For Immediate Release 5 February 2015

Elephant Capital Plc

Audited Results For The Year Ended 31 August 2014

Elephant Capital plc (AIM: ECAP), the India focused private equity company, announces its results for the year ended 31 August 2014.

Key Points:

- Net asset value per share 35p (28 February 2014: 34p; 31 August 2013: 33p)
- GBP 1.0 million returned to shareholders via share buy-back programme in July 2014
- Part of investment in Nitco Limited was realised subsequent to 31 August 2014
- Proposed return of GBP 1.0 million to shareholders via new share buy-back programme, which will commence on 9 March 2015

Commenting, Chairman Vikram Lall, said:

"Our strategy continues to be to return capital to shareholders following further realisations of the investment portfolio".

Elephant Capital's 2015 annual general meeting (the "AGM") will be held Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ at 10.00 a.m. on 6 March 2015. Elephant Capital's annual report and accounts for the year ended 31 August 2014 (the "Annual Report"), which includes the notice of the AGM and a form of proxy for use at the AGM and will be accompanied by a copy of the announcement setting out full details of the new share buy-back programme which has been released today, will be posted to shareholders on 11 February 2015. Copies of the Annual Report will be available for download from Elephant Capital's website at www.elephantcapital.com shortly.

For further information please contact:

Vikram Lall, Chairman +1 473 533 2513
Gaurav Burman +44 (0) 20 7389 1770
Elephant Capital plc

Sue Inglis +44 (0) 20 7894 8016
Cantor Fitzgerald Europe (Nominated Adviser & Broker)

Chairman's Statement

Results and portfolio changes

As at 31 August 2014, Net Asset Value ("NAV") was GBP 7.1 million or 35p per share, compared to GBP 8.1 million or 33p per share as at 31 August 2013. The reduction in NAV reflects the purchase of the Company's shares for cancellation of GBP 1.0 million, a GBP 0.15 million fall in the valuation of the unlisted investment portfolio (including an exchange gain of GBP 0.14 million), a GBP 0.67 million increase in the listed investment portfolio (including an exchange gain of GBP 0.11 million) and the excess of expenses over income of GBP 0.52 million.

No new investments were made during the period. Since the period end there was a disposal of one of the listed investments, which is detailed below.

Unlisted investment portfolio

Air Works India (Engineering) Private Limited ("Air Works") has been performing satisfactorily and exhibited operational strength during the period.

Amar Chitra Katha Private Limited ("ACK") has not performed according to its budget and its valuation, based on an independent third party opinion, has been reduced to GBP 1.2 million at 31 August 2014, compared to GBP 1.37 million at 31 August 2013.

The investment in Global Cricket Venture Limited ("GCV") has been valued at GBP 0.47 million based on the estimated net asset value of GCV as attributable to Elephant Capital's shareholding as at 31 August 2014.

Full details of the Company's unlisted investments are included in the Investment Manager's review.

Listed investment portfolio

The Indian stock markets have been very volatile during the period, finishing up circa 43% by the end of the last financial year. Nitco Limited ("Nitco") performed better than the market with a circa 64% gain in stock price.

We have continued our efforts to realise our listed portfolio but have been hampered by poor liquidity in the listed stock held. Since the year end, Elephant Capital sold circa 45% of its remaining holding in Nitco for GBP 0.21 million.

Full details of the Company's listed investment are included in the Investment Manager's review.

Return of capital

In July 2014, 4,545,454 ordinary shares were successfully tendered for cancellation at a price of 22p per share. Following the cancellation of these shares, 20,117,057 ordinary shares remain in issue. We have announced that we intend to implement a further share buy-back programme in order to return approximately GBP 1.0 million to shareholders. This programme is subject to shareholder approval at the annual general meeting on 6 March 2015 and, subject to the relevant resolution being passed, will commence on 9 March 2015. A copy of the announcement which contains the full details of the share buy-back programme is enclosed with this report.

Auditor's review of half yearly report

In order to save costs the Board has decided to dispense with the auditor's review of the Company's half yearly report.

Strategy

We continue our efforts to dispose of our remaining illiquid portfolio in the interests of shareholders, and are conscious of the depletion of NAV arising from the ongoing operating costs of the Company. The Investment Manager estimates that it will take approximately two years to complete the realisation, although given that most of the portfolio is unlisted there can be no certainty that this will be achieved.

Vikram Lall

4 February 2015

Investment Manager's Review

Introduction

Elephant Capital plc ("Elephant Capital" or the "Company") holds its investments in businesses that are established or operating primarily in India through its Mauritian-based special purpose vehicles ("SPVs") Tusk Investments 1 Limited and Tusk Investments 2 Limited (individually the "SPV", collectively the "SPVs").

The SPVs are managed by Elephant Capital LLP (the "Investment Manager"), a limited liability partnership which in turn is advised by Elephant India Advisors Private Limited, of which the senior executives in India are all members.

Investment strategy

The Company was established to execute a value-based strategy in both public and private businesses. As the Company has previously announced, Elephant Capital will no longer be making any new investments and has adopted a policy of managing and realising its current portfolio and actively looking to return cash to its shareholders.

Investment activity

During the six month period to 31 August 2014, the Investment Manager made no new investments. The focus was on managing the existing portfolio and trying to create liquidity to return cash to shareholders.

Post year end, during October to January 2015, Elephant Capital sold circa 45 % of its holding in Nitco for GBP 0.21 million. The sale of Nitco resulted in a realised loss of GBP 0.39 million (being the excess of original cost of GBP 0.60 million over the sale proceeds of GBP 0.21 million).

