



NAYA BHARAT PROPERTY COMPANY PLC

(Incorporated in the Isle of Man)

Consolidated Annual Report

Period from 8 December 2006 (date of incorporation)
to 31 March 2008

ISIN No. IM00B1N95Z00

Contents

	Page
Management and Administration	1-2
Chairman's Statement	3
Report of the Manager	4-5
Directors Report	6
Statement of Director's Responsibilities	7
Report of the Independent Auditors	8-9
Audited Financial Statements:	
- Consolidated Income Statement	10
- Consolidated and Company Balance Sheets	11
- Consolidated Statement of Changes in Equity	12
- Consolidated Cash Flow Statement	13
- Consolidated Schedule of Investments	14
- Notes to the Consolidated Financial Statements	15-25

Management and Administration

Directors

* independent

Shankar Dey (Non-executive Chairman) *
James Rosapepe (Non-executive Director) *
Anderson Whamond (Non-executive Director)
Jonathan Bradley (Non-executive Director) *
all of the registered office below

Registered Office of the Company

Third Floor, Britannia House
St. George's Street
Douglas
Isle of Man IM1 1JE
British Isles

Manager

Charlemagne Capital (IOM) Limited
St. Mary's Court, 20 Hill Street
Douglas
Isle of Man IM1 1EU
British Isles

Nominated Adviser and Broker

Panmure Gordon (UK) Limited
Moorgate Hall, 155 Moorgate
London EC2M 6XB
United Kingdom

Placing Agent

Charlemagne Capital (UK) Limited
39 St James's Street
London SW1A 1JD
United Kingdom

Custodian

Anglo Irish Bank Corporation (I.O.M.) P.L.C.
Jubilee Buildings, Victoria Street
Douglas
Isle of Man IM1 2SH
British Isles

Administrator and Registrar

Galileo Fund Services Limited
Third Floor, Britannia House
St. George's Street
Douglas
Isle of Man IM1 1JE
British Isles

Auditors

KPMG Audit LLC
Heritage Court, 41 Athol Street
Douglas
Isle of Man IM99 1HN
British Isles

Subsidiaries

Naya Bharat Property Company (Mauritius) Limited
Naya Bharat Investments (Mauritius) Limited

Management and Administration continued

Registered office of the Subsidiaries

Manor House 1st Floor
Cnr St George & Chazal Streets
Port Louis
Mauritius

Chairman's Statement

The Company has been established to invest primarily in both listed and unlisted companies whose principal activity is the ownership and/or development of land in India. The Company's objective is to provide shareholders with an attractive overall return to be achieved primarily through long-term capital growth.

The Company will seek to take advantage of perceived capital market pricing anomalies by investing in established listed property investors/developers at substantial discounts to their net asset values.

Since trading commenced on 26 February 2007 the Company has implemented its investment strategy and has been able to identify and invest in a number of undervalued listed property companies. The Company has not yet made any investments in the shares of unlisted companies but continues to monitor opportunities in this area.

Financial Performance

During the period under review, the Group's net profit was US\$7.129m. At 31 March 2008 the NAV per share was US\$1.07.

Market Overview

The Company made steady gains over 2007 which owed much to an improving economic backdrop in India, with economic activity growing strongly and inflation falling, thanks to a strong currency and productivity gains. However, almost all of these gains were lost in the fourth quarter of the Company's financial year. The Indian stock market fell sharply in response to other world stock markets which slumped as the extent of the likely slowdown in the U.S. economy became apparent following the turmoil in the international credit markets. Further, a sharp increase in wholesale price inflation from 4% (January) to 7% (March) raising the prospect of higher interest rates, hit real estate companies particularly hard.

The Company's prospects remain positive. The Board remains confident that rising levels of wealth and demographic changes are unlikely to be fundamentally affected by temporary economic setbacks and, as a result, believes that there will be continuing long term demand for real estate in India.

Finally, Shareholders will be aware that the Company, in accordance with a resolution of the Members dated 5 February 2007 (as referenced in the Admission Document), has been granted authority to purchase up to 14.99% of its own issued shares at a discount to the prevailing NAV per share if suitable occasions arise and the Company has funds available for that purpose.

The Directors recently have confirmed that they may exercise such authority should they determine it appropriate and are to seek a renewal of this authority at the forthcoming annual general meeting.

Shankar Dey

Chairman

3 July 2008

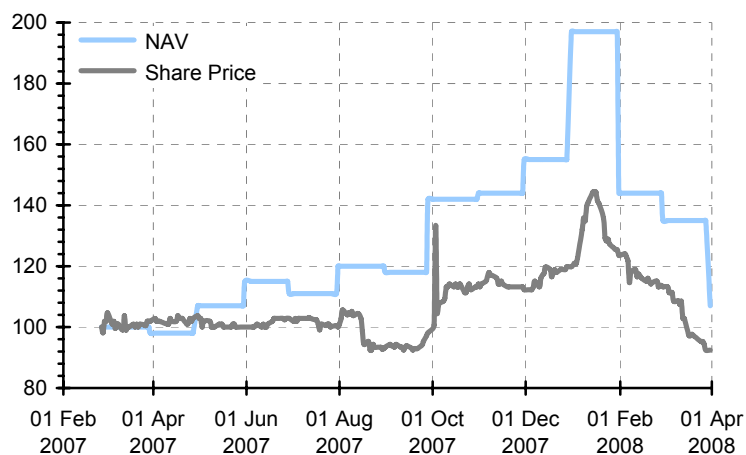
Report of the Manager

Reporting Period: 26 February 2007 (commencement of trading) to 31 March 2008

Reporting Currency: US\$

Share Price Return: -7.5%

NAV Return: 7.0%



(Rebased to 26 February 2007 = 100 Source: Charlemagne Capital)

The Company's net asset value ("NAV") stood at US\$1.07 per share at the end of the financial year of 31 March 2008, reflecting a NAV increase of 7% since Admission to trading on AIM and commencement of dealings on 26 February 2007. The NAV rose over most of 2007, and particularly strongly in December, such that at the end of 2007 it stood at US\$1.97 per share.

