon the Group on entering into these leases. All of these lease agreements were disposed off on sale of stake in Granada by IHL (refer note 5).

Future minimum rentals payable under non-cancellable operating leases as at 31 March are as follows:

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Within one year	–	178,003	214,616
After one year but not more than five years	–	319,298	575,287
More than five years	–	1,010	–

Capital commitments

At 31 March 2010, the Group had no capital commitments (2009: USD 39,272; 2008: USD 122,917; and 1 April 2007: USD 2,072) for acquisition of property, plant and equipment.

Guarantees

The Group has provided the following guarantees:

	2010	*2009*	*2008*
	USD	*USD*	*USD*
Guarantees provided for loan taken by fellow subsidiaries (refer note 17.2 f))*	–	125,855,067	34,245,614

* There is no guarantee obligations on the Group as of 31 March 2010 due to sale of stake in Granada by IHL (refer note 5).

28. Financial risk management objectives and policies

The Group's principal financial liabilities comprise borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to raise finances for the Group's operations. The Group has trade and other receivables, other financial assets and cash and bank balances that arrive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument and will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk, commodity price risk and other price risk such as equity risk. The Group is exposed to only two risks: interest rate risk and currency risk. The Group's financial instruments affected by market risk include trade and other receivables, other financial assets, borrowings and trade and other payables.

The sensitivity analyses in the following sections relate to the position as at 31 March 2010, 2009 and 2008. The analyses exclude the impact of movements in market variables on the carrying value of assets and liabilities other than financial assets and liabilities.

The sensitivity of the relevant consolidated statement of comprehensive income is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2010, 2009 and 2008.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rate relates primarily to the Group's borrowings with floating interest rates as the Group's other financial assets and liabilities are primarily either non-interest bearing or carry a fixed rate of interest. The Group believes that its exposure to the interest rate risk is not significant and accordingly, the management does not enter into any derivative instruments to hedge its interest rate risk exposure.

Interest rate sensitivity

If interest rates were higher/lower by 2 per cent., with all other variables held constant, profit before tax for the years ended 31 March 2010, 2009 and 2008 would have been lower/higher by USD Nil, USD 15,679 and USD 41,895, respectively. The interest-rate sensitivity has been calculated based on the period for which the borrowings, outstanding as at the reporting date, have been outstanding during the respective years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The group renders services primarily to customers located in United States including those rendered by its Indian entities. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the trades receivable and trade payables in USD on account of contracts for rendering the services and incurring the expenses entered by Indian entities in USD.

The Group does not use derivative financial instruments to manage its foreign currency risk as the Group believes that its exposure to foreign currency risk is insignificant.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the USD exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Group's exposure to foreign currency changes for all other currencies is not material.

	Change in US$ rate	*Effect on profit before tax US$*
2010	+5%	64,088
	–5%	(64,088)
2009	+5%	102,259
	–5%	(102,259)
2008	+5%	183,010
	–5%	(183,010)

Credit risk

Credit risk arises from debtors' inability to make payment of their obligations to the Group as they become due; and by non-compliance by the counterparties in transactions in cash, which is limited, to balances deposited in banks and accounts receivable at the respective reporting dates. Although the Group's credit risk is primarily related to its trade receivables, other financial assets and balances with banks but the Group believes that it is not exposed to any significant credit risk as:

(a) in case of trade receivables, its customers are given a small credit period of 30 to 75 days and the customers do not generally default and make payments on time as discussed in note 19 and other receivables were immediately recoverable and were subsequently recovered from the counterparty;

(b) in case of other financial assets, all the current balances are recoverable on demand while the non-current balances are primarily on account of security deposits given for land and building take on lease and the Group does not believe that it has any significant credit risk as the security deposits paid under long-term arrangements are effectively secured against land and building taken on lease under the respective arrangements;

(c) in case of balances with banks, although there is no analysis or assessment done in advance but the balances are generally maintained with those banks who have a high credit standing in the market.

The Group's maximum exposure to credit risk arising from the Group's trade and other receivables and other financial assets at the respective reporting dates is represented by the carrying value of each of these assets disclosed in notes 17, 19 and 20.

The Group does not hold any collateral against any of its assets as of 31 March 2010, 2009, 2008 and 2007.

Credit risk concentrations exist when changes in economic, industrial or geographic factors take place, affecting in the same manner the Group's counterparties whose added risk exposure is significant to the Group's total credit exposure. The Group's portfolio of customers is concentrated primarily in USA and three of these customers have contributed to such that it earned 41.72 per cent. (2009: 42.80 per cent. and 2008: 36.76 per cent.) (refer note 4) of its consolidated revenue earned from external customers from customers based in USA during the year ended 31 March 2010.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing the liquidity is to ensure that it has sufficient liquidity to finance its operations and to mitigate the effects of fluctuation in cash flows. The Group's primary source of liquidity for its operations is cash provided by its operating activities, although the Group also partially funds its operations from third-party debt including banks and corporate bodies.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	On demand	*Less than 3 months*	*3 to 12 months*	*1 to 5 years*	*More than 5 years*	*Total*
Year ended 31 March 2010						
Trade and other payables		89,432,716	2,053	–	–	89,434,769
	–	89,432,716	2,053	–	–	89,434,769
Year ended 31 March 2009						
Other financial liabilities						
– Loans taken to purchase the assets	–	50,441	139,464	148,386	–	338,291
– Term loan from bank	–	2,876	19,171	–	–	22,047
– Post shipment export finance	465,511	–	–	–	–	465,511
– Financial guarantee contracts	–	989,664	2,094,606	15,404,329	11,430,220	29,918,819
Trade and other payables	793,790	1,287,044	127,420	–	–	2,208,254
	1,259,301	2,330,025	2,380,661	15,552,715	11,430,220	32,952,922
Year ended 31 March 2008						
Other financial liabilities						
– Loans taken to purchase the assets	–	76,495	180,994	308,343	–	565,832
– Corporate bank loan	–	275,828	358,706	–	–	634,534
– Post shipment export finance	989,342	–	–	–	–	989,342
– Loan from related parties	5,687,488	–	–	718,111	–	6,405,599
– Financial guarantee contracts	–	1,068,240	11,170,315	3,320,371	2,178,211	17,737,137
Trade and other payables	468,426	1,188,134	715,510	–	–	2,372,070
	7,145,256	2,608,697	12,425,525	4,346,825	2,178,211	28,704,514
Year ended 31 March 2007						
Other financial liabilities						
– Loans taken to purchase the assets	–	69,140	157,660	178,064	–	404,864
– Corporate bank loan	–	280,224	801,757	662,481	–	1,744,462
– Post shipment export finance	573,476	–	–	–	–	573,476
– Loan from related parties	9,207,024	–	–	991,674	–	10,198,698
– Financial guarantee contracts	–	580,373	2,781,025	12,108,220	–	15,469,618
Trade and other payables	9,108	968,624	405,093	–	–	1,382,825
	9,789,608	1,898,361	4,145,535	13,940,439	–	29,773,943

Capital risk management

The Group's capital comprises of equity attributable to the equity holder of the parent.

The primary objective of the Group's capital management is to reduce net debt over time whilst investing in business and maximising shareholder value. In order to meet this objective, the Group may issue or repay debt, adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The management of IHL regularly reviews the capital structure and makes adjustments to it, in light of changes in economic conditions and the risk characteristic of the Group.

No changes were made in the objectives, policies or processes during the years ending 31 March 2010, 2009 and 2008.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group considers only borrowings to external parties for computing this ratio.