The Investment Manager continues to focus on helping GCV pursue its claims for the alleged wrongful termination of its agreement by the Board of Control for Cricket in India ("BCCI"). Further, GCV continues to be plagued by various other legal actions and is involved in litigation with various parties in the UK and the US. While this litigation continues there is no visibility on an exit.

Given this activity Elephant Capital now holds only five investments; one listed Nitco, and four unlisted, Air Works, ACK, GCV and Obopay, the last of which has no value. The Investment Manager is looking for ways to realise both Nitco and GCV in the shortest time frame possible and will then focus on finding ways to realise Air Works and ACK over the medium term as these businesses mature. No further investments in any of these companies are envisaged.

Portfolio review

Air Works India (Engineering) Private Limited

Air Works is one of the leading independent providers of Aviation Maintenance, Repair and Overhaul (MRO) services in India, Aircraft Paint and Refinishing in Europe and Aircraft Management Services in Dubai. Founded in 1951, Air Works has successfully transformed itself from a family run business focused on providing maintenance services to business aircraft into a professionally managed organisation providing a full suite of services to customers across Aircraft Management, Business and General Aviation MRO, Aircraft Paint and Refinishing, Commercial Aviation MRO, Avionics and Parts Distribution.

The company has been performing satisfactorily. On a consolidated basis, Air Works registered a profitable closing to its financial year 2014 achieving a revenue of over USD 110 million, earnings before interest, taxes, depreciation and amortisation ("EBITDA") of over USD 11.0 million and a profit after tax of over USD 3.3 million. The year to date performance of the company has also been satisfactory.

Revenue of the company in the first six months of financial year 2015 has registered a nominal growth of 3% over the previous year due to weaker performance and subsequent cost cutting by the airlines industry in India and the impact on pricing due to competition in its European operations. The EBITDA on a consolidated basis has improved by 18% over the previous year on account of improving operating efficiencies.

The company is contemplating a rights issue from the existing investors to fund its growth and acquisition plans. The proposed rights issue is for a maximum of USD 8.0 million with issue price of INR 65.55 per share. The company has already received commitments for USD 7.7 million from existing investors and expects to close the process by February 2015. Elephant Capital declined the opportunity to invest in the rights issue of Air Works, because the Company is in the process of returning capital back to its shareholders.

Air Works has also been evaluating various acquisition opportunities to fuel the company's growth via inorganic expansion and has also identified targets in Technical Asset Management Services and Aircraft Data Management/Records Services space and is in the advanced stages of negotiating the deals.

Amar Chitra Katha Private Limited

ACK is one of the leading children's media companies in India, with a catalogue of over 750 print and digital products and 25 major (and 50+ minor) proprietary characters with India-wide recognition. ACK's origins are in children's books and comics, with "Amar Chitra Katha", the number one children's comic book series dating back to 1967. Other key brands include Tinkle, the number one English magazine for children. ACK has also entered into a licensing arrangement with the National Geographic Society, US for publishing their magazines in India.

In view of the tough business environment prevailing in the traditional retail sales channel, leading to a recent decline in its circulation numbers, the company has been focusing upon strengthening its Direct to Consumers business. Leading the growth in ACK's Direct to Consumers category is the e-commerce channel, where the company has signed up a large exclusive deal with Flipkart, the largest e-commerce player in India. The company has also relied upon new offers and partnerships to drive its subscription sales. In keeping pace with changing media consumption habits and the increasing share of digital media, ACK has launched mobile apps across multiple platforms allowing consumers to purchase and access the products on their devices. The Investment Manager has been a proponent of focusing on the core values of the business and crafting a strategy that will allow the company to take its unique and rich library to a larger audience using a digital distribution strategy and upgrading its products to build a larger print business.

Within the publishing business, the management is focused upon expansion in regional languages and building higher export sales through both licensing and distribution deals in other markets. Going forward the company wants to further grow its high margin customised ad solutions business and leverage its large characters' library to build a significant merchandising business that will be sold across retail outlets. The company has been consciously reducing its retail distribution business IBH, as this business unit has struggled with sluggish retail market and poor trade collection cycles. The management team led by Vijay Sampath has been working hard to execute the company's growth strategy, and achieve cash break even in the company.

Elephant Capital invested GBP 3.2 million in ACK in a primary transaction in June 2010. In April 2011, it announced a further investment of GBP 0.9 million in a second funding round, led by Future Consumer Enterprise Limited ("FCEL") (previously known as Future Ventures India Limited). Elephant Capital's stake in ACK was 22% post this investment. ACK subsequently bought back 70,457 of its own shares representing 15% of existing paid up capital of the company, at the purchase price FCEL and Elephant Capital paid in the second round. Neither Elephant Capital nor its co-investors participated in this buy-back and hence Elephant Capital's shareholding in the business increased to 26%. In the rights issue conducted in the last financial year, Elephant Capital declined the opportunity to invest because the Company is in the process of returning capital to its shareholders. Its holding in ACK therefore declined to 20%.

Global Cricket Ventures Limited, Mauritius

In November 2009, Elephant Capital announced an investment of GBP 5.95 million in a primary transaction in GCV, a cricket-focused, digital media and broadcasting company. At the time of its investment, GCV was the exclusive licensee of key internet and mobile rights to the Indian Premier League ("IPL") and key internet rights to the Champion's League Twenty20 ("CLT20") cricket tournaments.