The Company's investments had proved to be resilient in the face of June's US\$2 billion initial public offering ("IPO") of DLF Limited, a Delhi-based real estate developer, the largest Indian IPO to date. They also managed to withstand the turmoil in world credit markets that followed the US sub-prime crisis when many other financial companies in general and real estate companies in particular saw their share prices marked down quite harshly.

The performance over 2007 owed much to an improving economic backdrop in India, with economic activity growing strongly and inflation falling thanks to a strong currency and productivity gains, which in turn raised the possibility of lower interest rates. Performance was also helped by a steady flow of positive news from the Company's investments. IFCI, the state-run specialist bank, rose sharply towards the end of 2007 on news that it was to sell a significant stake in its business to a strategic investor. Orbit Corporation, which is involved in the renewal of sub-standard housing in Mumbai, also saw its share price marked up significantly following optimistic comments from the company and news that it was taking on further land for redevelopment.

The first quarter of 2008 however, saw the Company give up almost all of the NAV gains achieved since it commenced investing. The Indian stock market fell sharply in response to turmoil in the international credit markets and concerns on the US economy. In addition, a sharp run up in the rate of Indian wholesale price inflation, to almost 7% towards the end of March, from nearer 4% at the beginning of the year, raised the prospect of higher interest rates. Real estate companies, which are perceived to be especially sensitive to interest rates, were hit particularly hard. However, the long term demand for Indian real estate remains buoyant, being largely the result of rising levels of wealth and demographic changes.

Report of the Manager continued

Top 10 Holdings (as at 31 March 2008)	% of Net Assets
Orbit Corporation	19.1%
Era Infra Engineering	13.1%
IFCI	11.0%
Ansal Properties	10.3%
HDIL	8.7%
DSK Developers	7.4%
Unitech	6.9%
Bhagyanagar India	5.8%
Ansal Housing	4.4%
BSEL Infrastructure Realty	4.3%

Charlemagne Capital (IOM) Limited
Manager

3 July 2008

Directors' Report

The Directors hereby submit their annual report together with the audited consolidated financial statements of Naya Bharat Property Company plc (the "Company") for the financial period 8 December 2006 (date of incorporation) to 31 March 2008.

The Company

The Company is incorporated in the Isle of Man and has been established to invest in both listed and unlisted companies whose principal activity is the ownership and/or development of land in India.

Results and Dividends

The results and position of the Company at the period end are set out on pages 10 to 13 of the financial statements.

The Directors intend to manage the Company's affairs to achieve shareholders returns through capital growth rather than income, and accordingly there can be no certainty that any dividend will be paid. It is not expected that the Company will pay any significant dividends in the early years of its operations. However the Directors reserve the right to make dividend distributions to holders of Ordinary Shares if and when it is considered appropriate. The Directors do not intend to declare a dividend at this time.

Directors

The Directors during the period and up to the date of this Report were as follows.

	Appointed	Resigned
Shankar Dey	5 February 2007	
James Rosapepe	5 February 2007	
Anderson Whamond	5 February 2007	
Jonathan Bradley	5 February 2007	
Richard John Bolton	8 December 2006	5 February 2007
Ian John Dungate	8 December 2006	5 February 2007

Directors' and Other Interests

Anderson Whamond is a director of the Manager and holds 65,000 ordinary shares of the Company. Mr Whamond is a director and shareholder of Charlemagne Capital Limited ("CCL") the parent of the Manager and the Placing Agent. CCL's shares are listed on the AIM Market of the London Stock Exchange.

Jonathan Bradley is a director of the Placing Agent and holds 20,000 ordinary shares in the Company.

Charlemagne Capital (Investments) Limited, an entity associated with the Investment Manager, holds 397,181 ordinary shares in the Company.

Save as disclosed above, none of the Directors had any interest during the period in any material contract for the provision of services which was significant to the business of the Company.

Independent Auditors

KPMG Audit LLC were appointed as auditors by the Directors. They have expressed their willingness to continue in office in accordance with Section 12 (2) of the Companies Act 1982.

On behalf of the Board
Director

3 July 2008

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' 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, which meet the requirements of Isle of Man company law. In addition, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards.

The Group's financial statements are required by law to give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the Isle of Man Companies Acts 1931 to 2004. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

On behalf of the Board

Director

3 July 2008

Report of the Independent Auditors, KPMG Audit LLC, to the members of Naya Bharat Property Company plc

We have audited the Group and Parent Company financial statements (the "financial statements") of Naya Bharat Property Company plc for the period from 8 December 2006 (date of incorporation) to 31 March 2008 which comprise the Consolidated Income Statement, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 15 of the Companies Act 1982. 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 Auditors

The Directors' responsibilities for preparing the financial statements in accordance with applicable Isle of Man company law and International Financial Reporting Standards are set out in the Statement of Directors' responsibilities on page 7.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Isle of Man Companies Acts 1931 to 2004. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' transactions with the Company is not disclosed.

We read the Directors' Report and any other information accompanying the financial statements and consider the implications for our report if we become aware of any apparent misstatements or inconsistencies within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the UK Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's and Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit 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 statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Report of the Independent Auditors, KPMG Audit LLC, to the members of Naya Bharat Property Company plc continued

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with applicable Isle of Man company law and International Financial Reporting Standards, of the state of the Group's and Parent Company's affairs as at 31 March 2008 and of the Group's profit for the period from 8 December 2006 (date of incorporation) to 31 March 2008.;
- the financial statements have been properly prepared in accordance with the Isle of Man Companies Acts 1931 to 2004; and
- the information given in the Directors' Report is consistent with the financial statements.

KPMG Audit LLC,

Heritage Court
41 Athol Street
Douglas
Isle of Man IM99 1HN

Chartered Accountants

3 July 2008

Consolidated Income Statement

	Note	For the period from 8 December 2006 (date of incorporation) to 31 March 2008
		US\$'000
Income		
Interest income		282
Dividend income		291
Net changes in fair value of financial assets and liabilities at fair value through profit or loss	5	9,873
Total net income		10,446
Expenses		
Annual management fees	7.3	1,569
Performance fees	7.3	790
Audit and professional fees		68
Other expenses	8	890
Total operating expenses		3,317
Profit before tax		7,129
Income tax expense	15	-
Retained profit for the period		7,129
Basic and diluted earnings per share (cent)	12	11.88

The Directors consider all results are derived from continuing operations.