		As of 31 March		*As at 1 April*
	2010	*2009*	*2008*	*2007*
	USD	*USD*	*USD*	*USD*
Borrowings	–	783,961	8,500,329	12,731,390
Net debt	–	783,961	8,500,329	12,731,390
Equity	3,148,734	21,373,524	16,209,371	7,859,436
Total capital	3,148,734	21,373,524	16,209,371	7,859,436
Capital and net debt	3,148,734	22,157,485	24,709,700	20,590,826
Gearing ratio	–	3.54%	34.40%	61.83%

29. Events after 31 March 2010

(a) On 12 May 2010, a new company iEnergizer Limited (the 'IL') was incorporated as a public limited company incorporated under the Companies (Guernsey) Law 2008 and registered in Guernsey with registered number 51870. The address of the IL's registered office is at Longue Hougue House, Longue Hougue Lane, St. Sampson, Guernsey GY 24 JN. IL was incorporated as a wholly owned subsidiary of EICR Cyprus with a total paid up equity share capital of £100 divided into 10,000 equity shares of £0.01 each, to serve as the holding company of IHL for the purpose of listing on the Alternative Investment Market ('AIM') in London.

(b) Subsequently, on 15 June 2010, IL has agreed to purchase all of the equity shares of IHL from EICR Cyprus in exchange for 150 million of its own equity shares with face value of £0.01 each issued at a price of £0.75 per share each.

(c) Subsequent to 31 March 2010, IHL purchased two unexpired international customer contracts from Granada at their respective fair values on the date of purchase of the respective contracts. IHL entered into a Master Service Agreements with Granada whereby the Granada Group will continue to service customers on behalf of IHL.

(d) On 12 April 2010, a new company iEnergizer IT Services Pvt Ltd ('IITSPL') was incorporated in India as a wholly owned subsidiary of IHL with a total paid up equity share capital of Rs. 0.1 million.

(e) Subsequently, on 1 May 2010, IITSPL entered into an agreement with IIPL whereby IITSPL purchased the domestic BPO business of iEnergizer India Private Limited for a consideration of INR120 million payable in cash.

(f) The unpaid dividend of USD87 million as of 31 March 2010 declared by IHL on 30 March 2010 was subsequently paid to Gynia Holdings on the instruction of EICR (Cyprus) on 1 April 2010 (USD44 million) and 7 April 2010 (USD 43 million).

PART V – B: iEnergizer Holdings Limited

Un-audited illustrative statement of Earnings Before Interest and Tax for the year ended 31 March 2010

Subsequent to 29 March 2010, when the share capital of Granada (along with Granada's three 100% owned subsidiaries) was sold by IHL to Birkbeck Investments, the manner in which the business was carried out by IHL changed significantly. The essential effect of these changes was that whilst the vast majority of customer revenues continued to be received by IHL, the delivery of the services relating to former customers of Granada, iServices, iEnergizer India and Deccan was outsourced to those companies. The un-audited illustrative statement of earnings before interest ('the illustrative EBIT statement') has been prepared to explain how these changes might have affected the results reported by IHL had these changes been in place throughout the year ended 31 March 2010.

The un-audited illustrative EBIT statement represents a hypothetical situation and is not intended to represent the actual results of IHL or pro forma or forecast financial information.

No adjustment has been made to reflect certain additional costs that may have arisen had the admission to AIM occurred at an earlier date or that may arise from actions taken by management subsequent to 31 March 2010 including annual remuneration of £50,000 for Anil Aggarwal, Founder and CEO, payable from 01 April 2010. Consequently the results for future periods are likely to differ from those set out below and those differences may be significant.

Following the disposal of Granada, iServices, Deccan and iEnergizer India and subsequent acquisition of the trade and assets of iEnergizer India the key aspects of the changes in operations of IHL after 29 March 2010 were:

- Renewal of a large majority of customer contracts of Granada, Deccan and iServices in the name of iEnergiser Holdings.
- Purchase of two customer contracts from Granada
- Outsourcing agreement entered into with Granada, iServices and Deccan
- Transfer to IHL of a number of employees from Granada, iServices and Deccan and who will provide services to those entities through a technical services agreement

The un-audited illustrative EBIT statement has been prepared based on the historical financial results reported of iEnergizer Holdings and taking account of the estimated effect of the factors described above.

Unaudited illustrative statement of earnings before interest and tax for the year ended 31 March 2010

Currency: US$000	*Notes*	*Actual for the year ended 31 March 2010*	*Illustrative unaudited EBIT statement for the year ended 31 March 2010*
Rendering of Services	1	34,452	33,737
Consultancy income	2	–	880
Revenue		34,452	34,617
Cost of outsourced services	3	(3,671)	(18,350)
Personnel costs	4	(12,151)	(3,452)
Other cash costs	5	(5,687)	(1,011)
Depreciation and amortisation	6	(1,636)	(504)
Total costs		(23,144)	(23,316)
EBIT from operations		11,308	11,301
Gain on disposal of investments	7	107,159	–
EBIT after disposal of investments		118,467	11,301

Note – The unaudited illustrative statement of EBIT for the year ended 31 March 2010 has been prepared using a conversion rate of Rs.47.74/$

Explanatory notes

1. Revenue – Certain customer contracts of Granada have not been renewed in iEnergizer Holdings and accordingly those customers will continue to be serviced by Granada.

2. Consultancy income – Granada, iServices and Deccan have entered into a technical consultancy agreement with iEnergizer IT under which 34 employees of IT Services (who were formerly employees of Granada, Deccan and iServices) will provide technical support to those companies. Total annual cost of these employees to Granada, Deccan and iServices was USD 728,871 during the year ended 31 March 2010 and under the technical consultancy agreement the fee charged would have been USD 879,680 per annum.

3. Cost of outsourced services:

   – During the year ended 31 March 2010, data processing charges pertain to the cost of outsourcing certain process to CustomerLinx Inc., a US based vendor for iEnergizer Holdings primarily used to service certain processes for EA and NC Soft.

   – Going forward, the cost of outsourced services will also include service delivery costs determined on the basis of the Master Services Agreements and statements of work which have been entered into between iEnergizer Holdings and Granada, Deccan and iServices.

4. Personnel costs:

   – Consist of employees that transferred from iEnergizer India on the purchase of its business and a number of employees who will join iEnergizer IT from Granada, iServices and Deccan.

5. Other cash costs: – These include costs relating to power electricity, property, communication, travel, legal and professional expenses. Most of these expenses were incurred by Granada, Deccan and iServices and will continue with those companies.

6. Depreciation and Amortization:

   – Most of these expenses were incurred by Granada, Deccan and iServices and will continue with those companies.

   – There will be an additional charge of USD 276,565 relating to the amortisation of intangible assets recognized in respect of the purchase of two customer contracts by iEnergizer Holdings from Granada.

7. Gain on disposal of subsidiary reflects the gain on sale of the shares in Granada by iEnergizer Holdings to Birkbeck Investments.

8. The rate of corporate income tax in Mauritius and India is 3% and 33.22% respectively. However, since the illustrative statement of EBIT reflects a hypothetical situation and tax positions that may possibly have been taken had the above mentioned changes taken place prior to 01 April 2009 are not known, no effect has been given in the statement of EBIT pertaining to taxation.

iEnergizer Holdings Limited

Un-audited pro-forma Balance Sheet as at 31 March 2010

The un-audited pro forma balance sheet set out below has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and therefore does not represent the actual financial position of the Group.

The un-audited pro forma balance sheet includes certain adjustments to illustrate the effect of (a) the acquisition of the trade and assets of iEnergizer India; (b) the acquisition of two customer contracts and; (c) the settlement of the certain transactions relating to the Reorganization, as if they had taken place as at 31 March 2010.

