

CFCL VENTURES

DIRECTORS' REPORT

Dear Shareholders,

Your directors are pleased to present the Directors' Report of CFCL Ventures Limited and the Audited Statement of Accounts of the Company for the period ended December 31, 2009.

Financial Results

In the meeting held on December 8, 2009, your Directors approved the change of the Company's financial year from the fiscal year commencing on 1st April of one calendar year and ending on 31st March of the subsequent calendar year to the calendar year (ending 31st December). Accordingly, the current period financial statements have been prepared for the nine months period ended December 31, 2009. Please note that the current period will not be comparable with that of the previous year, which had been for a period of 12 months.

The performance of the Company for the nine months period ended December 31, 2009 is summarized below:

Particulars	December 31, 2009 (US\$ In 000's)	March 31, 2009 (US\$ In 000's)
Income	NIL	NIL
Profit/(Loss) Before Tax	(3)	(6)
Less: Current Tax	NIL	NIL
Profit/(Loss) for the year	(3)	(6)

Business :

Your company is not engaged in any other business activity, except, to hold the Equity shares of its subsidiary, ISG Novasoft Technologies Limited and accordingly there are no business matters to be disclosed.

Dividend

In the absence of profits, Your Company is not proposing to declare any dividend this year.

Directors:

There was no change in the Directors during the year.

Share Capital

There was no change on the share Capital during the current year.

CFCL VENTURES

Subsidiary Companies

Your company has a subsidiary by name ISG Novasoft Technologies Limited (ISGN) incorporated in India. Your Company is the holding company of ISGN by virtue of its 100% shareholding in the paid-up share capital of ISGN. ISGN in turn has a subsidiary namely Inuva Info Management Private Limited incorporated in India.

Acknowledgements

Your Directors thank the Company and its subsidiaries clients, vendors, investors and banks and Government Departments in the Cayman Islands for their support during the year. Your Directors place on record their appreciation of the contribution made by employees at all levels.

For and on behalf of the Board of Directors,



Director

Date: April 23, 2010
Place: Bensalem, PA.

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF CFCL TECHNOLOGIES LIMITED

1. We have audited the attached Balance Sheet of **CFCL VENTURES LIMITED** ("the Company") as at December 31, 2009, the Profit and Loss Account and the Cash Flow Statement of the Company for the period ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Without qualifying our opinion we invite attention to Note no 2(d) of Schedule 7 relating to the translation of the financial statements at the closing rate for the convenience of the readers. These numbers are based on information from the management and have not been audited by us.
4. We report as follows:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;



**Deloitte
Haskins & Sells**

- (c) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2009;
 - (ii) in the case of the Profit and Loss Account, of the loss of the Company for the period ended on that date and
 - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the period ended on that date.
5. These financial statements have been prepared solely for the purpose of publication of summarized financial information in the financial statements of the holding company M/s Chambal Fertilizers and Chemicals Limited pursuant to Section 212 of the Companies Act, 1956. It should be used for aforesaid purpose only.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 008072S)



Bhavani Balasubramanian
Partner
Membership No. 22156

Place: Chennai, April 26, 2010

CFCL VENTURES LIMITED
BALANCE SHEET AS AT DECEMBER 31, 2009

		As at March 31, 2009 (In USD)	As at December 31, 2009 (In USD)	As at December 31, 2009 Convenience translation into (Rs.'000) (Unaudited)
SOURCES OF FUNDS				
Shareholders' Funds				
Share capital	1			
Reserves and surplus	2	50,000	50,000	2,327
Total		8,316,970	8,316,970	387,113
APPLICATION OF FUNDS				
Investments	3	8,361,970	8,361,970	389,208
Current Assets, Loans and Advances :				
Cash and bank balances	4	5,000	5,000	233
Less : Current Liabilities and Provisions		5,000	5,000	233
Current liabilities	5	9,602	13,147	613
Net Current Assets		9,602	13,147	613
Profit & Loss Account		(4,602)	(8,147)	(380)
Total		9,602	13,147	612
		8,366,970	8,366,970	389,440
Notes on Accounts	7			

Schedules referred to above form an integral part of these accounts

This is the Balance Sheet referred to in our report of even date.

for Deloitte Haskins & Sells,
Chartered Accountants

Bhavani Balasubramanian

Bhavani Balasubramanian
Partner

For and on behalf of the Board of Directors

[Signature]

Director

[Signature]

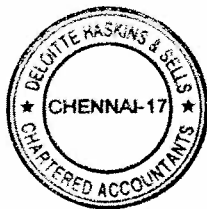
Director

[Signature]
Chief Financial Officer

Place: Chennai
Date: April 26, 2010

Place: Bensalem, PA

Date: April 23, 2010



CFCL VENTURES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED DEC'09

Schedule	Year ended March 31, 2009 (In USD)	Period ended December 31, 2009 (In USD)	Period ended December 31, 2009 Convenience translation into (Rs.'000) (Unaudited)
INCOME			
Other income	-	-	-
Total	-	-	-
EXPENDITURE			
Operating and other expenses	6,286	3,545	165
Total	6,286	3,545	165
Loss Before Tax	(6,286)	(3,545)	(165)
Current tax	-	-	-
Net loss after tax for the year	(6,286)	(3,545)	(165)
Loss brought forward from Previous year	(3,316)	(9,602)	(447)
Loss Carried to Balance Sheet	(9,602)	(13,147)	(612)
Earnings per share (Face value of \$0.001 per share)	(0.0001)	(0.0001)	(0.0033)