Consolidated and Company Balance Sheets

	Note	Group At 31 March 2008 US\$'000	Company At 31 March 2008 US\$'000
Financial assets at fair value through profit or loss	5	64,533	-
Inter-company balances		-	64,571
Due from broker		2,361	-
Other receivables and prepayments		96	60
Cash at bank	10	5	10
Total current assets		66,995	64,641
Issued share capital	11	600	600
Share premium		56,729	56,729
Foreign currency translation reserve		8	8
Retained earnings		7,129	7,139
Total equity		64,466	64,476
Other creditors and accrued expenses	9	2,529	165
Total current liabilities		2,529	165
Total liabilities		2,529	165
Total equity & liabilities		66,995	64,641

The profit earned by the Company for the period ended 31 March 2008 was US\$7,139,000.

Approved by the Board of Directors on 3 July 2008.

Director

Director

Consolidated Statement of Changes in Equity

	Share Capital	Share Premium	Foreign Currency Translation Reserve	Retained Earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 8 December 2006	-	-	-	-	-
Proceeds from shares issued	600	59,400	-	-	60,000
Share issue expenses	-	(2,671)	-	-	(2,671)
Foreign exchange translation differences	-	-	8	-	8
Retained profit for the period	-	-	-	7,129	7,129
Balance at 31 March 2008	600	56,729	8	7,129	64,466

The accompanying Notes form an integral part of these consolidated financial statements

Consolidated Cash Flow Statement

	Note	For the period from 8 December 2006 (date of incorporation) to 31 March 2008
		US\$'000
Cash flows from operating activities		
Purchase of financial assets and settlement of financial liabilities		(86,868)
Proceeds from sale of investments		29,847
Dividends received		258
Interest received		282
Interest paid		(3)
Operating expenses paid		(848)
Net cash used in operating activities		(57,332)
Financing activities		
Proceeds from the issue of shares		60,000
Share issue costs		(2,671)
Net cash from financing activities		57,329
Net decrease in cash and cash equivalents		(3)
Effects of exchange rate changes on cash and cash equivalents		8
Cash and cash equivalents at 8 December 2006		-
Cash and cash equivalents at 31 March 2008	10	5

The accompanying Notes form an integral part of these consolidated financial statements

Consolidated Schedule of Investments

Investments	No of Shares Nominal	Cost	Fair Value	% of Net Assets
		US\$'000	US\$'000	
P Notes ¹				
ABN AMRO Bank 3/7/09 (HDIL)	193,642	2,811	3,138	4.7
Citigroup Global Markets 17-Jan-2012 (Bhagyanagar India)	3,574,835	3,603	3,877	5.8
Citigroup Global Markets 17-Jan-2012 (IFCI)	1,848,446	1,052	2,032	3.0
Citigroup Global Markets 17-Jan-2012 (HDIL)	163,344	3,121	2,677	4.0
Citigroup Global Markets 17-Jan-2012 (Orbit Corporation)	426,686	4,890	5,607	8.4
Citigroup Global Markets 20-Jan-2010 (Era Infra Engineering)	485,984	4,203	7,196	10.7
Citigroup Global Markets 20-Jan-2010 (DSK Developers)	601,958	3,486	2,424	3.6
Citigroup Global Markets 24/10/12 (SSI Limited)	339,932	2,010	887	1.3
Citigroup Global Markets 20/01/10 (Ansal Properties)	92,000	606	355	0.5
Deutsche Bank AG 11/05/09 (Arihant Found & Housing)	45,868	341	343	0.5
Deutsche Bank AG 30/03/17 (Orbit Corporation)	547,917	3,615	7,200	10.7
Deutsche Bank AG London 04/01/18 (Era Infra Engineering)	29,400	603	435	0.6
Deutsche Bank AG London 12-May-2009 (DSK Developers)	202,434	1,263	815	1.2
Deutsche Bank AG London 23-Jul-2008 (IFCI)	4,858,657	3,242	5,342	8.0
Deutsche Bank AG London 27/02/09 (Ansal Properties)	57,600	618	222	0.3
Deutsche Bank AG London 30/01/17 (SSI Limited)	99,835	583	260	0.4
Deutsche Call Wts 05/12/16 (Ansal Housing)	63,068	343	246	0.4
JP Morgan Intl 12/01/11 (Unitech)	188,802	1,461	1,271	1.9
Merrill Lynch Intl & Co 07-Mar-2011 (BSEL Infrastructure Realty)	2,638,680	4,745	2,882	4.3
Merrill Lynch Intl & Co 08-Feb-2012 (Akruti Nirm)	11,615	251	225	0.3
Merrill Lynch Intl & Co 08-Mar-2011 (Ansal Housing)	702,431	3,724	2,665	4.0
Merrill Lynch Intl & Co 12-Jun-2010 (Ansal Properties)	1,641,793	10,223	6,336	9.5
Merrill Lynch Intl & Co 12-Jul-2010 (DSK Developers)	427,397	2,393	1,721	2.6
Merrill Lynch Intl & Co 30-Nov-2011 (Arihant)	249,138	2,113	1,862	2.8
Merrill Lynch Intl 23/05/12 (Era Infra Engineering)	80,937	744	1,199	1.8
Morgan Stanley Asia Products 08-Jan-2009 (Unitech)	246,221	1,331	3,316	5.0
Total Investments			64,533	96.3
Other Net Assets			2,462	3.7
Total Net Assets			66,995	100.00

¹ P Notes are issued by EU rated credit institutions and derive their value from the underlying local Indian stock upon which they are issued and are listed on the Luxembourg or Dublin Stock Exchange. For further information see Note 5.

Notes to the Consolidated Financial Statements

1 The Company

Naya Bharat Property Company plc (the "Company") was incorporated and registered in the Isle of Man under the Isle of Man Companies Acts 1931 to 2004 on 8 December 2006 as a public company with registered number 118539C.

Pursuant to an Admission Document dated 21 February 2007 there was an original placing of up to 60,000,000 Ordinary Shares. Following the close of the placing on 26 February 2007 60,000,000 Ordinary Shares were issued.