Unaudited pro-forma balance sheet as at 31 March 2010

Currency: US$000	*Actual as at 31 March 2010 (Note i)*	*Adjustments (Note ii)*	*Adjustments (Note iii)*	*Adjustments (Note iv)*	*Un audited Pro-forma as at 31 March 2010*
Assets					
Non-current assets					
Property, plant and equipment	–	–	–	807	807
Intangibles	–	–	–	145	145
Customer contracts and related relationships	–	–	277	212	489
Goodwill (on acquisition of iEnergizer business)	–	–	–	205	205
Total Non-current assets	–	–	277	1,369	1,645
Current assets					
Trade and other receivables	45,906	(42,662)	–	1,285	4,529
Other current non-financial assets	2	–	–	57	58
Other current financial assets	1,858	–	–	170	2,028
Cash and cash equivalents	44,842	(44,338)	–	–	504
Total current assets	92,608	(87,000)	–	1,512	7,120
Total assets	92,608	(87,000)	277	2,881	8,765
Equity and liabilities					
Issued capital	2,099	–	–	–	2,099
Retained earnings	1,049	–	–	–	1,049
Total equity	3,149	–	–	–	3,149
Current liabilities					
Trade and other payables	89,435	(87,000)	277	2,789	5,500
Employee benefit plans	–	–	–	92	92
Income tax payable	25	–	–	–	25
Total current liabilities	89,459	(87,000)	277	2,881	5,617
Total equity and liabilities	92,608	(87,000)	277	2,881	8,765

Note – The unaudited pro-forma balance sheet as at 31 March 2010 has been prepared using a conversion rate of Rs.45.03/$

Explanatory notes

(i) The actual figures for iEnergizer Holdings are extracted without any adjustment from the historical financial information of iEnergizer Holdings as presented elsewhere in the AIM admission document.

(ii) Adjustment has been made to reflect the subsequent receipt of USD 42,662,000 due from Birkbeck Investments in settlement of amounts arising from the sale of Granada (along with Granada's three direct 100% subsidiaries) that were outstanding at 31 March 2010 and the payment of USD 87,000,000 to EICR in settlement of the dividend outstanding at 31 March 2010.

(iii) Adjustment has been made to reflect the purchase of two customer contracts from Granada for USD276,565 subsequent to 31 March 2010. The consideration is to be settled by December 2010.

(iv) Pursuant to the Business Transfer Agreement dated 23 August 2010 the Company acquired the trade and net assets of iEnergizer India with effect from 1 May 2010 for a consideration of INR 120 million (USD2,664,884). Asset acquired and liabilities assumed have been recorded at fair values based upon an independent assessment. The excess of consideration paid over the fair value of net assets acquired amounted to USD205,063 and has been recorded as goodwill.

(v) No account has been taken of any trading or other transactions subsequent to 31 March 2010.

PART VI

ADDITIONAL INFORMATION

1. Responsibility

The Directors of the Company, whose names are set out on page 5 of this Document, and the Company accept responsibility both individually and collectively for the information contained in this Document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this Document is in accordance with the facts and does not omit anything likely to affect its import.

2. The Company

2.1 The Company was incorporated and registered in Guernsey on 12 May 2010 under the Company Law as a non-cellular company limited by shares with the name iEnergizer Limited. The Company's registered number is 51870.

2.2 The Company is domiciled on the island of Guernsey.

2.3 The registered and head office of the Company is at Longue Hougue House, Longue Hougue Lane, St Sampson, Guernsey, GY2 4JN and its telephone number is 01481 242233.

2.4 The Company is governed by its memorandum and articles of incorporation.

2.5 The principal legislation under which the Company operates is the Company Law.

2.6 The Company has the rights and powers of a natural person.

2.7 The liability of the Company's members is limited by shares.

2.8 The ISIN number of the Ordinary Shares to be admitted is GG00B54NMG96. The Ordinary Shares have been created pursuant to the Company Law.

2.9 The Company's accounting reference date is 31 March.

3. Subsidiaries and Group structure

3.1 The Company directly or indirectly owns the following subsidiaries:

Company Name	*Interest*	*Place of Incorporation*	*Principal Activity*
iEnergizer Holdings	100%	Mauritius	International BPO services
iEnergizer IT	100%	India	Domestic BPO services

3.2 iEnergizer Holdings, which is a wholly owned subsidiary of the Company, was incorporated in Mauritius on 6 December 1994. Its registered office is at IFS Court, Twenty Seven, Cyber City, Ebene, Mauritius.

3.3 iEnergizer IT, which is a wholly owned subsidiary of iEnergizer Holdings, was incorporated in India on 12 April 2000. Its registered office is at B-44, Malcha Marg, Chankyapuri, New Delhi 110021, India.

4. Share and loan capital

4.1 The Company was incorporated on 12 May 2010 with a share capital comprised of 10,000 shares of £0.01, all of which were issued to EICR.

4.2 On 15 June 2010, pursuant to the Share Exchange Agreement, iEnergizer acquired the entire issued share capital of iEnergizer Holdings and, in consideration, issued 150,000,000 Ordinary Shares to EICR.

4.3 On 27 August 2010, the Company passed a special resolution to adopt new articles of incorporation with effect from Admission. Further details of the contents of the Company's articles of incorporation are set out at paragraph 5 of this Part.

4.4 The fully paid issued share capital of the Company at the date of this Document and immediately following Admission is and will be £1,500,100 divided into 150,010,000 Ordinary Shares.

4.5 All Ordinary Shares represent capital in the Company. No Ordinary Shares are held by or on behalf of the Company.

4.6 Subject to certain limited exceptions, or as permitted by the Articles, unless the approval of Shareholders in general meeting is obtained, the Company must normally offer Ordinary Shares to be issued for cash to holders of Ordinary Shares on a *pro rata* basis. Pursuant to the Articles and written resolutions of the Shareholders passed on 27 August 2010, the Directors have been authorised:

4.6.1 to allot Ordinary Shares free of pre-emption if such shares are to be wholly or partly paid otherwise than in cash;

4.6.2 to allot Ordinary Shares free of pre-emption during the five year period following Admission in an amount per year which is not more than 20 per cent. of the number of Ordinary Shares in issue at the commencement of that year;

4.6.3 to allot Ordinary Shares free of pre-emption pursuant to the terms of any employee share option scheme adopted by the Company; and

4.6.4 to make market purchases of Ordinary Shares at any time before the expiry of the first annual general meeting of the Company following Admission up to a maximum of 14.99 per cent. of the Issued Share Capital.

4.7 Except pursuant to the Placing Agreement, details of which are set out in paragraph 10.1 of this Part, no commission, discount, brokerages or other special terms have been granted by the Company or any other member of the Group in connection with the issue or sale of any share or loan capital of the Company or any other member of the Group.

4.8 Pursuant to the Option Agreement and the Director's Option Agreement, the Company has granted options (conditional on Admission) over up to 10,000 Ordinary Shares. Save for these options, the Company has not issued or granted any options, warrants or any convertible or exchangeable securities of the Company and there are no acquisition rights or obligations over any of the unissued share capital nor is there an undertaking to increase the share capital of the Company.

4.9 All Ordinary Shares rank *pari passu* in respect of payment of dividends, voting rights, entitlement to liquidation proceeds and otherwise.

4.10 The Ordinary Shares are in registered form and are capable of being held in certificated and uncertificated form. Application will be made to Euroclear for the Ordinary Shares to be enabled for dealing through CREST as a participating security. No temporary documents of title will be issued.

4.11 There are no outstanding convertible securities issued by the Company.

4.12 There are no shares in the capital of the Company currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

4.13 None of the Ordinary Shares have been sold or made available to the public in conjunction with the application for Admission.

5. Summary of the Memorandum and Articles of Incorporation

5.1 *Memorandum of Incorporation*

The memorandum of incorporation of the Company does not limit the Company's objects.

5.2 *Articles of Incorporation*

With effect from the date of Admission, the Company has adopted new articles of incorporation. The Articles contain, among others, provisions to the following effect:

5.2.1 *Voting rights attaching to Ordinary Shares*

Subject to any special rights or restrictions attached to any class of share, every holder of Ordinary Shares present in person or by proxy shall have one vote on a show of hands. On a poll every Shareholder present in person or by proxy shall have one vote for each Ordinary Share held by him.