In mid-2010, the BCCI announced that it would be rescinding its global media contracts with World Sports Group ("WSG") from whom GCV sub-licensed many of its own cricket-related rights. Further, WSG terminated GCV's contractual rights relating to the IPL. This obviously dealt a fatal blow to the business prospects of GCV, as GCV lost its key rights as a result of this action and, ahead of the fourth IPL season, these rights were re-awarded to other parties. As a result of WSG's termination, GCV entered into active discussions to settle liabilities towards its own sub-licensees and has made significant progress on such settlements.

GCV views BCCI's termination of its contractual rights to be wrongful and has commenced an arbitration process with the BCCI in order to reach a resolution of the current situation.

GCV has been plagued by litigation on several fronts. This unfortunately continues with GCV embroiled in litigation in both the US and the UK. The Investment Manager has been working through this and aiding GCV and hopes that these matters can be brought to a resolution over the next 12 months.

The investment has been valued at GBP 0.47 million based on the Investment Manager's best estimate of the net asset value of GCV attributable to the Company's shareholding in GCV.

Nitco Limited

Nitco is one of the largest manufacturers of flooring and wall tiles in India. Nitco possesses a pan-India distribution network comprising 1,100 dealers and more than 5,000 retail outlets. The Company's manufacturing units are strategically located in various locations: its ceramic tiles division is located in Alibaug (in Maharashtra); its joint venture for manufacturing tiles is located at Morbi (Gujarat); its marbles division is located in Mumbai (Maharashtra) and Silvassa (Dadra and Nagar Haveli). It has a direct interest in the real estate sector through a wholly-owned subsidiary which develops residential and commercial property assets in Maharashtra.

The company had suffered significant setbacks to growth on account of the adverse impact on the real estate sector since the global financial crisis of 2008. While the tumbling real estate prices reduced the turnover both for its tile as well as the real estate business, the interest rate hike regime and the devaluation of INR led to much higher costs and losses to the company.

The company has undertaken several initiatives to turn around the company. These include shifting the sourcing model from China-led sourcing to domestic sourcing enabling the company to mitigate currency risk. For this, Nitco has entered into a JV with New Vardhman Vitrified Pvt. Ltd. The JV has been operational since 2012 and contributes to 33% of the total sales. Nitco has also shifted its distribution model to direct dispatch from factory to clients to reduce freight and a reduction in its inventory thereby reducing holding cost and warehousing space. The company also launched a range of wall tiles in the year 2013 and has been actively seeking to launch new products to build a strong brand.

Nitco has been actively seeking to monetise its real estate assets at Kanjurmarg (Mumbai) and Alibaug (Maharashtra). While Nitco has entered into an MOU for joint development with Hiranandani Group for the Kanjurmarg land parcel, the same is currently delayed on account of pending clearances from government. Developments of projects on Alibaug land parcels are currently under way.

Elephant Capital is looking for ways in which to sell its shareholding in what has become a highly illiquid and out-of-favour stock.

As at 31 August 2014, the portfolio was as follows:

Company	*Sector*	*Listed/ unlisted*	*Cost £'000*	***Valuation 31 August 2014 £'000***	*Gain/(loss) over cost £'000*
Air Works India (Engineering) Private Limited	Aviation	Unlisted	2,922	**3,051**	129
Amar Chitra Katha Private Limited	Media	Unlisted	4,085	**1,197**	(2,888)
Global Cricket Ventures Limited	Media	Unlisted	5,949	**470**	(5,479)
Obopay Inc.	Mobile banking service	Unlisted	1,239	**-**	(1,239)
Nitco Limited	Building materials	Listed	1,321	**354**	(967)
Total			15,516	**5,072**	(10,444)

The valuations of the above are in accordance with International Financial Reporting Standards and International Private Equity and Venture Capital Association guidelines. All investments are held at fair value through profit or loss and are recognised at the transaction date on initial recognition.

Realisations

Post the year end the Company sold circa 45% of its holding in Nitco for GBP 0.21 million.

Principles of valuations of investments

Principles of valuation of unlisted investments

Investments are stated at amounts considered by the Directors to be a reasonable assessment of their fair value, where fair value is the amount at which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

All investments are valued according to one of the following bases:

- Cost (less any provision required)
- Earnings multiple
- Price of recent transaction
- Discounted cash flows or earnings (of underlying businesses)
- Net assets
- Sale price

Investments are valued at cost for a limited period after the date of acquisition. Thereafter, investments are valued on one of the other bases described above and the earnings multiple basis of valuation will be used unless this is inappropriate, as in the case of certain asset-based businesses.

Under the discounted cash flow technique the projected cash flows from business operations are discounted at the "Weighted Average Cost of Capital" to the providers of capital to the business. The sum of the discounted value of such free cash flows is the value of the business.

When valuing on an earnings multiple basis, EBITDA or net profit of the current year will normally be used. Such profits will be multiplied by an appropriate and reasonable earnings multiple (EBITDA multiple or net profit multiple, as the case may be). This is normally related to comparable quoted companies, with adjustments made for points of difference between the comparator and the company being valued, in particular for risks, size, illiquidity, earnings growth prospects and surplus assets or excess liabilities.

Where a company has incurred losses, or if comparable quoted companies are not primarily valued on an earnings basis, then the valuation may be calculated with regard to the underlying net assets and any other relevant information, such as the pricing for subsequent recent investments by a third party in a new financing round that is actively being sought, then any offers from potential purchasers would be relevant in assessing the valuation of an investment and are taken into account in arriving at the valuation.

Where appropriate, a marketability discount (as reflected in the earnings' multiple) may be applied to the investment valuation, based on the likely timing of an exit, the influence over that exit, the risk of achieving conditions precedent to that exit and general market conditions.