The Shares of the Company were admitted to trading on the AIM market of the London Stock Exchange on 26 February 2007 when dealings also commenced.

The Company's agents and the Manager perform all significant functions. Accordingly, the Company itself has no employees.

Dividend Policy

The Directors have absolute discretion as to the payment of dividends and do not currently intend to pay dividends on the Ordinary Shares.

Financial Year End

The financial year end of the Company is 31 March in each year. For the financial period ended 31 March 2008 AIM has agreed that the Company will present financial statements covering, in effect, a 16 month period since incorporation.

2 The Subsidiaries

During the period the Company established the following subsidiary companies:

	Country of incorporation	Percentage of Shares held
Naya Bharat Property Company (Mauritius) Limited	Mauritius	100%
Naya Bharat Investments (Mauritius) Limited	Mauritius	100%

Naya Bharat Property Company (Mauritius) Limited a wholly owned subsidiary of the Company, was incorporated as a limited liability company under the provisions of the Mauritius Companies Act 2001, Mauritius on 12 January 2007, registered number 067911 C1/GBL. 2 shares of US\$1 each have been issued to the Company. The Directors of the subsidiary are Dhanun Ujoodha, Mowlooda Randerah Taher, Anderson Whamond and Malcolm Sargeant.

Naya Bharat Investments (Mauritius) Limited is a wholly owned subsidiary of the Company. It was incorporated as a limited liability company under the provisions of the Mauritius Companies Act 2001, Mauritius on 28 December 2007, registered number 76564 C1/GBL. 2 shares of US\$1 each have been issued to the Company. The Directors of the subsidiary are Dhanun Ujoodha, Mowlooda Randerah Taher, Jane Bates and Malcolm Sargeant.

3 Accounting Policies

The annual audited consolidated financial statements of the Company for the period ended 31 March 2008 comprises the Company and its subsidiaries (together referred to as the "Group").

The annual report was authorised for issue by the Directors on 3 July 2008.

3.1 Basis of presentation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards promulgated by the International Accounting Standards Board ("IFRS"). Management has concluded that the report fairly represents the entity's financial position, financial performance and cash flows.

Notes to the Consolidated Financial Statements continued

3.2 Basis of consolidation

Subsidiaries

Subsidiaries are those enterprises controlled by the Company. Control exists where the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised gains arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

3.3 Financial assets at fair value through profit or loss

Investments are designated as at fair value through profit or loss. The Company invests in Indian listed real estate companies for which fair value is based on quoted market prices. The quoted market price used for financial assets held by the Company is the current bid price ruling at the period end without regard to selling prices. Where bid price is not available as at the period end, the last trade price is used. As at 31 March 2008, investments valued at US\$41,961,000 in the consolidated balance sheet were held at last trade price.

Purchases and sales of investments are recognised on trade date – the date on which the Company commits to purchase or sell the asset. Investments are initially recorded at cost, and transaction costs for all financial assets and financial liabilities carried at fair value through profit and loss are expensed as incurred.

Gains and losses arising from changes in the fair value of the financial assets and liabilities are included in the income statement in the period in which they arise.

3.4 Foreign currency translation

Indian Rupee is the currency of the primary economic environment in which the entity operates (the "functional currency").

The United States Dollar is the currency in which the annual results are presented (the "presentational currency").

Monetary assets and liabilities denominated in foreign currencies as at the date of these financial statements are translated to Indian Rupee at exchange rates prevailing on that date. Income and expenses are translated into Indian Rupee based on exchange rates on the date of the transaction. All resulting exchange differences are recognised in the income statement.

The accounts are presented in US\$ by translating the assets and liabilities at the exchange rate prevailing on the balance sheet date. Items of revenue and expense are translated at exchange rates on the date of the relevant transactions. Components of equity are translated at the date of the relevant transaction and not retranslated. All resulting exchange differences are recognised in equity.

3.5 Dividends

Dividends are recognised as a liability in the period in which they are declared and approved. There was no dividend declared as at 31 March 2008.

3.6 Interest income and dividend income

Interest income is recognised on a time-proportionate basis using the effective interest rate method.

Dividend income is recognised when the right to receive payment is established.

3.7 Segment reporting

The Company has one segment focusing on maximising total returns through investing in real estate companies in India. No additional disclosure is included in relation to segment reporting, as the Company's activities are limited to one business and geographic segment.

Notes to the Consolidated Financial Statements continued

3.8 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of shares are shown in equity as a deduction from the proceeds.

3.9 Income tax

The Company is resident for taxation purposes in the Isle of Man and is subject to income tax at a rate of zero per cent.

The Group is liable to tax in Mauritius on the activities of its subsidiaries.

3.10 Future changes in accounting policies

IFRS and IFRIC Interpretations not applied.

IASB (International Accounting Standards Board) and IFRIC (International Financial Reporting Interpretations Committee) have issued the following standards and interpretations with an effective date after the date of these financial statements:

	Effective date (accounting periods commencing on or after)
<i>International Accounting Standards Board (IAS/IFRS):</i>	
IFRS 8 Operating segments	1 January 2009
IAS 23 Amendment – borrowing costs	1 January 2009
<i>International Financial Reporting Interpretations Committee (IFRIC):</i>	
IFRIC11 / IFRS 2 Group and treasury share transactions	1 March 2007
IFRIC12 Service concession arrangements	1 January 2008
IFRIC13 Customer loyalty programmes	1 July 2008
IFRIC14 / IAS 19 the limit on a defined benefit asset, minimum funding requirements and their interaction	1 January 2008

IFRS 8 introduces the “management approach” to segment reporting, with information based on internal reports. Management are currently assessing the impact of this on the disclosures to be presented regarding segmental reporting.

The Directors do not expect the adoption of the other standards and interpretations to have a material impact on the Group’s financial statements in the period of initial application.

4 Net Asset Value per Share

The net asset value per share as at 31 March 2008 is US\$1.07 per share based on 60,000,000 ordinary shares in issue as at that date.

5 Investments

The Company is pending approval from the Securities & Exchange Board of India (“SEBI”) to allow investment directly in securities listed on local Indian exchanges. The investments listed below are held via Participatory Notes (“P Notes”). These are instruments issued by registered foreign institutional investors to investors who wish to participate in the Indian stock markets without SEBI registration. The P Notes below are issued by EU rated credit institutions and derive their value from the underlying local Indian stock upon which they are issued and are listed on the Luxembourg or Dublin Stock Exchange.