5.2.2 *Purchase, redemption and conversion of own shares*

Subject to provisions of the Company Law the Company may purchase or redeem its own shares and may hold any shares purchased by it as treasury shares. With approval of the majority of shareholders the Company may convert any of its fully paid shares into stock with a different nominal value.

5.2.3 *Dividends*

The Company may by ordinary resolution declare dividends but no dividend shall exceed the amount recommended by the Board. The Board may at any time declare and pay interim dividends if it appears to be justified by the position of the Company. All dividends shall be declared and paid according to the amounts paid up on the Ordinary Shares, except where otherwise provided by the rights specifically attaching to a class of shares. Any amount paid up in advance of calls shall not entitle the holder of the shares upon which such amount is paid to participate in respect thereof in any dividend until the same would but for such advance become presently payable.

5.2.4 *Winding up*

If the Company shall be wound up, the surplus assets remaining after payment of all creditors, including the repayment of bank borrowings, shall be divided pari passu among the holders of Ordinary Shares pro rata to their holdings of those shares.

5.2.5 *Variation of rights*

Subject to the Company Law, whenever the share capital of the Company is divided into different classes of shares, rights attached to any class of shares may be varied or abrogated with the consent in writing of the holders of three-quarters of the capital committed or agreed to be committed in respect of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of those shares.

5.2.6 *Transfer of shares*

Shares in the Company may be transferred by instrument of transfer in any usual form or in any other form which the Board may approve and the instrument of transfer shall be signed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. In the case of shares held in uncertificated form, shares may be transferred by means of the CREST UK system or other relevant system authorised by the Board in such manner provided for, and subject as provided, in any regulations issued for this purpose under Guernsey law or as may be adopted by the Board and in accordance with the rules of any relevant system.

The Board may, in its absolute discretion and without giving any reason, refuse to register a transfer of any share that is not fully paid or on which the Company has a lien (provided that where any such shares are publically traded such discretion may not be exercised in such away as to prevent dealings in the shares from taking place on an open and proper basis).

5.2.7 *Issue of shares*

The Directors may, subject to the terms and rights attaching to shares already in issue, the Articles and otherwise, issue shares of any class with, or have attached to, such preferred or priority rights as the Board may determine or may be issued with or have attached such deferred rights with regard to dividends or the distribution of assets as the Shareholders may by ordinary resolution determine.

The Directors may, subject to the provisions of the Articles, pre-emption rights and otherwise in respect of unissued shares allot, grant options over or otherwise dispose of them to such persons on such terms and conditions and at such times as they may determine but so that the amount payable on application on each share shall be fixed by the Board.

The Directors shall have the authority during the 12 month period following the date of Admission and in each subsequent 12 month period thereafter, subject to a maximum period of 5 years from the date of Admission, to issue and allot such number of Ordinary Shares as is equivalent to, but not exceeding, 20 per cent. of the number of Ordinary Shares in issue at the commencement of such 12 month period ("**General Mandate**").

Ordinary Shares may not be allotted or have options granted over them without first being offered on the same or more favourable terms to each person already holding Ordinary Shares in a proportion nearly as practicably equal to the proportion in nominal value held by him of the Issued Share Capital. This provision does not apply to the allotments or grants of options which:

(a) take place contemporaneously with the Admission;

(b) shares issued pursuant to the General Mandate;

(c) are to be issued wholly or partly paid up otherwise than in cash; or

(d) are held under an employee share scheme.

5.2.8 *Untraced Shareholders*

The Company shall be entitled to sell at the best price reasonably obtainable the shares of a Shareholder or any shares to which a person is entitled by transmission on death or bankruptcy if and provided that:

(a) for a period of twelve years no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the shareholder at his address in the Company's share register or otherwise the last known address and no communication has been received by the Company from the Shareholder provided that in any such period of twelve years the Company has paid at least three dividends whether interim or final;

(b) the Company has at the expiration of the said period of twelve years by advertisement in a newspaper circulating in the area in which the last known address is located given notice of its intention to sell such shares;

(c) the Company has not during the period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the Member or person so entitled; and

(d) if any part of the share capital of the Company is quoted on any stock exchange the Company has given notice in writing to the quotations department of such stock exchange of its intention to sell such shares.

The net proceeds of sale shall belong to the Company which shall be obliged to account to the former Shareholder or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former Shareholder or other person in the books of the Company as a creditor for such amount.

5.2.9 *General meetings*

(a) *Annual general meetings*

An annual general meeting of the Company shall be held once every calendar year.

(b) *Extraordinary general meetings*

All general meetings (other than annual general meetings) shall be called extraordinary general meetings. General meetings shall be held in Guernsey or such other place as may be determined by the Board.

(c) *Convening and notice of general meetings*

Not less than fourteen days' notice shall be given by notice sent by post by the Company secretary or other officer of the Company or any other person appointed in that behalf by the Board to Shareholders specifying the time and place of any general meeting and specifying also in the case of any special business the general nature of the business to be transacted. A meeting can be held on shorter notice only with the consent in writing of all the Shareholders entitled to receive notices of such meeting. The accidental omission to give notice of any meeting to or the non-receipt of such notice by any Shareholder shall not invalidate any resolution (or any proposed resolution otherwise duly approved) passed or proceeding at any meeting.

(d) *Quorum*

The quorum of a general meeting is 2 Shareholders, present in person or by proxy.

(e) *Chairman*

The members present and entitled to vote shall choose a chairman of the meeting.

(f) *Chairman's casting vote*

In the case of an equality of votes on a poll the chairman shall have a second or casting vote.

(g) *Adjournment and proceedings after adjournment*

The chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting at any time and to any place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

(h) *Method of voting and demand for poll*

At any meeting, a resolution put to the vote shall be decided by a show of hands or by a poll at the option of the chairman. Nevertheless before or on the declaration of the result a poll may be demanded by the chairman, or by one Shareholder present in person or by proxy provided he represents at least one-tenth of the subscribed capital; or by two Shareholders present in person or by proxy. The demand for a poll may be withdrawn.

(i) *Representation of corporations*

Any corporation which is a Shareholder may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or to approve any resolution submitted in writing.

(j) *Proxies*

Subject always to the qualifications of the Articles, every Shareholder is entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not be a Shareholder.

(k) *Form of proxy*

Subject to the Company Law, the instrument appointing a proxy shall be in any common form or in such other form as the Board may approve and (i) if in writing, but not sent in electronic form, made under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation under its common seal or under the hand of an officer or attorney duly authorised in that behalf, or (ii) if in writing sent in electronic form, submitted by or on behalf of the appointer and authenticated.

(l) *Deposit of proxy*

The instrument appointing a proxy, and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall:

(i) in the case of an instrument in writing (including, whether or not the appointment of proxy is sent in electronic form, any such power of attorney or other authority) be deposited at the Company's registered office not less than 48 hours before the time of the holding of the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

(ii) in the case of an appointment sent in electronic form, where an address has been specified for the purpose of receiving documents or information sent in electronic form:

- in the notice convening the meeting; or
- in any instrument of proxy sent out by the Company in relation to the meeting; or
- in any invitation sent in electronic form to appoint a proxy issued by the Company in relation to the meeting,

be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

(iii) in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or

(iv) in the case of a poll not taken forthwith but taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairman of the meeting or any Director, the Company secretary or some other person authorised for the purpose by the Company.

(m) *Notice of revocation of proxy*

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or disability of the principal or revocation of the proxy or of the authority under which the proxy was executed provided that no intimation in writing of such death disability or revocation shall have been received by the Company at its registered office before the commencement of the meeting or adjournment or the taking of the poll at which the proxy is used.

5.2.10 *Directors*

(a) *Number*

Until otherwise determined by the Board, the number of Directors shall be not more than seven.