In arriving at the value of an investment, the percentage ownership is calculated after taking into account any dilution through outstanding warrants, options and performance-related mechanisms.

Principles of valuation of listed investments

Investments are valued at bid-market price or the conventions of the market on which they are quoted.

Valuation review procedures

Valuations are initially prepared by the Investment Manager. These valuations are approved by the Directors and reviewed by the Company's external auditors.

Events after the reporting date

Subsequent to the year end, there has been an increase in the value of Group's listed investment, due to gain in stock price of Nitco and favourable exchange rate movements. This has decreased the unrealised losses by GBP 0.04 million.

Gaurav Burman

On behalf of Elephant Capital LLP

4 February 2015

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	***For the year ended 31 August 2014 £'000***	*For the year ended 31 August 2013 £'000*
Revenue			
Investment and other income	7	**117**	198
Net profit/(losses) on financial assets at fair value through profit or loss	8	**508**	(3,009)
Other income			
Net foreign exchange gain		**-**	19
		625	(2,792)
Expenses			
Management fees	9	**(212)**	(440)
Other expenses	10	**(432)**	(623)
Loss before finance costs and tax		**(19)**	(3,855)
Finance costs		**(3)**	(4)
Loss before tax		**(22)**	(3,859)
Income tax expense	11	**-**	-
Loss after tax		**(22)**	(3,859)
Other comprehensive income for the year		**-**	-
Total comprehensive loss for the year		**(22)**	(3,859)
Loss and total comprehensive loss attributable to:			
Owners of the parent		**(22)**	(3,859)
Loss per share (basic & diluted)	19	**(0.1p)**	(10p)

(The accompanying notes are an integral part of the consolidated financial statements.)

Consolidated Statement of Financial Position

	Notes	***As at 31 August 2014 £'000***	*As at 31 August 2013 £'000*
ASSETS			
Non-current			
Financial assets at fair value through profit or loss	14	**4,718**	4,875
		4,718	4,875
Current			
Financial assets at fair value through profit or loss	14	**354**	1,875
Receivables	15	**-**	-
Prepayments		**27**	27
Cash and cash equivalents	16	**2,100**	1,472
		2,481	3,374
Total assets		**7,199**	8,249
Current liabilities			
Payables	17	**95**	123
		95	123
Net assets		**7,104**	8,126
EQUITY			
Share capital	18	**201**	246
Share premium		**20,752**	20,752
Distributable capital reserve		**16,507**	17,462
Unrealised investment revaluation reserve		**(9,205)**	(12,408)
ASSETS			
Accumulated losses		**(21,151)**	(17,926)
Total attributable to the owners of the parent		**7,104**	8,126
Total equity		**7,104**	8,126
Net asset value per share	19	£0.35	£0.33

Vikram Lall
Director

Elizabeth Tansell
Director

Company Statement of Financial Position

	Notes	***As at 31 August 2014 £'000***	*As at 31 August 2013 £'000*
ASSETS			
Non-current			
Investments in subsidiaries	12	**771**	2,315
Loans to subsidiaries	13	**5,150**	5,047
		5,921	7,362
Current assets			
Loans to subsidiaries`	13	**-**	-
Receivables	15	**1**	-
Prepayments		**21**	21
Cash and cash equivalents	16	**1,205**	815
		1,227	836
Total assets		**7,148**	8,198
Current liabilities			
Payables	17	**51**	77
		51	77
Net assets		**7,097**	8,121
EQUITY			
Share capital	18	**201**	246
Share premium		**20,752**	20,752
Distributable capital reserve		**16,507**	17,462
Accumulated losses		**(30,363)**	(30,339)
Equity attributable to owners of the Company		**7,097**	8,121

Vikram Lall **Elizabeth Tansell**

Director **Director**

Statement of Cash Flows

		Consolidated		Company	
		For the year ended 31 August 2014 £'000	*For the year ended 31 August 2013 £'000*	***For the year ended 31 August 2014 £'000***	*For the year ended 31 August 2013 £'000*
(a)	**Operating activities**				
	Loss before tax	**(22)**	(3,859)	**(24)**	(4,052)
	Adjustments for :				
	Interest income	**(4)**	(9)	**(4)**	(8)
	Net unrealised losses on investments	**10**	2,682	**-**	-
	(Profit)/loss on sale of investments	**(518)**	327	**-**	-
	Impairment (reversal)/loss on loans to subsidiaries	**-**	-	**(103)**	2,717
	Impairment (reversal)/loss of investments in subsidiaries	**-**	-	**(156)**	955
	Net changes in working capital :				
	Decrease/(increase) in receivables and prepayments	**-**	71	**(1)**	(6)
	Decrease in payables	**(28)**	(241)	**(26)**	-
	Net cash used in operations	**(562)**	(1,029)	**(314)**	(394)
	Income tax paid	**-**	-	**-**	-
	Net cash used in operating activities	**(562)**	(1,029)	**(314)**	(394)
(b)	**Investing activities**				
	Proceeds from sale of investments	**2,186**	7,716	**-**	-
	Loan repaid from subsidiary	**-**	-	**-**	5,004
	Proceeds from buy-back of shares in a subsidiary	**-**	-	**1,700**	2,700
	Interest received	**4**	9	**4**	8
	Net cash generated from investing activities	**2,190**	7,725	**1,704**	7,712
(c)	**Financing activities**				
	Shares bought back for cancellation	**(1,000)**	(9,000)	**(1,000)**	(9,000)
	Net cash used in financing activities	**(1,000)**	(9,000)	**(1,000)**	(9,000)
	Net increase/(decrease) in cash and cash equivalents	**628**	(2,304)	**390**	(1,682)
	Cash and cash equivalents at beginning of the year	**1,472**	3,776	**815**	2,497
	Cash and cash equivalents at end of the year	**2,100**	1,472	**1,205**	815

(The accompanying notes are an integral part of the consolidated financial statements.)