Notes to the Consolidated Financial Statements continued

Financial assets at fair value through profit or loss:

Security name	Number	Fair Value US\$'000
ABN AMRO Bank 3/7/09 (HDIL)	193,642	3,138
Citigroup Global Markets 17-Jan-2012 (Bhagyanagar India)	3,574,835	3,877
Citigroup Global Markets 17-Jan-2012 (IFCI)	1,848,446	2,032
Citigroup Global Markets 17-Jan-2012 (HDIL)	163,344	2,677
Citigroup Global Markets 17-Jan-2012 (Orbit Corporation)	426,686	5,607
Citigroup Global Markets 20-Jan-2010 (Era Infra Engineering)	485,984	7,196
Citigroup Global Markets 20-Jan-2010 (DSK Developers)	601,958	2,424
Citigroup Global Markets 24/10/12 (SSI Limited)	339,932	887
Citigroup Global Markets 20/01/10 (Ansal Properties)	92,000	355
Deutsche Bank AG 11/05/09 (Arihant Found & Housing)	45,868	343
Deutsche Bank AG 30/03/17 (Orbit Corporation)	547,917	7,200
Deutsche Bank AG London 04/01/18 (Era Infra Engineering)	29,400	435
Deutsche Bank AG London 12-May-2009 (DSK Developers)	202,434	815
Deutsche Bank AG London 23-Jul-2008 (IFCI)	4,858,657	5,342
Deutsche Bank AG London 27/02/09 (Ansal Properties)	57,600	222
Deutsche Bank AG London 30/01/17 (SSI Limited)	99,835	260
Deutsche Call Wts 05/12/16 (Ansal Housing)	63,068	246
JP Morgan Intl 12/01/11 (Unitech)	188,802	1,271
Merrill Lynch Intl & Co 07-Mar-2011 (BSEL Infrastructure Realty)	2,638,680	2,882
Merrill Lynch Intl & Co 08-Feb-2012 (Akruti Nirm)	11,615	225
Merrill Lynch Intl & Co 08-Mar-2011 (Ansal Housing)	702,431	2,665
Merrill Lynch Intl & Co 12-Jun-2010 (Ansal Properties)	1,641,793	6,336
Merrill Lynch Intl & Co 12-Jul-2010 (DSK Developers)	427,397	1,721
Merrill Lynch Intl & Co 30-Nov-2011 (Arihant)	249,138	1,862
Merrill Lynch Intl 23/05/12 (ERA Infra Engineering)	80,937	1,199
Morgan Stanley Asia Products 08-Jan-2009 (Unitech)	246,221	3,316
		64,533

Net changes in fair value on financial assets at fair value through profit or loss:

	US\$'000
Realised	8,717
Unrealised	1,156
Total gains	9,873

Analysis of investments:

	31 March 2008 US\$'000
Investments – cost b/f	-
Acquisitions	86,868
Disposals	(23,491)
Investments – cost c/f	63,377
Unrealised gain	1,156
Investments – market value	64,533

Notes to the Consolidated Financial Statements continued

6. Interest Bearing Loans

On 1 March 2008, a loan facility between the Company and its subsidiary Naya Bharat Investments (Mauritius) Limited (the "Subsidiary") for a maximum of US\$70,000,000 came into effect. The Subsidiary uses the loan solely for the purpose of investing in listed equity securities and to meet operational expenses. The loan is repayable by the Subsidiary on demand by the Company. Interest is accrued daily from the date the loan came into effect, at a rate equal to the USD overnight LIBOR on a basis of 360 days a year.

7. Related Party Transactions

7.1 Directors of the Company

Anderson Whamond is a director of the Manager and holds 65,000 ordinary shares of the Company. Mr Whamond is a director and shareholder of Charlemagne Capital Limited ("CCL") the parent of the Manager and the Placing Agent. CCL's shares are listed on the AIM Market of the London Stock Exchange.

Jonathan Bradley is a director of the Placing Agent and holds 20,000 ordinary shares in the Company.

Charlemagne Capital (Investments) Limited, an entity associated with the Investment Manager, holds 97,181 ordinary shares in the Company.

Save as disclosed above, none of the Directors had any interest during the period in any material contract for the provision of services which was significant to the business of the Company.

7.2 Directors of the Subsidiaries

Anderson Whamond and Jane Bates are directors of the Manager. Malcolm Sargeant is an employee of the Manager. In compliance with local regulations the subsidiaries have appointed directors who are employees of or are associated with, the registered office service provider.

7.3 Manager fees

Annual fees

The Manager is entitled to an annual management fee of 1.75% per annum of the monthly net asset value of the Company. This fee will accrue monthly and is payable monthly in arrears by Naya Bharat Property Company (Mauritius) Limited

The Manager shall also be entitled to recharge to the Group all and any reasonable costs and disbursements properly incurred by it in the performance of its duties including costs of travel save to the extent that such costs are staff costs or other internal costs of the Manager. All amounts payable to the Manager by the Company shall be paid together with any value added tax, if applicable.

Annual management fees payable during the period ended 31 March 2008 amounted to US\$1,569,248, all of which is outstanding at the period end.

Performance fees

The Manager is entitled to a performance fee, accrued monthly and calculated and payable after the end of each performance fee period, equal to 15% of any excess of the net asset value per ordinary share (after adding back dividends and other distributions and ignoring any accrued performance fee) as at the end of each performance fee period over the benchmark multiplied by the time weighted average number of ordinary shares in issue over the relevant period.

For these purposes the benchmark shall be equal to the highest net asset value per share as at the last valuation day in any preceding performance fee period and, in the case of the first performance fee period, shall be the Placing Price.

Notes to the Consolidated Financial Statements continued

The first performance fee period shall commence on Admission and shall terminate on 31 March 2008. Each subsequent performance fee period shall commence on 1 April and terminate on 31 March of the following year (or on the termination of the Management Agreement, if earlier).

Performance fees accrued during the period ended 31 March 2008 amounted to US\$789,782, all of which is outstanding at the period end.

