Navy and Yan
Public Accountants and Knowledge Managers

Anchor Investment & Trading Private Limited
Financial Statements
31 December 2010

ANCHOR INVESTMENT & TRADING PRIVATE LIMITED
31 DECEMBER 2010

CONTENTS

		Date of appointment
DIRECTORS	Mr Chandra Kumar Gujadhur	16 August 2007
	Mr Maheswar Doorgakant	16 August 2007

ADMINISTRATOR & SECRETARY

Apex Fund Services (Mauritius) Ltd
4th Floor, Raffles Tower
19 Cybercity, Ebene
Republic of Mauritius

REGISTERED OFFICE

4th Floor, Raffles Tower
19 Cybercity, Ebene
Republic of Mauritius

AUDITORS

Navy and Yan
West View
192 L M Road
Glen Park, Vacoas
Mauritius

BANKER

HSBC Bank (Mauritius) Limited
6th Floor, HSBC Centre
18th Cybercity
Ebene
Mauritius

RESULTS

The results for the year are shown in the statement of comprehensive income and related notes.

PRINCIPAL ACTIVITIES

The Company is involved in investment holding activities.

DIRECTORS

The present membership of the Board is set out on page 1.

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Company's directors are responsible for the preparation and fair presentation of the financial statements, comprising the Company's statement of financial position at 31 December 2010, the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and Companies Act 2001.

The directors' responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

AUDITORS

The auditors, Navy & Yan, have indicated their willingness to continue in office and a resolution confirming their re-appointment will be proposed at the annual meeting of the shareholders.

ANCHOR INVESTMENT & TRADING PRIVATE LIMITED
CERTIFICATE FROM THE SECRETARY
UNDER SECTION 166 (d) OF THE COMPANIES ACT 2001

We certify to the best of our knowledge and belief that we have filed with the Registrar of Companies all such returns as are required of **ANCHOR INVESTMENT & TRADING PRIVATE LIMITED** under section 166(d) of the Companies Act 2001 during the financial year ended 31 December 2010.

for **Apex Fund Services (Mauritius) Ltd**
Secretary

Registered Office:
4th Floor, Raffles Tower
19 Cybercity, Ebene
Mauritius

Date: 24 MAR 2011

Navy *and* **Yan**
Turning Knowledge into Power

Public Accountants and Knowledge Managers

Independent auditors' report to the shareholders of Anchor Investment & Trading Private Limited

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

Report on the Financial Statements

We have audited the financial statements of Anchor Investment & Trading Private Limited (the "company") set out on pages 5 to 14 which comprise the Statement of Financial Position as at 31 December 2010 and the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibilities for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibilities

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the company as at 31 December 2010, and of its financial performance and cash flows for the year then ended, and comply with the Companies Act 2001 and International Financial Reporting Standards.

Report on the requirements of the Companies Act 2001

We have no relationship with or interests in the company other than in our capacity as auditors.

We have obtained all the information and explanations that we have required.

In our opinion, proper accounting records have been kept by the company as far as it appears from our examination of those records.

Navy and Yan
Public Accountants
Vacoas
Date: 24/3/2011

Y. Nath Varma FCCA DFPFM PhD

	Note	31 December 2010	31 December 2009
		USD	USD
REVENUE		-	-
EXPENSES			
Legal and professional fees		(3,750)	(2,500)
Audit fees		(1,725)	(1,725)
Directors fees		(1,500)	(1,625)
Secretary & registered office		(700)	(759)
Operating expenses		(3,398)	(2,588)
		(11,073)	(9,197)
Loss before tax		(11,073)	(9,197)
Taxation	4	-	-
Loss for the year		(11,073)	(9,197)

The notes on pages 9 to 14 form an integral part of these financial statements.