Notes on Accounts 7

Schedules referred to above form an integral part of these accounts

This is the Profit & Loss Account referred to in our report of even date.

for Deloitte Haskins & Sells,
Chartered Accountants

Bhavana Balasubramanian

Bhavani Balasubramanian
Partner

Place: *chennai*
Date: *April 26, 2010*



For and on behalf of the Board of Directors

Sobhan

Director

S. K. Srinivasan

Director

CSY
Chief Financial Officer

Place: *Ben Salem, PA*

Date: *April 23, 2010*

CFCL VENTURES LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED DECEMBER 31, 2009

	Year ended March 31, 2009 (US\$)	Period ended 'December 31, 2009 (US\$)	Period ended December 31, 2009 Convenience translation into (Rs '000) (Unaudited)
A. Cash flow from operating activities :			
Loss before tax.			
Adjustments for :	(6,286)	(3,545)	(165)
Operating loss before working capital changes	(6,286)	(3,545)	(165)
Movement in working capital :			
Increase in trade payables	6286.00	3,545	165
Net cash flow from operating activities	-	-	-
B. Cash flow from investing activities	NIL	NIL	NIL
C. Cash flow from financing activities	NIL	NIL	NIL
Net increase/(decrease) in cash and cash equivalents (A+B+C)	-	-	-
Cash and cash equivalents at the beginning of the year	5,000	5,000	233
Cash and cash equivalents at the end of the year	5,000	5,000	233

This is the Cashflow statement referred to
in our report of even date.

for Deloitte Haskins & Sells,
Chartered Accountants

For and on behalf of the Board of Directors

Bhavani Balasubramanian

Bhavani Balasubramanian
Partner

[Signature]

Director

[Signature]

Director

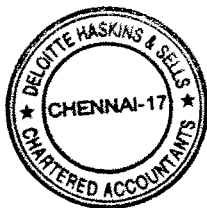
[Signature]

Chief Financial Officer

Place: Chennai
Date: April 26, 2010

Place: Bensalem, PA

Date: April 23, 2010



CFCL VENTURES LIMITED
SCHEDULES FORMING PART OF ACCOUNTS

As at March 31, 2009 (In USD) As at December 31, 2009 (In USD) As at December 31, 2009 Convenience translation into (Rs.'000) (Unaudited)

SCHEDULE 1 : SHARE CAPITAL

Authorised Share capital

50,000,000 (Previous year 50,000,000) ordinary shares of \$ 0.001 each

50,000

50,000

2,327

50,000

50,000

2,327

Issued, Subscribed and Paid Up Share capital

50,000,000 (Previous year 50,000,000 shares) ordinary shares of \$ 0.001 each

50,000

50,000

2,327

50,000

50,000

2,327

Note

All shares are held by CFCL Technologies Ltd, Cayman Islands, the holding company

SCHEDULE 2 : RESERVES AND SURPLUS

Securities Premium Account

8,316,970

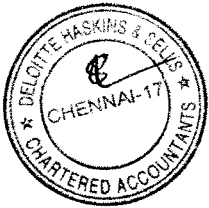
8,316,970

387,113

8,316,970

8,316,970

387,113



	As at March 31, 2009 (In USD)	As at December 31, 2009 (In USD)	As at December 31, 2009 Convenience translation into (Rs.'000) (Unaudited)
--	----------------------------------	-------------------------------------	---

SCHEDULE 3 : INVESTMENTS

Long Term - Trade, Unquoted
In Subsidiary company

36,230,700 (previous year 36,230,700) Equity shares of Rs.10
each in ISG Novasoft Technologies Limited, India Fully paid up.

8,361,970	8,361,970	389,208
8,361,970	8,361,970	389,208

SCHEDULE 4 : CASH AND BANK BALANCES

Balances with Schedule Banks
- in Current Accounts

5,000	5,000	233
5,000	5,000	233

SCHEDULE 5 : CURRENT LIABILITIES

Sundry creditors
- Payable to suppliers
- Accrual/Provision
- Other creditors

-	2,182	102
1,003	1,003	47
8,599	9,962	464
9,602	13,147	613



CFCL VENTURES LIMITED

Period ended
December 31, 2009

SCHEDULES FORMING PART OF ACCOUNTS

Year ended
March 31, 2009
(In USD)

Period ended
December 31, 2009
(In USD)

Convenience
translation into
(Unaudited)
(Rs.'000)

SCHEDULE 6 : OPERATING AND OTHER EXPENSES

Legal and professional fees

6,286	3,545	165
<u>6,286</u>	<u>3,545</u>	<u>165</u>



CFCL Ventures Limited

SCHEDULE FORMING PART OF THE ACCOUNTS

Schedule - 7

Notes on Accounts (Contd)

1. Corporate Information

CFCL Ventures limited, (the Company) is a limited company incorporated on March 12, 2007 and domiciled in Cayman Islands. The principal activities of the Company are to carry on the business of investment holding, and to undertake and to transact all kinds of Investment business.