7.4 Placing agent

In accordance with the terms of the Placing, the Placing Agent was entitled to receive from the Company an amount equal to 4% of the amount raised by the Placing Agent on behalf of the Company.

Placing fees payable by the Company during the period ended 31 March 2008 amounted to US\$2,400,000. This amount has been charged to equity as a share issue expense.

8 Charges and Fees

8.1 Nominated Adviser and Broker fees

Pursuant to the Placing and in its capacity as AIM Sponsor, the Nominated Adviser and Broker was entitled to receive a fee of £75,000. The payment of this fee was conditional upon admission of the Company's Shares to AIM taking place on or before 26 February 2007 or such later date as may have been agreed, not being later than 31 March 2007.

As Nominated Adviser and Broker to the Company for the purposes of the AIM rules, the nominated adviser and broker is entitled to receive an annual fee of £25,000, payable twice yearly in advance, such annual fee to commence on 1 January 2008.

With effect from 1 November 2007 and as a result of a corporate restructuring, the agreement entered into with Panmure Gordon (Broking) Limited was novated to Panmure Gordon (UK) Limited.

Panmure Gordon (UK) Limited is a company registered in England and Wales with registered office of 155 Moorgate, London EC2M 6XB. Panmure Gordon (UK) Limited, as well as Panmure Gordon (Broking) Limited, are both wholly owned subsidiaries of Panmure Gordon & Co. plc.

8.2 Custodian fees

The Custodian is entitled to receive fees calculated as 5 basis points per annum of the net asset value of the portfolio of the Company, subject to a minimum monthly fee of US\$2,250, calculated monthly and payable quarterly in arrears.

Custodian fees for the period ending 31 March 2008 amounted to US\$118,289, of which US\$49,607 is outstanding at the period end.

8.3 Administrator and Registrar fees

The Administrator is entitled to receive a fee of 10 basis points per annum of the net asset value of the Company, subject to a minimum monthly fee of US\$7,500, calculated monthly and payable quarterly in arrears.

The Administrator shall assist in the preparation of the financial statements of the Company for which it shall receive a fee of US\$3,250 per set.

The Administrator shall provide general secretarial services to the Company for which it shall receive a minimum annual fee of US\$10,000.

The Administrator may utilise the services of a CREST accredited registrar for the purposes of settling share transactions through CREST. The cost of this service will be borne by the Company. It is anticipated that the cost will be in the region of £6,000 per annum subject to the number of CREST settled transactions undertaken.

Notes to the Consolidated Financial Statements continued

Administration fees for the period ending 31 March 2008 amounted to US\$119,658, secretarial fees were US\$14,553, financial statement preparation fees were US\$6,500 and CREST fees were US\$9,950.

8.4 Other operating expenses

The costs associated with maintaining the Company's subsidiaries, to include the costs of continuing incorporation and third party service providers, shall be chargeable to each subsidiary.

8.5 Audit fees

Audit fees payable for the period end 31 March 2008 amounted to US\$34,714.

9 Other Creditors and Accruals

	Group 31 March 2008 US\$'000	Company 31 March 2008 US\$'000
Performance fee payable	790	-
Management fee payable	1,569	-
Administration fees payable	51	49
Audit fee payable	35	33
CREST fees payable	2	2
Custodian fees payable	50	50
Directors fees payable	19	19
Other payables	13	12
Total	2,529	165

10 Cash and Cash Equivalents

	Group 31 March 2008 US\$'000	Company 31 March 2008 US\$'000
Bank balances	5	10
Cash and cash equivalents	5	10

11 Share Capital

Ordinary Shares	Number	US\$'000
In issue at the start of the period	-	-
Issued during the period	60,000,000	600
In issue at 31 March 2008	60,000,000	600

At incorporation the authorised share capital of the Company was US\$300 million divided into Ordinary Shares of US\$1 each. On 5 February 2007 the Company cancelled 297 million unissued Ordinary Shares of US\$1 each and on the same day subdivided its remaining 3 million authorised Ordinary Shares of US\$1 each into 300 million shares of US\$0.01 each.

The holders of Ordinary Shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regards to the Company's assets.

11.1 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board manages the Group's affairs to achieve shareholder returns through capital growth rather than income, and monitor the achievement of this through growth in net asset value per share.

Notes to the Consolidated Financial Statements continued

Gearing may be employed by the Group with the aim of enhancing shareholder returns. This would be in the form of bank borrowings, secured on the investment portfolio.

Group capital comprises share capital, share premium and reserves.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

12 Basic and Diluted Earnings per Share

Basic and diluted earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period

	2008
Profit attributable to equity holders of the Company (US\$'000)	7,129
Weighted average number of ordinary shares in issue (thousands)	60,000
Basic and diluted earnings per share (cent per share)	11.88

13 Exchange Rates

The following exchange rates were used to translate assets and liabilities into the reporting currency at 31 March 2008:

Indian Rupee	0.02504
Singapore Dollar	0.72450

14 Directors' Remuneration

The Company

The maximum amount of remuneration payable to the Directors permitted under the Articles of Association is US\$200,000 per annum. The Directors are each entitled to receive reimbursement of any expenses incurred in relation to their appointment. Total fees and expenses payable to the Directors for the period ended 31 March 2008 amounted to US\$117,465 and Directors insurance cover amounted to US\$21,920.

The Subsidiaries

No fees are paid to the Directors of the subsidiaries except in circumstances where a director is appointed in compliance with local regulations and in such cases the fees payable are nominal.

15 Taxation

Isle of Man taxation

The Company is resident for taxation purposes in the Isle of Man by virtue of being incorporated in the Isle of Man and is technically subject to taxation on its income but the rate of tax will be zero. An annual corporate charge is payable. The exemption fee charge for 2007/2008 tax year is £250.

There are no corporation, capital gains or inheritance taxes payable in the Isle of Man. No Isle of Man stamp duty or stamp duty reserve tax will be payable on the issue, transfer, conversion or redemption of Ordinary Shares.

Shareholders resident outside the Isle of Man will not suffer any income tax in the Isle of Man on any income distributions to them.

Shareholders resident in the Isle of Man will, depending upon their particular circumstances, be liable to Manx income tax on dividends received from the Company.