(b) *Directors' remuneration*

The Directors (other than alternate Directors) shall be entitled to receive such sum as the Board determines by way of fees for their services as Directors (being not greater that £300,000 per annum, or such larger amount as the Company may by ordinary resolution determine). Such fees do not include any salary or remuneration as an executive director or payments under a consultancy agreement.

(c) *Appointment, retirement, removal and vacation of office by directors*

The Board shall have power at any time to appoint any person to be a Director. At the first annual general meeting and at each annual general meeting thereafter: (a) any Director who was elected or last re-elected a Director at or before the annual general meeting held in the third calendar year before the current year shall retire by rotation; and (b) such further Directors (if any) shall retire by rotation as would bring the number retiring by rotation up to one-third of the number of Directors in office at the date of the notice of the meeting (or, if their number is not a multiple of three, the number nearest to but not greater than one-third).

No person other than a Director retiring at a general meeting shall, unless recommended by the Directors, be eligible for election by the Company to the office of Director unless not less than seven nor more than forty two clear days before the date appointed for the meeting there shall have been left at the registered office notice in writing signed by a Member duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election together with notice in writing signed by that person of his willingness to be elected.

Without prejudice to the powers of the Board, the Company by ordinary resolution may appoint any person to be a Director either to fill a casual vacancy or as an additional Director, but so that the total number of Directors shall not thereby exceed the maximum number (if any) fixed by or in accordance with these Articles.

(d) *Directors' pensions and benefits*

The Directors shall have power to pay and agree to pay gratuities, pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such gratuities, pensions or other benefits to contribute to any scheme or fund or to pay premiums.

(e) *Directors' expenses*

The Directors shall be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors. If by arrangement with the Board, any Director shall perform or render any special duties or services outside his ordinary duties as a Director, he may be paid such reasonable additional remuneration as the Board may determine.

(f) *Directors' interests*

A Director may not vote (or be counted in the quorum) in respect of any resolution of the Board concerning a contract, arrangement, transaction or proposal to which the Company is a party and in which he has a material interest (other than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company) but the prohibition does not apply to a resolution concerning any of the following matters:

(i) the giving of a guarantee, security or indemnity in respect of a debt or obligations incurred by him or any other person at the request of or for the benefit of the Company;

(ii) the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company for which he himself has assumed responsibility in whole or in part, under a guarantee or indemnity or by the giving of security;

(iii) a contract, arrangement, transaction or proposal concerning an offer of shares, debentures or other securities of the Company for subscription or purchase, in which offer he is or maybe entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;

(iv) a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning another company in which he is interested and whether as an officer, shareholder, creditor or otherwise, if he does not to his knowledge hold an interest in shares representing one per cent. or more of either a class of the equity share capital (or of any third party company through which his interest is derived) or of the voting rights in the relevant company;

(v) any contract, arrangement, transaction or proposal relating to an arrangement for the benefit of the employees of the Company which does not award him any privilege or benefit not generally awarded to the employees to which such arrangement relates concerning the adoption, modification or operation of a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or employees' share scheme under which he may benefit and which either has been approved by or is subject to and conditional on approval by the Board of Inland Revenue of the United Kingdom for taxation purposes or relates to both employees and Directors of the Company (or any of its subsidiaries) and does not accord to any Director as such any privilege or advantage not accorded to the employees to which such scheme or fund relates; and

(vi) a contract, arrangement, transaction or proposal concerning the purchase and/or maintenance of any insurance policy for the benefit of Directors or for the benefit of persons including Directors.

A Director who to his knowledge is in anyway directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company shall disclose the nature and monetary value or, if such value is not quantifiable, the extent of his interest at a meeting of the Board.

(g) *Borrowing powers*

The Board may exercise all the powers of the Company to borrow money and to give guarantees, mortgage, hypothecate, pledge or charge all or part of its undertaking, property or assets (present or future) and uncalled capital and to issue debentures, loan stock and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(h) *Indemnity of Directors and officers*

The Directors, managers, agents, Company secretary and other officers or servants for the time being of the Company are fully indemnified out of the assets and profits of the Company from and against all actions expenses and liabilities which they may incur by reason of any contract entered into or any act in or about the execution of their respective offices except such incurred as a result of their own breach of duty, breach of trust or negligence respectively.

(i) *Board meetings (Notice of board meetings; Quorum; Voting; Telephone and video conference meetings; Resolutions in writing)*

The Board may meet for the despatch of business adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the chairman at the meeting shall have a second or casting vote.

A video link or telephone conference call or other electronic or telephonic means of communication in which a quorum of Directors participates and all participants can hear and speak to each other shall be a valid meeting.

A resolution in writing signed by each Director (or his alternate) entitled to receive notice of a meeting of the Board or by all the members of a committee shall be as valid and effectual as a resolution passed at a meeting of the Board or committee.

(j) *Delegation to individual Directors and Committees and power to appoint alternates*

The Board may delegate any of their powers to committees consisting of such one or more Directors as they think fit.

Any Director may by notice in writing appoint any person approved by the Board as an alternate Director to attend and vote in his place at any meeting of the Board at which he is not personally present or to undertake and perform such duties and functions and to exercise such rights as he could personally.

5.2.11 *Share Offers*

When a person acquires shares which when taken together with his connected persons carry 30 per cent. or more of the voting rights of the Company or, when any person or persons acting in concert acquire additional shares which increase his percentage of the voting rights to 30 per cent. or more of the Company, except with the consent of the Board, that person shall be required to make an offer to acquire all the issued shares of the Company for cash or a cash alternative at not less than the highest price paid by the offeror or any concert party during the previous 12 months. Except with the consent of the Board, such offer must be conditional upon the offeror receiving acceptances in respect of shares which will result in the offeror holding more than 50 per cent, of the voting rights of the Company. The Board has been vested with equivalent powers as those afforded to the Panel under the Code, including powers to disenfranchise Shareholders in certain circumstances.

5.2.12 *Compulsory Purchase*

If any person makes an offer for all of the shares (or any class of shares) of the Company, whether as a result of the provisions of the preceding paragraph or otherwise and that person (alone or together with persons acting in concert with him) has received acceptances or contractual undertakings in respect of not less than nine-tenths in value of the shares to which the offer relates, he may give written notice to the holders of any shares to which the offer relates which he has not acquired or contracted to acquire that he desires to acquire those shares.

A notice must be given during the two month period beginning with the date on which the offeror (alone or together with persons acting in concert with him) has acquired or contracted to acquire shares which satisfy the minimum specified in that article and must specify the date upon which the acquisition of the shares to which it relates shall complete and the consideration per share that shall be paid to the relevant shareholder.

Following service of a written notice in accordance with these provisions, the offeror shall be entitled and bound to acquire the shares to which the notice relates on the terms of the general offer and the notice and the shareholder shall be obliged to sell its shares. The Directors have powers to sign an instrument of transfer on behalf of a defaulting shareholder.

5.2.13 *Disclosure and Transparency*

If at any time the Company shall have a class of shares admitted to trading on AIM, the provisions of Chapter 5 of the Disclosure and Transparency Rules (as amended from time to time) ("**DTR 5**") of the UK Financial Services Authority Handbook shall be deemed to be incorporated by reference in the Articles and accordingly the vote holder and issuer notification rules set out in DTR 5 shall apply to the Company and each Shareholder. Notwithstanding the time limits for disclosure set out in DTR 5, the Company is required by Rule 17 of the AIM Rules to announce via a Regulatory Information Service all the information contained in any vote holder notification "without delay".

In addition, the Company may, by issuing a notice in writing in such form as the Directors may from time to time approve (a "**Disclosure Notice**"), require a registered Member to disclose the nature of his interest in a relevant shareholding in the Company.