Consolidated Statement of Changes in Equity

	Share capital £'000	*Share premium £'000*	*Distributable capital reserve £'000*	*Unrealised investment revaluation reserve £'000*	*Accumulated losses £'000*	*Total equity £'000*
Balance as at 1 September 2012	477	20,752	26,231	(16,558)	(9,917)	20,985
Shares bought back for cancellation	(231)	-	(8,769)	-	-	(9,000)
Transactions with owners	(231)	-	(8,769)	-	-	(9,000)
Net unrealised loss reserve transfer	-	-	-	(2,682)	2,682	-
Transfer of accumulated realised loss on investments sold	-	-	-	6,832	(6,832)	-
Loss for the year	-	-	-	-	(3,859)	(3,859)
Total comprehensive loss for the year	-	-	-	4,150	(8,009)	(3,859)
Balance as at 31 August 2013	246	20,752	17,462	(12,408)	(17,926)	8,126
Balance as at 1 September 2013	**246**	**20,752**	**17,462**	**(12,408)**	**(17,926)**	**8,126**
Shares bought back for cancellation	(45)	-	(955)	-	-	(1,000)
Transactions with owners	**(45)**	**-**	**(955)**	-	-	**(1,000)**
Net unrealised loss reserve transfer	**-**	**-**	**-**	**(10)**	**10**	**-**
Transfer of accumulated realised loss on investments sold	**-**	**-**	**-**	**3,213**	**(3,213)**	**-**
Loss for the year	**-**	**-**	**-**	**-**	**(22)**	**(22)**
Total comprehensive loss for the year	**-**	**-**	**-**	**3,203**	**(3,225)**	**(22)**
Balance as at 31 August 2014	**201**	**20,752**	**16,507**	**(9,205)**	**(21,151)**	**7,104**

(The accompanying notes are an integral part of the consolidated financial statements).

Company Statement of Changes in Equity

	Share capital £'000	*Share premium £'000*	*Distributable capital reserve £'000*	*Accumulated losses £'000*	*Total £'000*
Balance as at 1 September 2012	477	20,752	26,231	(26,287)	21,173
Shares bought back for cancellation	(231)	-	(8,769)	-	(9,000)
Transactions with owners	(231)	-	(8,769)	-	(9,000)
Loss for the year	-	-	-	(4,052)	(4,052)
Total comprehensive loss for the year	-	-	-	(4,052)	(4,052)
Balance as at 31 August 2013	246	20,752	17,462	(30,339)	8,121
Balance as at 1 September 2013	**246**	**20,752**	**17,462**	**(30,339)**	**8,121**
Shares bought back for cancellation	**(45)**	**-**	**(955)**	**-**	**(1,000)**
Transactions with owners	**(45)**	**-**	**(955)**	**-**	**(1,000)**
Loss for the year	**-**	**-**	**-**	**(24)**	**(24)**
Total comprehensive loss for the year	**-**	**-**	**-**	**(24)**	**(24)**
Balance as at 31 August 2014	**201**	**20,752**	**16,507**	**(30,363)**	**7,097**

(The accompanying notes are an integral part of the financial statements.)

Notes

1. General information and statement of compliance with IFRSs

Elephant Capital plc (the "Company" or "Elephant Capital") is a public limited company, incorporated in the Isle of Man on 16 May 2006 and listed on AIM, a market of the London Stock Exchange, with its registered office at Clinch's House, Lord Street, Douglas, Isle of Man, IM99 1RZ.

The Group represents the Company and its subsidiaries. The financial statements comprise the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows and consolidated statement of changes in equity. The financial statements also include the Company statement of financial position, the Company statement of cash flows and the Company statement of changes in equity to comply with the Isle of Man Companies Act 1982. Under section 3(5)(b)(ii) of the Isle of Man Companies Act 1982, the Company is exempt from the requirement to present its own statement of comprehensive income. The accounting policies for the preparation of the Company statement of financial position, statement of cash flow and statement of changes in equity to the extent they differ from accounting policies used for the preparation of the consolidated financial statements have been separately disclosed in the following notes.

Under Protocol 3 of the UK's Treaty of Accession, the Isle of Man is part of the customs territory of the European Union. The financial statements have been prepared in accordance with the applicable International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

The consolidated financial statements for the year ended 31 August 2014 (including comparatives) were approved and authorised for issue by the Board of Directors on 4 February 2015.

2. Nature of operations

The Company's business consists of investing through the Group in businesses that have operations primarily in India and generating returns for its shareholders.

3. a) New standards/amendments adopted

Amendments to IFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities

The Group has applied the Amendments to IFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities for the first time in the current year. The amendments to IFRS 7 require entities to disclose information about rights to offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement. The amendments have been applied retrospectively. As the Group does not have any offsetting arrangements in place, the application of the amendments has had no material impact on the disclosures or on the amounts recognised in the consolidated financial statements.

IFRS 13 Fair Value Measurement

In May 2011, the IASB issued IFRS 13 Fair Value Measurements. IFRS 13 defines fair value, provides a single IFRS framework for measuring fair value and requires disclosure about fair value measurements. IFRS 13 applies when other IFRSs require or permit fair value measurements. It does not introduce any new requirements to measure an asset or a liability at fair value or change what is measured at fair value in IFRSs or address how to present changes in fair value. The adoption of this accounting standard including consequential amendments did not have any material impact on the consolidated financial statements of the Group.

b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these consolidated financial statements, certain new standards, interpretations and amendments to existing standards that are likely to be applicable to the Group have been published but are not yet effective and have not been adopted early by the Group.