Notes to the Consolidated Financial Statements continued

Mauritius taxation

The subsidiaries are registered as Category 1 Global Business Companies ("GBC1") and each have obtained a Category One Global Business Licence certificate from the Mauritius Financial Supervision Commission. They each maintain a registered office in Mauritius and as such, the subsidiaries are deemed residents of the Republic of Mauritius and a certificate of tax residence for each of the subsidiaries has been obtained from the Mauritius Revenue Authority. Accordingly, the subsidiaries have been advised that they should maintain their place of effective management in Mauritius so as to be resident in Mauritius and qualify as a resident of Mauritius for the purposes of the Mauritius/India income tax treaty.

A GBC1 is taxed on its chargeable income (including dividends, interests and other income but not capital gains less expenses) at a corporate rate of 15% which is reduced to a net effective tax rate of 3% or even less:

Normal tax rate 15% less EITHER

Deemed tax credit of 80% on foreign sourced income – 80% of 15% (12%) – 3%

OR

Actual foreign tax credit, if written evidence is available where then the tax payment in Mauritius can even be (Actual foreign tax credit) – Nil

A GBC1 is exempt from capital gains tax in Mauritius.

United Kingdom

The affairs of the Company are conducted so that the central management and control of the Company is not exercised in the UK and so that the Company does not carry out any trade in the UK (whether or not through a permanent establishment situated there). On this basis, the Company should not be liable for UK taxation on its income and gains, other than certain income deriving from a UK source.

16 Financial instruments and Concentration of Risks

The Group's activities expose it to a variety of financial risks: market price risk, foreign exchange risk, credit risk, liquidity risk and cash flow interest rate risk.

Market price risk

The Group's strategy on the management of investment risk is driven by the Group's investment objective. The main objective of the Group is to maximise the total returns to investors through long-term capital growth.

The Company invests in Indian listed real estate companies in order to focus on maximising total returns. The Group's securities are susceptible to market price risk arising from uncertainties about future prices of these instruments caused by market factors specific to the instrument or its issuer or factors affecting all instruments traded in the market. The Manager reviews the position on a day to day basis and the Directors review the position at the Board meetings.

The Group's investment activities expose it to various types of market risks (including, for example, interest rates, foreign exchange rates and rates of inflation), industry conditions, competition, political and diplomatic events, tax laws, environmental laws, changes in the law and other factors can substantially and either adversely or favourably affect the value of the securities in which the Group invests and, therefore, the Company's performance and prospects.

At 31 March 2008, if the market value to the investment portfolio had increased/decreased by 10% with all other variables held constant, this would have increased/decreased the net assets attributable to shareholders by approximately US\$6,453,273, based on US\$66,825,509 (i.e. including Due from Broker balances).

The performance of the Company can decrease as well as increase. In addition to market price risk, the main risks arising from the Group's financial instruments are as follows:

Notes to the Consolidated Financial Statements continued

Foreign exchange risk

The Group's operations are conducted in jurisdictions which generate revenue, expenses, assets and liabilities in currencies other than the functional currency Indian Rupee. As a result, the Company is subject to the effects of exchange rate fluctuations with respect to these currencies. For the period under review the currencies giving rise to this risk are primarily US Dollars.

The Group may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency of Indian Rupee. Consequently, the Group is exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Group's assets and liabilities denominated in currencies other than the United States Dollar.

The Group's policy is not to enter into any currency hedging transactions.

At the reporting date the Group had the following exposure:

Currency	31 March 2008
	%
Singapore Dollars	-
US Dollars	100.00

The following table sets out the Group's total exposure to foreign currency risk and the net exposure to foreign currencies of the monetary assets and liabilities:

	Monetary Assets US\$'000	Monetary Liabilities US\$'000	Net Exposure US\$'000
Singapore Dollars	-	-	-
US Dollars	66,995	(2,529)	64,466
	66,995	(2,529)	64,466

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Group.

The carrying amounts of financial assets best represent the maximum credit risk exposure at the balance sheet date. This relates also to financial assets carried at amortised cost, as they have a short term maturity.

At the reporting date, the Group's financial assets exposed to credit risk amounts to the following:

	31 March 2008 US\$'000
Financial assets at fair value through profit or loss	64,533
Due from broker	2,361
Other receivables and prepayments	96
Cash at bank	5
	66,995

Management does not expect any counterparty to fail to meet its obligation.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. Management does not expect any counterparty to fail to meet its obligation.

The Group will be exposed to credit risk on parties with whom it trades and will also bear the risk of settlement default. The Group minimises concentrations of credit risk by undertaking transactions with a large number of customers and counter-parties on recognised and reputable exchanges. All transactions in listed securities are settled/paid for upon delivery using approved

Notes to the Consolidated Financial Statements continued

brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Group will be exposed to credit risk on the counterparties with which it trades in relation to options, futures, forward contracts and other derivative financial instruments that are not traded on a Recognised Exchange. Such instruments are not afforded the same protections as may apply to participants trading futures or options on organised exchanges, such as the performance guarantee of an exchange clearing house. The Group will be subject to the possibility of the insolvency, bankruptcy or default of a counterparty with which the Group trade such instruments, which could result in substantial losses to the Group. The Company monitors its risk by monitoring the credit quality and financial positions of the counterparties the Group use.

Substantially all of the cash held by the Group is held by Citibank (the "Bank"). Bankruptcy or insolvency by the Bank may cause the Funds rights with respect to the cash held by the Bank to be delayed or limited. The credit rating of the Bank is A1/A+. If the credit quality or financial position of the Bank deteriorates significantly the Manager will move the cash holdings to another bank.

At 31 December 2007, balances due from brokers and other receivables were exposed to credit risk. The total amount of financial assets exposed to credit risk approximates to their carrying value in the Balance Sheet.

The Group uses PNotes and other similar types of instruments to gain exposure to the underlying listed Indian companies. These instruments are issued by EEA credit institutions rated A or higher.

Liquidity risk

The Group manages its liquidity risk by maintaining sufficient cash balances for working capital requirements, and obtains bank borrowings to fund purchases of investments.

The Group's liquidity position is monitored by the Manager and the Board of Directors.