The Company may issue a Disclosure Notice to any Shareholder at any time and the Shareholder shall be obliged to respond in writing confirming such details as the Disclosure Notice requires within 14 days of receipt of the Disclosure Notice. Failure to comply may result in disenfranchisement of the defaulting Member.

6. Directors and other interests

6.1 As at the date of this Document and on Admission, the interests of the Directors (including the interests of their spouses and infant children and the interests of any person connected with him (within the meaning of sections 252 to 254 of the UK Act)) are as follows:

	On the date of this Document		*Upon Admission*		
Director	*Number of Ordinary Shares*	*Percentage of Issued Share Capital*	*Number of options over Ordinary Shares*	*Number of Ordinary Shares*	*Percentage of Issued Share Capital*
Anil Aggarwal*	150,010,000	100	–	118,079,294	78.71
John Behar	–	–	–	–	–
Sara Latham	–	–	10,000	43,103	0.03

* Mr. Aggarwal is the ultimate beneficial owner of all of the Ordinary Shares held by EICR.

6.2 Save as disclosed above and in paragraph 6.3 of this Part, none of the Directors nor any member of his immediate family or person connected with him (within the meaning of sections 252 to 254 of the UK Act) holds or is interested, whether beneficially or non-beneficially, directly or indirectly, in any shares, options over shares, voting rights in respect of shares or securities convertible into shares of the Company or any of its subsidiaries.

6.3 In addition to the interests of the Directors disclosed in paragraphs 6.1 above, as at the date of this Document, insofar as is known to the Company, the following persons were, or will at Admission, be directly or indirectly interested (within the meaning of Part VI of FSMA and DTR 5) in three per cent. or more of the issued share capital of the Company:

	On the date of this Document		*Upon Admission*		
Name	*Number of Ordinary Shares*	*Percentage of Issued Share Capital*	*Number of options over Ordinary Shares*	*Number of Ordinary Shares*	*Percentage of Issued Share Capital*
EICR (Cyprus) Limited	150,010,000	100	–	118,079,294	78.71
Scottish Widows Investment Partnership	–	–	–	15,000,900	9.99

6.4 Save as disclosed above, so far as the Directors are aware there are no persons who are at the date of this Document, or will be immediately following Admission, interested directly or indirectly in three per cent. or more of the issued share capital of the Company or who directly or indirectly, jointly or severally, exercise or could exercise control over the Company.

6.5 The persons referred to in this paragraph 6 do not have voting rights in respect of the share capital of the Company (issued or to be issued) which differ from any other shareholder of the Company.

6.6 Except for the provisions of the Articles described in paragraph 5.2.11 of this Part, the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.

6.7 Save as disclosed in this Document, no Director is or has been interested in any transactions which are or were unusual in their nature or conditions or which are or were significant to the business of the Company or the Group effected during the current or immediately preceding financial year or which were effected during an earlier financial year and which remain in any respect outstanding or unperformed.

6.8 There are no outstanding loans or guarantees provided by the Company or any member of the Group to or for the benefit of any Directors.

6.9 No Director, nor any member of his immediate family, nor any person connected with him (within the meaning of Sections 252 to 254 of the Companies Act 2006), has a Related Financial Product (as defined in the AIM Rules) referenced to Ordinary Shares.

6.10 EICR has informed the Company that it intends to grant options over Ordinary Shares to senior employees of the Group shortly following Admission. The mechanism by which these options are granted will be determined by EICR in conjunction with its advisers, but it is intended that the options will have a standard vesting period and other exercise conditions.

7. Further information about the Directors

7.1 The full names, ages, functions and dates of appointment of the Directors are as follows:

Name	*Age*	*Functions in the Company*	*Date of Appointment as Director*
Anil Aggarwal	49	Chief Executive	12 May 2010
Sara Latham	39	Non-executive Chairman	30 July 2010
John Behar	39	Non-executive Director	30 July 2010

7.2 The Directors currently hold, and have during the five years preceding the date of this Document held, the following directorships or partnerships in addition to their directorships of the Company and its subsidiary undertakings:

Name	*Current directorships/ partnerships*	*Previous directorships/ partnerships*
Anil Aggarwal	iEnergizer Limited iEnergizer Holdings Limited Barker Shoes Limited Geophysical Sub-strata Ltd SDP Services Ltd EICR (Cyprus) Ltd Bloomsbury Trading Pte. Ltd	Granada Services Private Ltd iEnergizer India Private Ltd iServices India Private Ltd Deccan iServices Private Ltd Focus Energy Limited
Sara Latham	Latham Strategies Ltd	
John Behar	Prospect Capital Ltd PL Capital Ltd Indus Gas Limited	Catalyst Partners Ltd

7.3 None of the Directors has:

7.3.1 any unspent convictions in relation to indictable offences;

7.3.2 been made bankrupt nor been the subject of any form of individual voluntary arrangement;

7.3.3 been a director of a company at the time of, or within the 12 months preceding the date of, that company being the subject of a receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors;

7.3.4 been a partner in a partnership at the time of, or within 12 months preceding the date of, that partnership being placed into compulsory liquidation or administration or partnership voluntary arrangement;

7.3.5 had any asset of his subject to a receivership or been a partner in a partnership at the time of or within the 12 months preceding any asset of such partnership being subject to a receivership; or

7.3.6 been the subject of any public criticism by any statutory or regulatory authority (including recognised professional bodies) nor disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

8. Directors' service agreements

8.1 ***Executive Director***

Anil Aggarwal has entered into a service agreement with the Company dated 27 August 2010 as its chief executive officer with immediate effect. The appointment continues unless and until the agreement is terminated after an initial 24 month period upon 6 months' notice by either party. The agreement provides for an annual salary of £50,000, which is to be reviewed annually, together with certain other benefits as may be required by law. The agreement places restrictions on Mr. Aggarwal during the course of his service with the Company and for a period of time thereafter. In accordance with the terms of the agreement, Mr. Aggarwal shall devote such of his time, attention and abilities to the business of the Company as shall be necessary to properly discharge his functions.

8.2 ***Non-executive Directors***

The following letters of appointment have been entered into between the Company and its non-executive directors, in each case conditional on and commencing from Admission:

8.2.1 a letter of appointment dated 27 August 2010 pursuant to which Sara Latham has been appointed as non-executive chairman of the Company, the appointment being for an initial period of three years commencing on the date of Admission and terminable by either party on three months' written notice to expire at any time during the initial term, at an annual fee (exclusive of VAT) of £30,000; and

8.2.2 a letter of appointment dated 27 August 2010 pursuant to which John Behar has been appointed as a non-executive director of the Company, the appointment being for an initial period of three years commencing on the date of Admission and terminable by either party on three months' written notice to expire at any time during the initial term, at an annual fee (exclusive of VAT) of £30,000.

8.3 It is estimated that the aggregate remuneration (including pension fund contributions and benefits in kind but excluding bonuses payable to the Directors by members of the Group) in respect of the current financial year (under the arrangements in force at the date of this Document) is expected to be approximately £110,000.

8.4 Save as disclosed in paragraphs 8.1 and 8.2 above, there are no service agreements, existing or proposed, between any Director and the Company providing for benefits upon termination of employment.

9. Taxation

Please refer to Part IV of this Document for a summary of taxation relating to the United Kingdom and Guernsey.

10. Material contracts

The following are the only contracts which have been entered into by the Company since its incorporation or which have been entered into by other members of the Group and which are, or may be, material or which have been entered into at any time by any member of the Group and which contain any provision under which any member of the Group has any obligation or entitlement which is, or may be, material to the Group as at the date of this Document:

10.1 ***Placing agreement***

A placing agreement dated 27 August 2010 between the Company, the Directors, EICR and Arden Partners, pursuant to which, Arden Partners has agreed (conditionally, *inter alia*, on Admission taking place not later than 14 September 2010 or such later date as the Company and Arden may agree) to act as agent for the Company and EICR to procure purchasers for the Placing Shares.

