

GUSIUTE HOLDINGS (UK) LIMITED

Annual Report and Financial Statements

For the year ended 31 March 2012

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COMPANIES HOUSE

The directors present their annual report on the affairs of the company together with the financial statements and auditor's report, for the year ended 31 March 2012

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The company continues to act as an intermediate holding company. The company does not trade.

The profit on ordinary activities before taxation for the year was \$97,539,000 (2011: loss of \$33,000).

A dividend of \$37,108,000 was paid during the year (2011: \$nil).

The directors have not presented consolidated financial statements, on the basis that to do this would cause undue delay and expense, particularly as this company acts solely as an intermediate holding company. The operations of the subsidiaries are managed at Valley Holdings Inc. (an intermediate parent company located in the USA) and EPM Mining Ventures Inc. (a company located in Canada). The results of these companies are consolidated into Tata Chemicals Limited, the ultimate parent undertaking. Consolidated financial statements for Tata Chemicals Limited are available upon request as disclosed in Note 11. The requirement to prepare group financial statements at Gusiute Holdings (UK) Limited level is expected to be temporary because on conversion of the Tata Chemicals group to IFRS, which is anticipated for the year ending 31 March 2013, it will no longer apply.

PRINCIPAL RISKS AND UNCERTAINTIES

The company does not have any borrowings and is not subject to any entity specific commitment or covenants.

The company holds investments in Valley Holdings Inc. (the parent company of Tata Chemicals North America Inc.) and EPM Mining Ventures Inc. Having reviewed the financial projections of those entities and having made such other enquiries as were deemed necessary, the directors of the company have formed a judgment that the carrying value of its investments is fairly stated.

The financial statements have been prepared on the going concern basis. Refer to Note 1 for details.

DIRECTORS

The directors who served during the year and thereafter were:

P. K. Ghose

M. Ramakrishnan

DIRECTORS' REPORT (continued)

AUDITOR

Each of the persons who are directors at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and,
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP have been appointed as auditors by the members and as such an annual resolution to reappoint them is not required

Approved by the Board and signed on its behalf by



P K Ghose
Director

17 August 2012

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GUSIUTE HOLDINGS (UK) LIMITED

We have audited the financial statements of Gusiute Holdings (UK) Limited for the year ended 31 March 2012 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

Basis for qualified opinion on financial statements

The company's subsidiary undertakings have been excluded from consolidation on the basis disclosed in note 1 to the financial statements. In our opinion, these subsidiary undertakings should be included in the consolidation as required by section 399 of the Companies Act 2006 and Financial Reporting Standard 2 *Accounting for subsidiary undertakings*.

Opinion on financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of the company's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

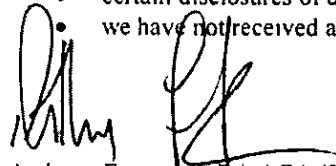
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GUSIUTE HOLDINGS (UK)
LIMITED (continued)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or



Anthony Farnworth BA ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, United Kingdom

17 August 2012

GUSIUTE HOLDINGS (UK) LIMITED

PROFIT AND LOSS ACCOUNT For the year ended 31 March 2012

	Note	2012 \$'000	2011 \$'000
Other operating expenses	2	(58)	(33)
OPERATING LOSS AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(58)	(33)
Dividends received from subsidiary undertakings		98,708	-
Interest payable to group undertakings		(590)	-
Bank interest payable		(521)	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		97,539	(33)
Taxation on profit/(loss) on ordinary activities	3	-	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	7,8	97,539	(33)

All results have arisen from continuing activities

The historical cost profit is identical to that disclosed above and accordingly no separate statement of historical cost profits and losses has been presented

The accompanying notes are an integral part of this profit and loss account


No separate statement of total recognised gains and losses has been presented as all such gains and losses have been dealt within the profit and loss account

GUSIUTE HOLDINGS (UK) LIMITED

BALANCE SHEET 31 March 2012

	Note	2012 S'000	2011 S'000
FIXED ASSETS			
Investments	4	795,919	720,642
CURRENT ASSETS			
Cash at bank and in hand		236	20
		236	20
CREDITORS Amounts falling due within one year	5	(15,093)	(41)
NET CURRENT LIABILITIES		(14,857)	(21)
TOTAL ASSETS LESS CURRENT LIABILITIES		781,062	720,621
CREDITORS Amounts falling due after more than one year	5	(10)	-
NET ASSETS		781,052	720,621
CAPITAL AND RESERVES			
Called-up share capital	6	683,536	720,645
Profit and loss account	7	97,516	(24)
SHAREHOLDER'S FUNDS	8	781,052	720,621