IFRS 9 Financial Instruments (2014)

Applicable for the annual period beginning on or after 1 January 2014

The IASB recently released IFRS 9 Financial Instruments (2014), representing the completion of its project to replace IAS 39 Financial Instruments: Recognition and Measurement. The new standard introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a new expected credit loss model for the impairment of financial assets. IFRS 9 also provides new guidance on the application of hedge accounting.

The Group's management has yet to assess the impact of IFRS 9 on these consolidated financial statements.

IFRS 10 Consolidated Financial Statements

Applicable for the annual period beginning on or after 1 January 2014

In May 2011, the IASB issued IFRS 10 Consolidated Financial Statements ("IFRS 10") which replaces the consolidation requirements in IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation - Special Purpose Entities and builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. This pronouncement is effective for the annual period beginning on or after 1 January 2014 with earlier application permitted so long as this standard is applied together with the four standards mentioned below:

- IFRS 11 Joint Arrangements

- IFRS 12 Disclosure of Interests in Other Entities
- IAS 27 (Revised) Separate Financial Statements
- IAS 28 (Revised) Investments in Associates

The remainder of IAS 27 Separate Financial Statements now contains accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates only when an entity prepares separate financial statements and is therefore not applicable in the Group's consolidated financial statements.

IFRS 11 Joint Arrangements

Applicable for the annual period beginning on or after 1 January 2014

IFRS 11 Joint Arrangements, which replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly Controlled Entities - Non-monetary Contributions by Ventures, requires a single method, known as the equity method, to account for interests in joint operations and joint ventures. The proportionate consolidation method to account for joint ventures is no longer permitted to be used. IAS 28 Investments in Associates was amended as a consequence of the issuance of IFRS 11. In addition to prescribing the accounting for investments in associates, it now sets out the requirements for the application of the equity method when accounting for joint ventures. The application of the equity method has not changed as a result of this amendment. The Group has not entered into any joint arrangements, hence this is not applicable.

IFRS 12 Disclosure of Interests in Other Entities

Applicable for the annual period beginning on or after 1 January 2014

IFRS 12 Disclosure of Interests in Other Entities is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The standard includes disclosure requirements for entities covered under IFRS 10 and IFRS 11.

In June 2012, IASB published Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance as amendments to IFRS 10, IFRS 11 and IFRS 12. These amendments are intended to provide additional transition relief by limiting the requirement to provide adjusted comparative information to only the preceding comparative period.

Further in October 2012, the IASB published Investment Entities- Amendments to IFRS 10, IFRS 12 and IAS 27 (the "amendments"). The amendments introduced an exception for Investment entities to the well-established principle that a parent must consolidate all its subsidiaries. The amendments:

a. Define the term "Investment Entity" and provide supporting guidance.
b. Require investment entities to measure investment in the form of controlling interests in another entity at fair value through profit or loss in accordance with IFRS- 9 Financial Instruments (or IAS 39 Financial Instruments: Recognition and Measurement) instead of consolidating them.
c. Specify disclosure requirements for entities that apply the exception.

The Group is currently evaluating the impact of the above pronouncements on the Group's consolidated financial statements.

IFRS 15 Revenue from Contracts with Customers

Not yet adopted by the European Union

IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 Revenue, IAS 11 Construction Contracts, and several revenue-related interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities. The Group's management has not yet assessed the impact of IFRS 15 on these consolidated financial statements.

4. Summary of significant accounting policies

4.1 Overall considerations

The significant accounting policies that have been used in the preparation of these consolidated and Company financial statements are summarised below. The consolidated and Company financial statements have been prepared using the measurement bases specified by IFRSs as adopted by the European Union for each type of asset, liability, income and expense. The consolidated and Company financial statements have been prepared on the historical cost basis except that certain financial assets and liabilities are stated at fair value. The measurement bases are more fully described in the accounting policies below.

4.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries drawn up to 31 August each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities. The Company obtains and exercises control through more than half of the voting rights. All subsidiaries have a reporting date of 31 August.

On acquisition, the identifiable assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. All significant inter-company transactions and balances between Group entities are eliminated on consolidation. Amounts reported in the financial statements of subsidiaries are adjusted where necessary to ensure consistency with the accounting policies adopted by the Company.

The results of the subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated.

4.3 Investment in associates

Associates are those entities over which the Group is able to exercise significant influence but which are neither subsidiaries nor joint ventures. By way of exemption under IAS 28 for venture capital organisations, the Group has designated its investments at fair value through profit or loss and accounted for in accordance with IAS 39 Financial Instruments: Recognition and Measurement at fair value. The changes in fair value are recognised in profit or loss in the period of change.

4.4 Foreign currency translation

The consolidated financial statements are presented in pounds sterling (GBP), which is also the functional currency of the Company.

Foreign currency transactions are translated into the functional currency of the respective Group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year-end exchange rates are recognised in profit or loss. Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

In the Group's consolidated financial statements all assets, liabilities and transactions of the Group entities are presented in pounds sterling which is the functional currency of all entities within the Group. The functional currency of the entities in the Group has remained unchanged during the reporting period.

4.5 Revenue recognition

Revenue comprises income from investments, interest, dividend and management fees. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group, the revenue can be reliably measured and when the criteria mentioned below have been met:

Interest income

Interest income comprises income from treasury deposits and loans recoverable. Interest income is recognised on an accrual basis using the effective interest method.