Under the Placing Agreement and subject to its becoming unconditional EICR has agreed to pay Arden Partners a broking commission on funds raised through its introductions and the Company has agreed to pay Arden Partners a corporate finance fee of £200,000, together with any applicable VAT.

The Company and EICR are jointly responsible for certain other costs and expenses (including any applicable VAT) of, or incidental to, the Placing and Admission, including expenses of the registrars, printing and advertising expenses, postage and all other legal, accounting and other professional fees and expenses.

The Placing Agreement contains representations, warranties and indemnities given by the Company and EICR and representations and warranties given by the Directors to Arden Partners as to the accuracy of the information contained in this Document and other matters relating to the Group and its business. Arden Partners is entitled to terminate the Placing Agreement in certain specified circumstances prior to Admission.

The Directors have undertaken, subject to certain limited exceptions not to dispose of their respective interests in Ordinary Shares held immediately following Admission for a period of 12 months. The Placing Agreement also contains certain orderly market provisions which apply for a further twelve months after the expiry of the lock-in period.

10.2 ***Nominated Adviser and Broker Agreement***

A nominated adviser and broker agreement dated 27 August 2010 between Arden Partners and the Company, pursuant to which Arden Partners has agreed to act as the Company's Nominated Adviser and Broker from Admission for the purpose of the AIM Rules (the "**Nominated Adviser and Broker Agreement**").

Under the Nominated Adviser and Broker Agreement, the Company has agreed to pay Arden Partners a fee of £45,000 per annum together with any applicable VAT thereon. Such annual fee shall be payable quarterly in advance with the first such payment being due and payable on 1 January 2011. This agreement is terminable on ninety days' written notice. The agreement may be terminated on shorter notice in certain limited circumstances.

The Nominated Adviser and Broker Agreement contains warranties, indemnities and undertakings given by the Company to Arden Partners.

10.3 ***Option Agreement***

An option agreement dated 27 August 2010 between the Company and Arden Partners under which Arden Partners is 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.

10.4 ***Relationship Agreement***

A relationship agreement dated 27 August 2010 between (1) the Company, (2) Arden Partners, (3) EICR, (4) Geophysical Sub-strata Limited and (5) Anil Aggarwal regulating the arrangements between EICR and the Company following Admission (the "**Relationship Agreement**"). The Relationship Agreement applies for as long as EICR directly or indirectly holds in excess of thirty per cent. of the issued share capital of the Company and the Company's shares remain admitted to trading on AIM. The Relationship Agreement includes provisions to ensure that, in the event of a conflict of interest (or a risk of a conflict of interest) arises between EICR and the Board:

(a) the Board and its committees are able to carry on their business independently of the individual interests of EICR;

(b) the constitutional documents of the Company are not changed in such a way which would be inconsistent with the Relationship Agreement;

(c) all transactions between the Group and EICR (or its affiliates) are on a normal commercial basis and concluded at arm's length;

(d) EICR shall not:

(i) exercise the voting rights attaching to its Ordinary Shares; or

(ii) procure that the voting rights attaching to its Ordinary Shares be exercised,

so as (a) to appoint any person who is connected to EICR to the Board if, as a direct consequence of such appointment, the number of persons connected to EICR appointed to the Board would exceed the number of independent Directors appointed to the Board, unless such appointment(s) has been previously approved by the nomination committee of the Board constituted by a majority of independent Directors; or (b) to remove any independent Director from the Board unless such removal has previously been recommended by a majority of the independent Directors, excluding the independent Director in question; or (c) to cancel the Admission unless the cancellation has previously been recommended by a majority of the independent Directors; and

(e) certain restrictions are put in place to prevent interference by the Shareholder with the business of the Company.

For the purposes of this paragraph 10.4, an independent Director is one who is independent of EICR and free from any business or other relationship which could materially interfere with the exercise of his independent judgment.

10.5 ***Costs Agreement***

A costs sharing agreement dated 15 June 2010 and entered between the Company and EICR pursuant to which EICR has agreed to reimburse the Company in respect of all costs incurred by the Company in connection with the Placing and Admission. EICR shall not be responsible under this agreement for any costs incurred by the Company after the date of Admission.

10.6 ***Share Exchange Agreement***

A share exchange agreement dated 15 June 2010 between the Company and EICR under which EICR agreed to transfer all of the issued shares of iEnergizer Holdings to the Company. In consideration, the Company agreed to issue in aggregate 150,000,000 Ordinary Shares to EICR.

10.7 ***Business Transfer Agreement***

A business transfer agreement dated 23 August 2010 and entered into between iEnergizer IT and iEnergizer India with effect from 1 May 2010 pursuant to which iEnergizer IT acquired all of the business and assets of iEnergizer India, save for a limited number of excluded assets and liabilities. The business and assets transferred under the BTA include rights and obligations under iEnergizer India's existing customer, supplier and hire-purchase financing contracts, all moveable assets, certain employees and all goodwill which iEnergizer India had in the transferred business. Before entering into the BTA, iEnergizer India terminated its leases of two properties in Noida, India, and the Company has entered into new leases in respect of such properties. The purchase price under the BTA was 120,000,000 Rupees.

The BTA contains certain warranties and indemnities from both parties as well as an undertaking from iEnergizer India not to compete with the business of iEnergizer IT for a period of at least 2 years following completion.

10.8 ***Granada Master Services Agreement***

A master services agreement dated 23 August 2010 and entered between iEnergizer Holdings, Granada (for itself and on behalf of each member of the Granada Group) and a parent company of Granada pursuant to which Granada has agreed to provide certain services to iEnergizer Holdings with effect from 1 April 2010. The services to be provided to Granada will include, amongst other things: (i) inbound and outbound voice call centre services; (ii) web chat and email support services; (iii) customer support services; (iv) account receivable management services; (v) market surveys services; (vi) data entry capture and data conversion business services; (vii) online data correction services; (vii) healthcare claim processing services; and (viii) legal back office services, claims, administration services.

The Granada MSA contains certain warranties from both parties and indemnities from Granada in respect of certain damages suffered by iEnergizer Holdings under the Granada MSA. The liability of Granada and iEnergizer Holdings under the Granada MSA is limited. In addition, the Granada MSA contains non-solicitation provisions which apply to Granada for the duration of the Granada MSA.

The term of the Granada MSA is for an initial period of five years with automatic renewal annually thereafter unless either party gives 180 days' notice of termination prior to the expiry of the then current term (or the Granada MSA is otherwise terminated in accordance with the normal termination rights). In addition to standard termination rights (including a right of voluntary/no cause termination for iEnergizer Holdings), iEnergizer Holdings may terminate any work order (with no recourse available to Granada) if the relevant client contract is terminated for any reason. If the Granada MSA is terminated, all work orders subsisting under it will also terminate.

Further details of the MSA can be found at paragraph 3.4 of Part I of this Document.

10.9 ***CustomerLinx MSA***

A master services agreement dated 30 June 2008 and entered between iEnergizer Holdings, iEnergizer, Texas, Inc. ("**iEnergizer Texas**") and CustomerLinx pursuant to which CustomerLinx has agreed to manage the affairs of iEnergizer Texas and guarantee that the services required to be performed by iEnergizer Texas on behalf of iEnergizer Holdings pursuant to a customer contract with a major games company.

CustomerLinx has agreed to provide certain services to iEnergizer Holdings under the CustomerLinx MSA, including provision of facilities, equipment, employees, recruitment, licences and consents. CustomerLinx will also provide supervision, training and support. CustomerLinx's fees under the CustomerLinx MSA will be deducted from earnings under the underlying customer agreement.

The CustomerLinx MSA contains certain guarantees and indemnities from CustomerLinx in favour of iEnergizer Holdings In addition, CustomerLinx has agreed to certain non-compete provisions for the duration of the CustomerLinx MSA and for 2 years thereafter.