ANCHOR INVESTMENT & TRADING PRIVATE LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010	2009
ASSETS		**USD**	USD
Current assets			
Accounts receivable	5	3,759	2,915
Cash and cash equivalents		11,312	-
Total assets		15,071	2,915
EQUITY & LIABILITIES			
Stated capital	6	1	1
Accumulated losses		(31,660)	(20,587)
Shareholder's deficit		(31,659)	(20,586)
Current liabilities			
Trade and other payables	7	46,730	23,501
Total liabilities		46,730	23,501
Total equity and liabilities		15,071	2,915

Approved by the Board of Directors on 24 MAR 2011 and signed on its behalf by:

Director

Director

The notes on pages 9 to 14 form an integral part of these financial statements.

ANCHOR INVESTMENT & TRADING PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2010

	Stated capital USD	Accumulated losses USD	Total USD
Balance at 01 January 2009	1	(11,390)	(11,389)
Loss for the year	-	(9,197)	(9,197)
Balance at 31 December 2009	1	(20,587)	(20,586)
Loss for the year	-	(11,073)	(11,073)
Balance at 31 December 2010	1	(31,660)	(31,659)

The notes on pages 9 to 14 form an integral part of these financial statements.

ANCHOR INVESTMENT & TRADING PRIVATE LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2010

	31 December 2010 USD	31 December 2009 USD
Cash flows from operating activities		
Loss for the year	(11,073)	(9,197)
Operating loss before working capital changes	(11,073)	(9,197)
Increase in accounts receivable	(844)	(473)
Increase in trade and other payables	23,229	9,670
Net cash used in operating activities	11,312	-
Net increase in cash and cash equivalents	11,312	-
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	11,312	-

The notes on pages 9 to 14 form an integral part of these financial statements.

1. LEGAL STATUS AND BUSINESS ACTIVITY

The Company was incorporated in Mauritius under the Companies Act 2001 on 16 August 2007 as a private company with liability limited by shares and holds a Category 1 Global Business Licence issued by the Financial Services Commission. The Company's registered office is 4th Floor, Raffles Tower, 19 Cybercity, Ébene, Mauritius.

The Company was granted with an Investment Adviser (Restricted) Licence on 8 January 2010.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied in dealing with items which are considered material in relation to the financial statements.

Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS).

Basis of preparation

The financial statements are prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Changes in accounting policy and disclosures

(a) New and amended standards, and interpretations mandatory for the first time for the financial year beginning 1 January 2010 but not currently relevant to the company

Certain new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2010. No such standards are applicable to the company for the present year. These are summarised below:

IFRS 3 (revised), 'Business combinations', and consequential amendments to IAS 27, 'Consolidated and separate financial statements', IAS 28, 'Investments in associates', and IAS 31, 'Interests in joint ventures', are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.
The revised standard continues to apply the acquisition method to business combinations but with some significant changes compared with IFRS 3. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed.
IAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss.

IFRIC 17, 'Distribution of non-cash assets to owners' (effective on or after 1 July 2009). The interpretation was published in November 2008. This interpretation provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. IFRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) New and amended standards, and interpretations mandatory for the first time for the financial year beginning 1 January 2010 but not currently relevant to the company (Cont...)

IFRIC 18, 'Transfers of assets from customers', effective for transfer of assets received on or after 1 July 2009. This interpretation clarifies the requirements of IFRSs for agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services. In some cases, the entity receives cash from a customer that must be used only to acquire or construct the item of property, plant, and equipment in order to connect the customer to a network or provide the customer with ongoing access to a supply of goods or services (or to do both).

IFRIC 9, 'Reassessment of embedded derivatives and IAS 39, Financial instruments: Recognition and measurement', effective 1 July 2009. This amendment to IFRIC 9 requires an entity to assess whether an embedded derivative should be separated from a host contract when the entity reclassifies a hybrid financial asset out of the 'fair value through profit or loss' category. This assessment is to be made based on circumstances that existed on the later of the date the entity first became a party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. If the entity is unable to make this assessment, the hybrid instrument must remain classified as at fair value through profit or loss in its entirety.