Dividend income

Dividend income from investments is recognised when the entity's right to receive payment has been established.

Management fees

Fees earned from the co-investment vehicle from the ongoing management of the equity funds are recognised to the extent that it is probable that there will be economic benefits and the income can be reliably measured.

Service fees

Fees earned from the provision of support services are recognised on an accrual basis in accordance with the relevant terms of the agreement in respect thereof.

4.6 Expenses

All expenses are recognised on an accrual basis through profit or loss.

4.7 Impairment of non-financial assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All individual assets or cash-generating units are reviewed at each reporting date to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised as an expense and disclosed as a separate line item in the statement of comprehensive income. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

4.8 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws applicable in each jurisdiction and that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income. Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or directly in equity, respectively.

4.9 Investment in subsidiaries

Investments in subsidiaries are valued at cost less provision for impairment in the financial statements of the Company. In the case of buy-backs of shares, the carrying value of the investment is proportionally credited for the number of shares bought back and any difference between the buy-back price and carrying value is recorded in the profit or loss.

4.10 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are de-recognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is de-recognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs except for financial assets and financial liabilities carried at fair value through profit or loss which are measured initially at fair value and transaction costs are charged to profit or loss.

Subsequent measurement criteria of financial assets and financial liabilities are described below:

Financial assets

For the purpose of subsequent measurement, the Group's financial assets can be classified into the following categories upon initial recognition:

- loans and receivables; and
- financial assets at fair value through profit or loss

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and other receivables fall into this category of financial instruments.

All loans and receivables are subject to review for impairment at least at each reporting date. Further, individually significant loans and receivables are considered for impairment when they are past due or when there is other objective evidence that a specific counterparty will default. Impairment is evaluated by comparison of the carrying value to expected cash flows discounted by original effective interest rate (which is computed at the initial recognition).

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are either classified as held for trading or that meet certain conditions and are designated at fair value through profit or loss upon initial recognition. The Company's and the Group's business is investing in financial assets with a view to profiting from their total return in the form of income and capital growth. This portfolio of financial assets is managed and its performance evaluated on a fair value basis, in accordance with the documented investment strategy, and information about the portfolio is provided internally on that basis to the Company's Board of Directors and other key management personnel. Accordingly, upon initial recognition the investments are designated by the Company and its subsidiaries as "at fair value through profit or loss". They are included initially at fair value, which is taken to be their cost (excluding expenses incidental to the acquisition which are written off in the statement of comprehensive income). Subsequently, the investments are valued at "fair value" with gains or losses recognised in profit or loss. Fair value of such investments is determined by reference to active market transactions or using a valuation technique where no active market exists which is done in accordance with

IAS 39 and the International Private Equity and Venture Capital Association valuation guidelines.

For investments in associate undertakings, in accordance with the limited exemption available under IAS 28 to private equity/venture capitalist organisation for investments in associates which upon initial recognition are designated at fair value through profit or loss, the investments are accounted at fair value through profit or loss.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within net losses/gains on financial assets at fair value through profit or loss, "Investment and other income" or "other financial items", except for impairment of receivables which is presented as a separate line item on the face of the profit or loss account.

Financial liabilities

The Company's financial liabilities include trade and other payables which are measured subsequently at amortised cost using the effective interest method.

4.11 Cash and cash equivalents

Cash and cash equivalents comprise balance with banks and demand deposits which are readily convertible to known amounts of cash and are subject to insignificant risk of change in value.

4.12 Equity and reserves

Share capital represents the nominal value of shares that have been issued. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote each at the shareholders' meetings of the Company.

Share premium includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Distributable capital reserve is a specified reserve created by reclassifying the part of the Company's share premium account for a reduction in the share capital of the Company through buy-back of its own shares. The reserve has been created for the distribution of capital to the equity shareholders.

Retained earnings/accumulated losses include all current and prior period retained net profits or losses. All transactions with owners of the parent are recorded separately within equity.

Gain or loss to the extent unrealised is transferred from retained earnings to "Unrealised investment revaluation reserve" and is transferred to retained earnings upon realisation.

4.13 Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present obligation as a result of a past event that probably will require an outflow of resources and a reliable estimate of the amount of the obligation can be made. A present obligation arises from the presence of a legal or other constructive commitment that has resulted from past events. Provisions are measured at the estimated expenditure required to settle the present obligation, based on most reliable evidence available at the reporting date.

A disclosure for a contingent liability is made when there is a present obligation that may, but probably will not, require an outflow of resources. Disclosure is also made in respect of a present obligation as a result of a past event that probably requires an outflow of resource, where it is not possible to make a reliable estimate of the outflow. Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

4.14 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (after deducting attributable taxes) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

5. Significant management judgments in applying accounting policies

Information about significant management judgements that have the most significant effect on the financial statements is summarised below. Critical estimation uncertainties are described in note 6 to the financial statements.

Investments recognised at fair value through profit or loss

The Group has recognised its investments at fair value through profit or loss. In accordance with IAS 39, an entity may record an item at fair value through profit or loss if they are either classified as held for trading or if they meet certain conditions and are designated at fair value through profit or loss upon initial recognition. The management has designated all the investments in listed as well as unlisted securities at fair value through profit or loss, as they meet the requirements in IAS 39. The facts considered in applying this judgement are included under note 4.10.