10.10 ***Technical Services Agreement***

A technical services agreement dated 23 August 2010 and entered between iEnergizer IT and Granada (for itself and on behalf of each member of the Granada Group) pursuant to which iEnergizer IT has agreed to provide certain services to Granada with effect from 1 May 2010. The services to be provided to Granada (the "**TSA Services**") will include, amongst other things, information technology support services, training, quality assurance and guidance, reporting services, account management services, client relationship services and operational matters.

The TSA Services will be provided by 34 of the employees of iEnergizer IT who have been transferred to it under the Reorganisation. iEnergizer IT has agreed that such employees shall devote all of their time to providing the TSA Services to Granada, on the basis that such employees will only be required to work on iEnergizer accounts and not other third party accounts and has given an undertaking that the TSA Services will be provided to a reasonable professional standard. iEnergizer IT shall not be liable to provide alternative services to Granada under the TSA if any such employee becomes unable to perform any of the TSA Services.

The TSA contains certain warranties from both parties as well as an undertaking from Granada not to solicit any of the employees who provide the TSA Services. Save in certain limited circumstances, the TSA will remain in force for a minimum period of 24 months, after which time it may be terminated by either party on 30 days' notice.

10.11 ***Director's Option Agreement***

An option agreement dated 27 August 2010 between the Company and Sara Latham pursuant to which the Company has granted options to subscribe for up to 10,000 Ordinary Shares at the Placing Price to Ms Latham. The option may only be exercised between the first anniversary of Admission and the fifth anniversary of Admission, after which it will lapse to the extent that it has not been exercised.

10.12 ***Administration Agreement***

An administration agreement dated 12 May 2010 and made between the Company and Jupiter Administration Limited (the "**Administrator**") under which the Company has appointed the Administrator as its administrator and company secretary.

10.13 ***Registrars Agreement***

On 27 August 2010 the Company entered into a registrars agreement with Capita Registrars (Guernsey) Limited ("**Capita**") under which Capita has agreed to provide registrar services to the Company. The Company has agreed to indemnify Capita for any loss which it suffers as a result of the proper performance of its duties under this agreement. The agreement may be terminated by either party with 6 months' notice to expire no earlier than the first anniversary of the appointment.

10.14 ***Assignment Agreement***

An assignment agreement between Granada and iEnergizer Holdings dated 23 August 2010 relating to the assignment by Granada to iEnergizer Holdings of all benefits (subject to the burden) under an existing customer contract between Granada and a major provider of merchant processing services. The consideration for the assignment was calculated at fair market value.

10.15 ***Transfer agreements***

Certain agreements pursuant to which the rights and obligations under a number of international customer contracts have been transferred to iEnergizer Holdings by Granada or iEnergizer Inc. (which is not part of the Group) with effect from 1 April 2010.

11. Related party transactions

11.1 Save as disclosed in this Document, neither the Company nor any member of the Group has entered into any related party transactions of the type set out in the standards adopted according to the Regulation (EC) No. 1606/2002.

11.2 The Share Exchange Agreement, the Costs Agreement and the Relationship Agreement described in paragraph 10 of this Part VI are related party transactions due to Mr. Aggarwal's beneficial interest in EICR and Geophysical Sub-strata Limited. These agreements were entered into on arm's length terms.

11.3 Certain of the transactions described on pages 79 to 90 (inclusive) of this Document are related party transactions for the purposes of the AIM Rules.

12. Working capital

The Directors are of the opinion, having made due and careful enquiry, and after taking into account the financing facilities available to the Group, the working capital available to the Group will be sufficient for its present requirements, that is, for at least the next 12 months from the date of Admission.

13. Legal and arbitration proceedings

The Group is not and during the 12 month period prior to the date of this Document has not been involved in any governmental, legal or arbitration proceedings which may have or have had in the recent past a significant effect on the Group's financial position or profitability nor, so far as the Group is aware, are there any such proceedings pending or threatened.

14. General

14.1 Save as disclosed in this document, there has been no significant change in the trading or financial position of the Group since 31 March 2010, being the date to which the historical financial information in Part V is made up.

14.2 The total costs, charges and expenses of, or incidental to, the Placing and Admission payable by the Company are estimated to amount to approximately £558,500 (excluding VAT where applicable). These costs, charges and expenses will be reimbursed to the Company by EICR under the Costs Agreement.

14.3 Ernst & Young, of 6th Floor, HT House, 18-20 Kasturba Gandhi Marg, New Delhi, 110 001, India, a firm incorporated under the partnership laws of India which is also registered with the Public Company Accounting Oversight Board in the US, has issued the accountants' report set out in Part V of this Document.

14.4 Ernst & Young has given and has not withdrawn its written consent to the inclusion in this Document of its name, report and references to it in the form and context in which they appear and accepts responsibility for the contents of its report for the purposes of the AIM Rules.

14.5 Arden Partners plc is registered in England and Wales under number 4427253 and its registered office is at Arden House, Highfield Road, Edgbaston , Birmingham B15 3DU. Arden Partners is regulated by the Financial Services Authority and is acting in the capacity as nominated adviser and broker to the Company.

14.6 Arden Partners has given and has not withdrawn its written consent to the issue of this Document with the inclusion of its name and references to it in the form and context in which they appear.

14.7 Save as disclosed in this Document, the Directors believe that the Company is not dependent on patents or other intellectual property rights, licences, industrial, commercial or financial contracts or new manufacturing processes which are material to the Company's business or profitability.

14.8 Save as disclosed in the Document, no person (excluding professional advisers otherwise disclosed in this Document and trade suppliers) has received, directly or indirectly, from the Company within the 12 months preceding the date of this Document or entered into contractual arrangements to receive, directly or indirectly, from the Company on or after Admission any of the following:

14.8.1 fees totalling £10,000 or more;

14.8.2 securities in the Company with a value of £10,000 or more calculated by reference to the Placing Price; or

14.8.3 any other benefit with a value of £10,000 or more at the date of Admission.

14.9 The Directors are unaware of exceptional factors which have influenced the Company's activities.

14.10 Save as disclosed in this Document, the Directors are unaware of any environmental issues that may affect the Group's utilisation of its tangible fixed assets.

14.11 Save as disclosed in this Document, the Directors are not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for the current financial year.

14.12 Save as disclosed in this Document, there are no investments in progress and there are no future investments on which the Directors have already made firm commitments which are significant to the Company.

14.13 EICR, whose address is at Strovolou 77, Strovolos Centre, Flat/Office 204, Strovolos P.C. 2018, Nicosia, Cyprus, is the seller of the Placing Shares.

14.14 Prior to 15 June 2010, which is the date of the Share Exchange Agreement, EICR was the holding company of the Original Business. Mr. Aggarwal is the ultimate beneficial owner of EICR. He is a Director and was formerly a director of companies forming part of the Original Business.

14.15 iEnergizer Holdings' statutory auditors are Nexia Baker & Arenson, Chartered Accountants, whose principal place of business is at 5th Floor, C&R Court 49, Labourdonnais St, Port Louis, Mauritius.

14.16 iEnergizer IT's statutory auditors are SR Batliboi & Co., Chartered Accountants, whose principal place of business is at 22 Camac Street, Block C, 3rd Floor, Kolkata – 700016, India.

14.17 No statutory auditors have yet been appointed for the Company.

15. Third party information

Where information has been sourced from a third party, the information has been accurately reproduced and, as far as the Company and the Directors are aware and are able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Reference materials include various historical and recent publications. A comprehensive list of reports and information used in the preparation of this document is available if required.

16. Availability of this Document

Copies of this Document are available free of charge for inspection during normal business hours on any weekday (Saturdays and public holidays excepted) at the offices of Arden Partners plc, 125 Old Broad Street, London, EC2N 1AR for at least one month after Admission.

27 August 2010

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