IFRIC 16, 'Hedges of a net investment in a foreign operation' effective 1 July 2009. This amendment states that, in a hedge of a net investment in a foreign operation, qualifying hedging instruments may be held by any entity or entities within the Company, including the foreign operation itself, as long as the designation, documentation and effectiveness requirements of IAS 39 that relate to a net investment hedge are satisfied. In particular, the Company should clearly document its hedging strategy because of the possibility of different designations at different levels of the Company.

IAS 38 (amendment), 'Intangible assets', effective 1 January 2010. The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and permits the Companying of intangible assets as a single asset if each asset has similar useful economic lives.

IAS 1 (amendment), 'Presentation of financial statements'. The amendment clarifies that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non current. By amending the definition of current liability, the amendment permits a liability to be classified as non-current (provided that the entity has an unconditional right to defer settlement by transfer of cash or other assets for at least 12 months after the accounting period) notwithstanding the fact that the entity could be required by the counterparty to settle in shares at any time.

IAS 36 (amendment), 'Impairment of assets', effective 1 January 2010. The amendment clarifies that the largest cash-generating unit (or Company of units) to which goodwill should be allocated for the purposes of impairment testing is an operating segment, as defined by paragraph 5 of IFRS 8,' Operating segments' (that is, before the aggregation of segments with similar economic characteristics). & IFRS 2 (amendments), 'Company cash-settled share-based payment transactions', effective form 1 January 2010. In addition to incorporating IFRIC 8, 'Scope of IFRS 2', and IFRIC 11, 'IFRS 2 - Company and treasury share transactions', the amendments expand on the guidance in IFRIC 11 to address the classification of Company arrangements that were not covered by that interpretation.

IFRS 5 (amendment), 'Non-current assets held for sale and discontinued operations'. The amendment clarifies that IFRS 5 specifies the disclosures required in respect of non-current assets (or disposal Company's) classified as held for sale or discontinued operations. It also clarifies that the general requirement of IAS 1 still apply, in particular paragraph 15 (to achieve a fair presentation) and paragraph 125 (sources of estimation uncertainty) of IAS 1.

2. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2010 and not early adopted

IFRS 9, 'Financial instruments', issued in November 2009. This standard is the first step in the process to replace IAS 39, 'Financial instruments: recognition and measurement'. IFRS 9 introduces new requirements for classifying and measuring financial assets and is likely to affect the Company's accounting for its financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. However, the standard has not yet been endorsed by the EU.

Revised IAS 24 (revised), 'Related party disclosures', issued in November 2009. It supersedes IAS 24, 'Related party disclosures', issued in 2003. IAS 24 (revised) is mandatory for periods beginning on or after 1 January 2011. Earlier application, in whole or in part, is permitted. However, the standard has not yet been endorsed by the EU. The revised standard clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities.

Classification of rights issues' (amendment to IAS 32), issued in October 2009. The amendment applies to annual periods beginning on or after 1 February 2010. Earlier application is permitted. The amendment addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. Provided certain conditions are met, such rights issues are now classified as equity regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities. The amendment applies retrospectively in accordance with IAS 8 'Accounting policies, changes in accounting estimates and errors'. The company will apply the amended standard from 1 January 2011.

IFRIC 19, 'Extinguishing financial liabilities with equity instruments', effective 1 July 2010. The interpretation clarifies the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability (debt for equity swap). It requires a gain or loss to be recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments should be measured to reflect the fair value of the financial liability extinguished.

Prepayments of a minimum funding requirement' (amendments to IFRIC 14). The amendments correct an unintended consequence of IFRIC 14, 'IAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction'. Without the amendments, entities are not permitted to recognise as an asset some voluntary prepayments for minimum funding contributions. This was not intended when IFRIC 14 was issued, and the amendments correct this. The amendments are effective for annual periods beginning 1 January 2011. Earlier application is permitted. The amendments should be applied retrospectively to the earliest comparative period presented.

Financial instruments

Financial instruments carried on the statement of financial position include financial assets at fair value through profit or loss and trade and other payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Cash and cash equivalents

Cash and cash equivalents are made up of cash at bank.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Related parties

Related parties are individuals and companies which have the ability, directly or indirectly, to control or exercise significant influence over the other party in making financial and operating decisions.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont....)