Other creditors and accruals fall due for settlement within less than one month.

Interest rate risk

The majority of the Company's financial assets are non-interest bearing. Cash held by the Group is invested at short-term market interest rates. As a result, the Group is not subject to fair value interest rate risk due to fluctuations in the prevailing levels of market interest rates. However, it is subject to cash flow risk arising from changes in market interest rates.

Given that the cash held by the Company at the period end is not considered to be significant and no other financial assets or liabilities are interest bearing, no sensitivity analysis has been performed.

17 Post Balance Sheet Events

There are no post balance sheet events that require to be brought to the attention of Shareholders.

NAYA BHARAT PROPERTY COMPANY PLC

(Incorporated in the Isle of Man)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the above-named Company will be held at Third Floor, Britannia House, St. Georges Street, Douglas, Isle of Man IM1 1JE, British Isles on Thursday 31 July 2008 at 10:00 a.m. and any adjournment thereof, to transact the following business:

1. To receive and consider the Chairman's Statement, Report of the Directors, Report of the Investment Manager, Auditors' Report and the Audited Financial Statements of the Company for the period to 31 March 2008; and
2. To re-appoint the following director retiring by rotation:
Anderson Whamond
3. To re-appoint KPMG LLC, Isle of Man as Auditors of the Company for the year to 31 March 2009; and
4. To grant standing authority such that the Company be authorised generally and without conditions to make market purchases of its ordinary shares (within the meaning of Section 13(2) of the Isle of Man Companies Act 1992) on such terms as the Directors may from time to time determine provided that (a) it may not purchase more than 14.99% of the ordinary shares of US\$0.01 each; (b) it may not pay more than 5% (exclusive of expenses) over the average of the middle market price of the ordinary shares for the five business days immediately before the day on which the Company agrees to buy the shares; (c) this authority will expire on 4 August 2009 or, if earlier, the conclusion of the next Annual General Meeting of the Company.

By Order of the Board
Suzanne Jones
Secretary

Date: 8 July 2008

Registered Office
Third Floor, Britannia House
St. Georges Street
Douglas
Isle of Man IM1 1JE
British Isles

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him; a proxy need not be a member of the Company. In the case of joint holders, if more than one of such joint holder is present, only the person whose name stands first in the Register of Members in respect of the relevant joint holding will be entitled to vote, whether in person or by proxy.
2. A form of proxy accompanies this Notice. Completion and return of the form of proxy will not preclude a member from attending and voting at the Meeting if he so wishes. In the event that a member who has lodged a form of proxy attends the Meeting, his form of proxy will be deemed to have been revoked.
3. In order to be valid, 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 such power of attorney or authority, should be deposited at the Company's registered office of Third Floor, Britannia House, St George's Street, Douglas, Isle of Man IM1 1JE, British Isles (Attn: Suzanne Jones) Fax: 44 (0)1624 692601 no later than two days before the date appointed for holding the meeting.

NAYA BHARAT PROPERTY COMPANY PLC
(Incorporated in the Isle of Man)

FORM OF PROXY

To be used for the Annual General Meeting of the above-named company to be held at Third Floor, Britannia House, St. Georges Street, Douglas, Isle of Man IM1 1JE, British Isles on Thursday 31 July 2008 at 10:00 a.m. to transact the following business:

I/We ¹ _____
of ¹ _____ being member(s) of
the above-named Company, hereby appoint the Chairman of the Meeting ² or _____
of _____ or Suzanne Jones
or
failing her, Margaret Corkill as my / our proxy to vote on my / our behalf at the Annual General Meeting of the Company to be held on Thursday 31 July 2008 and at any adjournment thereof.

I/We direct my / our proxy to vote in respect of the Resolutions to be proposed at such Annual General Meeting in the following manner ³:-

ORDINARY RESOLUTIONS

1. THAT the Chairman's Statement, Report of the Manager, Report of the Directors, Auditors' Report and the Audited Consolidated Financial Statements of the Company for the year ended 31 March 2008 be approved;
2. THAT Anderson Whamond be re-appointed a director;
3. THAT KPMG, Cayman Islands be re-appointed the Auditors of the Company for the year ending 31 March 2009 at a fee to be approved by the Directors; and.
4. THAT the Company be granted standing authority such that the Company be authorised generally and without conditions to make market purchases of its ordinary shares (within the meaning of Section 13(2) of the Isle of Man Companies Act 1992) on such terms as the Directors may from time to time determine provided that (a) it may not purchase more than 14.99% of the ordinary shares of US\$0.01 each; (b) it may not pay more than 5% (exclusive of expenses) over the average of the middle market price of the ordinary shares for the five business days immediately before the day on which the Company agrees to buy the shares; (c) this authority will expire on 31 July 2009 or, if earlier, the conclusion of the next Annual General Meeting of the Company.

FOR	AGAINST	ABSTAIN

Signature _____

Dated:

2008

NOTES:

- 1 Full name(s) and address(es) to be inserted in BLOCK CAPITALS. The name of all joint holders should be stated.
- 2 If you wish to appoint a person other than the Chairman of the Meeting as your proxy please delete the words "the Chairman of the Meeting" and print the name and address of the person you wish to appoint in the space provided.
- 3 Please indicate with a "X" in the appropriate space beside the resolution how you wish your proxy to vote on your behalf on a poll. Except as otherwise instructed, your proxy will exercise his discretion as to how he votes or whether he abstains from voting.
- 4 This form of proxy must be signed by the member or his attorney duly authorised in writing, or if the appointer is a corporation the form of proxy must be executed under the hand of an officer of the corporation duly authorised on their behalf.
- 5 A member entitled to attend and vote is entitled to appoint one or more parties to attend and, on a poll, to vote instead of him. A proxy need not also be a member. In the case of joint holders, if more than one such joint holder is present, only the person whose name stands first in the Register of Members in respect of the relevant joint holding will be entitled to vote, whether in person or by proxy
- 6 In order to be valid, 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 such power of attorney or authority, should be deposited at the Company's registered office of Third Floor, Britannia House, St George's Street, Douglas, Isle of Man IM1 1JE, British Isles (Attn: Suzanne Jones) Fax: 44 (0)1624 692601 no later than two days before the date appointed for holding the meeting.