The financial statements of Gusiute Holdings (UK) Limited, registered number 06445043, were approved by the Board of Directors on 17 August 2012 and signed on its behalf by


P K Ghose
Director

The accompanying notes are an integral part of this balance sheet

CASH FLOW STATEMENT
For the year ended 31 March 2012

	Note	2012 \$'000	2011 \$'000
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	9	(6)	(2)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest paid		(1,111)	-
Dividends received		98,708	-
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		97,597	-
ACQUISITIONS			
Investment in share capital of subsidiary company		(75,277)	(1,135)
NET CASH OUTFLOW FROM ACQUISITIONS		(75,277)	(1,135)
NET CASH OUTFLOW BEFORE FINANCING		22,314	(1,137)
FINANCING			
Issue of ordinary share capital		-	1,155
Dividends paid		(37,108)	-
New loans received		15,010	-
NET CASH INFLOW FROM FINANCING		(22,098)	1,155
Increase in cash in the year	10	216	18

The accompanying notes are an integral part of this cash flow statement

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2012

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the current year and prior year.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable law and United Kingdom accounting standards.

The directors have prepared forecasts and projections for the company. The projections prepared show that the company has no cash flow requirements during the period for 12 months from the date of these financial statements.

Accordingly, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Group financial statements have not been prepared as the directors consider that this would result in undue cost and delay particularly as this company acts solely as an intermediate holding company. The operations of the subsidiaries are managed at Valley Holdings Inc (an intermediate parent company located in the USA) and EPM Mining Ventures Inc. The results of these companies are consolidated into Tata Chemicals Limited, the ultimate parent undertaking. Consolidated financial statements for Tata Chemicals Limited are available upon request as disclosed in Note 11. The requirement to prepare group financial statements at Gusiute Holdings (UK) Limited level is expected to be temporary because on conversion of the Tata Chemicals group to IFRS which is anticipated for the year ending 31 March 2013, it will no longer apply.

The directors therefore consider that the time and cost incurred would be disproportionate to the benefits received from preparing consolidated financial statements purely for statutory purposes.

Functional and reporting currency

All material transactions are conducted in US Dollars and accordingly the directors have selected USD as the company's functional and reporting currency.

Fixed asset investments in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost less provision for impairment.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid or recovered using the tax rates and law that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its result as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those that are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2012

1 ACCOUNTING POLICIES (continued)

Taxation (continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange at that date or, if appropriate, at the forward contract rate.

2. OTHER OPERATING EXPENSES

There was no directors' remuneration during the year (2011 - nil). There were no employees other than the directors during the year (2011 - nil). Other operating expenses are described below.

	2012 \$'000	2011 \$'000
Other expenses	34	20
Auditor's remuneration for the audit of the company's annual financial statements	24	13
Total other operating expenses	58	33

There has been no remuneration paid to the auditor in respect of non audit services during the year (2011 - nil).

3 TAXATION ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

There is no charge for taxation in the current or preceding year.

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax are as follows:

	2012 \$'000	2011 \$'000
Profit/(loss) on ordinary activities before taxation	97,539	(33)
Tax on loss on ordinary activities at standard UK corporation tax rate of 26% (2011: 28%)	25,360	(9)
Effects of		
Expenses not deductible for tax purposes	304	9
Income not chargeable to tax	(25,664)	-
Current tax charge for the year	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2012

4. FIXED ASSET INVESTMENTS

a) The company's investments in subsidiaries at 31 March 2012 were

Subsidiary	Holding	Country of incorporation	Principal activity
Valley Holdings Inc	100% ordinary share capital	USA	Investment company
Tata Chemicals North America Inc	100% ordinary share capital (*)	USA	Manufacture and sale of soda ash products
Tata Chemicals (Soda Ash) Partners Inc	75% ordinary share capital (*)	USA	Manufacture and sale of soda ash products

b) The company's other investments at 31 March 2012 were

Subsidiary	Holding	Country of incorporation	Principal activity
EPM Mining Ventures Inc	30% ordinary share capital	Canada	Manufacture of sulphate of potash
Tata Chemicals Magadi Limited	100% preference share capital	UK	Manufacture and sale of soda ash products