Foreign currency transactions

Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in USD, which is the Company's functional and presentation currency. The directors of the Company have determined that the functional currency should be the USD as the principal financing currency for operations is sourced in USD.

Transaction and balances

Transactions denominated in foreign currencies are translated to USD at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities are translated at the rate of exchange ruling at year end date. Exchange differences arising on translation and realised gains and losses on disposals or settlement of monetary assets and liabilities are recognised in the Statement of Comprehensive Income.

Trade payables

Trade payables are measured at cost

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical accounting judgements in applying the Company's accounting policies

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

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described in Note 2, the directors have considered those factors therein and have determined that the functional currency of the Company is the USD.

Going concern

The company's management has made an assessment to continue as a going concern and is satisfied that the company has the resources to continue in business for the foreseeable future. Furthermore management is not aware of any material uncertainties that may cast significant doubt on the company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

4. TAXATION

Under current laws and regulations the Company is liable to pay income tax on its net income at a rate of 15%. The Company is however entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of Mauritius tax payable in respect of its foreign source income tax thus reducing its maximum effective tax rate to 3%. The Company has received a certificate from the Mauritian authorities that it is resident of Mauritius. No Mauritian capital gain tax is payable on profits arising from sale of securities, and any dividend and redemption proceed paid by the Company to its shareholders will be exempt in Mauritius from any withholding tax. At 31 December 2010, the Company did not have any tax liability.

A numerical reconciliation between the accounting loss and the tax charge is shown below:-

	2010	2009
	USD	USD
Loss before tax	(11,073)	(9,197)
Loss before tax at effective rate	(332)	(276)
Effect of:		
Non-allowable expense	-	23
Deferred tax asset not recognised	332	253
Tax charge	-	-

5. ACCOUNTS RECEIVABLE

	2010	2009
	USD	USD
Prepayments	3,759	2,915

6. STATED CAPITAL

	2010	2009
	USD	USD
Issued and fully paid up share capital		
Ordinary share of USD 1 each	1	1

7. TRADE AND OTHER PAYABLES

	2010	2009
	USD	USD
Accruals	2,475	2,475
Other payables	44,255	21,026
	46,730	23,501

8. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

Financial risk factors

The Company's activities expose it to a certain financial risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Fair values

The carrying amounts of accounts receivable and accounts payable approximate their fair values.

Currency risk

All the Company's assets and liabilities are denominated in USD. The Company is not presently exposed to currency risk.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as and when they fall due. The Company's approach to managing liquidity is to ensure that, as far as possible, it will always have sufficient liquidity to meet its liabilities.

The Company manages liquidity risk by calling for adequate funds and continuously monitoring forecast and actual cash flows while matching the maturity profiles of the financial liabilities. The following table shows the financial liabilities based on contractual undiscounted payments.

	2010		2009	
	On demand	Total	On demand	Total
	USD	USD	USD	USD
Trade and other payables	46,730	46,730	23,501	23,501
	46,730	46,730	23,501	23,501

8. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Credit risk

The Company takes an exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Company was not exposed to credit risk at balance sheet date.

Currency profile

The company is not exposed to currency risks as all its assets and liabilities are denominated in USD.

9. CAPITAL RISK MANAGEMENT

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. In order to maintain or adjust the capital structure, the company may issue new shares, return capital to shareholders, pay dividends or resort to other strategies.

10. FINANCIAL INSTRUMENTS BY CATEGORY

	2010 Financial liabilities at cost	2009 Financial liabilities at cost
	USD	USD
Trade and other payables	46,730	23,501
	46,730	23,501

11. RELATED PARTY DISCLOSURES

The Directors are not aware of transactions with related parties during the year.

12. EVENTS AFTER BALANCE SHEET DATE

There were no significant events after the balance sheet date that require disclosures in or amendments to these financial statements.

13. PARENT COMPANY

The directors consider Future Capital Holdings Limited, a company incorporated under the laws of India, as its Parent and Ultimate Parent Company.