2. Significant accounting policies

a) Basis of Preparation

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and comply in all material respects with the accounting standards prescribed in the Companies (Accounting Standards) Rules 2006 (as amended) and with the relevant provisions of the Companies Act, 1956.

b) Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the Balance Sheet date and reported amount of revenue and expenses for the year and disclosure of contingent liabilities as at the date of Balance Sheet. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual amounts could differ from these estimates.

c) Investments

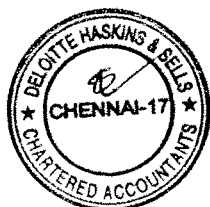
Long term investments are stated at cost. However, provision for diminution in the value is made to recognize the decline (other than temporary) in the value of investments.

d) Convenience Translation

The books of accounts of the company are maintained in US Dollars being the currency of the primary economic environment in which it operates and the reporting currency is Indian Rupees (INR). The company does not have any transactions entered in any other currency apart from US Dollars. Solely for the convenience of the reader, the balance sheet as of December 31, 2009 and the Profit and Loss account for the period then ended have been translated into INR, the reporting currency, using the year end exchange rate as of December 31, 2009 which was 1US\$ = Rs 46.545. The convenience translation should not be construed as a representation that the US\$ amounts or the INR amounts referred to in these financial statements have been, could have been, or could in the future be, converted into INR or US\$, as the case may be, at this or at any other rate of exchange, or at all.

3. Change in Accounting year

In the meeting held on 11th December 2009, the Board of Directors approved the change of the Company's financial year from the fiscal year commencing on 1st April of one calendar year and ending on 31st March of the subsequent calendar year to the calendar year (ending 31st December). In order to give effect to the change, the Board of Directors approved the closure of the financial year commencing 1st April 2009 for a 9 months period up to 31st December 2009. Accordingly, these financial statements have been prepared for the nine months period ended 31st December 2009.



CFCL Ventures Limited

SCHEDULE FORMING PART OF THE ACCOUNTS

Schedule - 7

Notes on Accounts (Contd)

4. Related Party Disclosure

List of parties where control exists

Ultimate Holding Company (UHC)

Chambal Fertilizers and Chemicals Limited

Holding Company (HC)

CFCL Overseas Limited - Cayman Islands
CFCL Technologies Limited

Significant influence

NEA FDI Inc
NEA - Indo US Ventures, LLC

Subsidiaries (SC)

ISG Novasoft Technologies Limited - India
Inuva Info Management Pvt. Ltd

Fellow Subsidiaries (FS)

ISGN Corporation USA*

Key Management Personnel (KMP)

Mr.Krishnakumar Srinivasan, Director

* Represents parties with whom the Company had transactions during the year

The above information regarding related parties have been determined to the extent such parties have been identified on the basis of information available with the company and relied upon by auditors.

List of transactions with related parties

(In USD)

Description	Holding Company		Fellow subsidiary		Total	
	Dec'09	Mar'09	Dec'09	Mar'09	Dec'09	Mar'09
Transactions during the year						
Reimbursement of Expenses received						
CFCL Technologies Ltd		8,599				8,599
ISGN Corporation, USA			4,010		4,010	
Reimbursement of Expenses made						
CFCL Technologies Ltd	2,646				2,646	



CFCL Ventures Limited

SCHEDULE FORMING PART OF THE ACCOUNTS

Schedule - 7

Notes on Accounts (Contd)

Current liabilities							
CFCL Technologies Ltd		5,953	8,599			5,953	8,599
ISGN Corporation, USA				4,010		4,010	

5. Segmental Reporting

The principal activities of the Company are to carry on the business of investment holding, and to undertake and to transact all kinds of investment business and accordingly, there are no separate reportable segments as per Accounting Standard 17 on Segment reporting.

6. Earnings per share

	Period ended December 2009	Year ended March 2009
Loss for the year as per Profit and Loss account (A)	(3,545)	(6,286)
Weighted average number of shares outstanding (B)	50,000,000	50,000,000
Basic and Diluted EPS (A/B) (In USD)	(0.0001)	(0.0001)

7. The current financial period is for nine months and hence the Profit and Loss Account of the current period is not comparable with that of the previous year which was for a period of 12 months. Previous year figures have been regrouped / reclassified, wherever necessary to conform to the current period's classification.

Signature to Schedules 1 to 7

for Deloitte Haskins & Sells,
Chartered Accountants

For and on behalf of the Board of Directors

Bhavani Balasubramanian

Bhavani Balasubramanian
Partner

[Signature]

Director

[Signature]

Director



[Signature]
Chief Financial Officer