(*) held indirectly

c) An analysis of the company's fixed asset investments was as follows

Cost and net book value

	\$'000
Investments in subsidiary undertakings	
At 1 April 2011 and 31 March 2012	720,642
Other investments	
At 1 April 2011	-
Additions	75,277
At 31 March 2012	75,277
Total fixed asset investments	
At 1 April 2011	720,642
At 31 March 2012	795,919

During the year the company invested ordinary share capital in EPM Mining Ventures Inc totalling \$42,764,158. These funds were provided to EPM mining to fund business development activities.

During the year the company invested preference share capital in Tata Chemicals Magadi Limited totalling \$32,512,408.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2012

5 CREDITORS

a) Amounts falling due within one year

	2012 \$'000	2011 \$'000
Senior debt and loan notes	15,000	-
Other accruals	93	41
	<u>15,093</u>	<u>41</u>

b) Amounts falling due after more than one year

	2012 £'000	2011 £'000
Amounts owed to parent undertakings	10	-
	<u>10</u>	<u>-</u>

c) Maturity of financial liabilities

The maturity profile of the company's bank loan and obligations under finance leases at 31 March 2012 and 31 March 2011 was as follows

	2012 £'000	2011 £'000
In one year or less	15,000	-
	<u>15,000</u>	<u>-</u>

Borrowing facilities

At 31 March 2012, senior debt comprised a promissory note issued by Standard Chartered Bank. This is unsecured and interest is charged at LIBOR plus 3%.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2012

6. CALLED-UP SHARE CAPITAL

	2012 £	2011 £
Allotted, called-up and fully paid		
351,835,271 (2011 - 370,935,905) ordinary shares of £1 each	683,536	720,645

On 13 March 2012 the company reduced its share capital by cancelling and extinguishing 19,100,634 issued ordinary shares with a nominal value of \$37,109,000

	Shares issued Number	\$ Denominated nominal value \$'000
At 1 April 2011	370,935,905	720,645
Capital reduction	(19,100,634)	(37,109)
At 31 March 2012	351,835,271	683,536

7. RESERVES

	Profit and loss account \$'000
At 1 April 2011	(24)
Profit for the financial year	97,539
Capital reduction	37,109
Equity dividends paid	(37,108)
At 31 March 2012	97,516

8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2012 \$'000	2011 \$'000
Profit/(loss) for the financial year	97,539	(33)
Equity dividends paid	(37,108)	-
Issue of share capital	-	1,155
Net increase in shareholder's funds	60,431	1,122
Opening shareholder's funds	720,621	719,499
Closing shareholder's funds	781,052	720,621

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2012

9 RECONCILIATION OF OPERATING LOSS TO OPERATING CASH FLOWS

	2012 \$'000	2011 \$'000
Operating loss	(58)	(33)
Decrease/(increase) in creditors	52	31
Net cash inflow from operating activities	(6)	(2)

10 ANALYSIS AND RECONCILIATION OF NET DEBT

	1 April 2012 \$'000	Cash flow \$'000	31 March 2012 \$'000
Cash at bank and in hand	20	216	236
Debt due after 1 year	-	(15,010)	(15,010)
Net debt	20	(14,794)	(14,774)

	2012 \$'000	2011 \$'000
Increase in cash in the year	216	18
Cash inflow from increase in debt and lease financing	(15,010)	-
Change in net debt resulting from cash flows	(14,794)	18
Net debt at beginning of year	20	2
Net debt at end of year	(14,774)	20

11 ULTIMATE PARENT COMPANY

The company has taken advantage of the exemption in FRS 8 "Related party disclosures" for wholly owned subsidiaries and has not disclosed transactions with other group undertakings

The company's immediate parent undertaking is Bio Energy Venture -1 (Mauritius) Pvt Ltd which is incorporated in Mauritius, and whose registered office is IFS Court, Twenty Eight, Cyber City, Ebene, Mauritius. The largest and smallest group in which the results of the company are consolidated is that headed by Tata Chemicals Limited, a company incorporated in India. Copies of the accounts are available from the Company Secretary, Tata Chemicals Limited, Bombay House, Mumbai, India.