Determination of functional currency of individual entities

Following the guidance under IAS 21 The Effects of Changes in Foreign Exchange Rates the functional currency of each individual entity is determined to be the currency of the primary economic environment in which the entity operates. In the presence of mixed indicators, the management applies judgement in determining the functional currency of each individual entity within the Group which most faithfully represents the economic effects of the underlying transactions, events and conditions under which the entity conducts its business. The consolidated financial statements are presented in pounds sterling, which is also the functional currency of the Company and each of the subsidiaries.

6. Estimation uncertainty

When preparing the financial statements management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses that have a significant effect on the financial statements.

The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about the significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, incomes and expenses is provided below:

Fair value of unquoted investments

Management uses valuation techniques in measuring the fair value of financial instruments, where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that other market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. Details of the assumptions used and the levels of hierarchy for the investments have been disclosed in note 23.

Impairment

An impairment loss is recognised for the amount by which an asset's carrying amount exceeds its recoverable amount. To determine the recoverable amount, individually significant assets are considered for impairment when they are past due or when there is other objective evidence that a specific counterparty will default. These assumptions relate to future events and circumstances. The actual results may vary and may cause adjustments to the Group's assets in future financial periods. Impairment loss on investment in subsidiaries and loan to subsidiaries has been recorded in the standalone financial statements of the Company and related information has been disclosed in note 12 and 13 respectively.

7. Investment and other income

	2014	*2013*
	£'000	*£'000*
Interest income	**4**	9
Management fee*	**51**	126
Service fee from investee company	**62**	63
	117	198

* Represents fee from the co-investment vehicle.

8. Net profit/(losses) on financial assets at fair value through profit or loss

	2014	*2013*
	£'000	*£'000*
Financial assets designated as fair value through profit or loss		
Unrealised gains on investments	**281**	431
Unrealised losses on investments	**(291)**	(3,113)
Realised gain/(loss) on investments	**518**	(327)
	508	(3,009)

9. Management fee

Under the terms of the management agreement, the amount of management fee payable from Tusk Investments 1 Limited and Tusk Investments 2 Limited to Elephant 2 Limited (the "Manager") until 25 February 2014 was 2% per annum of Net Asset Value ("NAV") of Elephant Capital plc as at the most recent valuation date (i.e. 31 August 2013), and thereafter, it has been fixed at GBP 160 thousand per annum. In addition the Manager is entitled to recover certain expenses.

The management fee of GBP 212 thousand (31 August 2013: GBP 440 thousand) included in the consolidated statement of profit and loss and comprehensive income includes the management fee of GBP 161 thousand (31 August 2013: GBP 399 thousand) and GBP 51 thousand (31 August 2013: GBP 41 thousand) in respect of a service fee of GBP 62 thousand (31 August 2013: GBP 63 thousand) received by the Manager from an investee company, which is included in "Other income".

10. Other expenses

	2014	*2013*
	£'000	*£'000*
Administration charges	**299**	445
Directors' fees*	**81**	114
Auditors' remuneration**	**52**	64
	432	623

*Detail of Directors' fees are as follows:

	2014	*2013*
	£'000	*£'000*
Vikram Lall	**32**	35
Gaurav Burman (resigned 26 February 2014)	**11**	23
Francis Anthony Hancock	**20**	23
James Norman Hauslein (resigned 22 March 2013)	**-**	13
Elizabeth Tansell	**18**	20
	81	114

The Company has no other employees.

**Auditors' remuneration comprises:

	2014 £'000	2013 £'000
Audit of Company's annual accounts	**28**	36
Audit of subsidiaries' annual accounts	**9**	13
Review of Group's half yearly accounts	**15**	15
	52	64

11. Taxation

The Company is a resident of the Isle of Man for income tax purposes, being subject to the standard rate of income tax, which is currently 0%. Therefore no provision for taxation has been made.

The Mauritian entities consolidated in the Group are Global Business License Category 1 companies in Mauritius and under the current laws and regulations are liable to pay income tax on their net income at a rate of 15%. However the entities are entitled to a tax credit equivalent to the higher of actual foreign tax suffered and 80% of the Mauritian tax payable in respect of their foreign source income thus reducing their maximum effective tax rate to 3%. No Mauritian capital gains tax is payable on profits arising from the sales of securities, and any dividends and redemption proceeds paid by the entities to their member will be exempt in Mauritius from any withholding tax. At 31 August 2014, the entities had no income tax liability due to tax losses carried forward.

Deferred taxation

No deferred tax asset has been recognised in respect of the tax loss carried forward for GBP 1,824 thousand and GBP 1,138 thousand in Tusk Investments 1 Limited and Tusk Investments 2 Limited respectively as no taxable income is probable in the foreseeable future.

A reconciliation of the income tax expense based on accounting profit and the actual income tax expense is as follows:

	2014 £'000	2013 £'000
Analysis of charge for the year		
Income tax expense	-	-
Total tax expense	**-**	-
Loss before taxation	**(22)**	(3,859)
Less: Loss attributable to Elephant Capital plc and other Group companies except Mauritian Entities	**282**	380
Loss attributable to Mauritian Entities	**260**	(3,479)
Enacted rate for Isle of Man	0%	0%
Enacted rate for Mauritius	15%	15%
Taxation at standard rate in Isle of Man	-	-
Taxation at standard rate in Mauritius	**39**	(522)
Tax effect of:		
Exempt income	**(95)**	(3)
Non-taxable items	**24**	452
Unutilised tax loss for the year	**6**	15
Foreign tax credit	**26**	58
Income tax charge	-	-

12. Investments in subsidiaries (Company statement of financial position)

Particulars

	2014	*2013*
	£'000	*£'000*
Company shares in Group undertakings:		
Elephant Capital LP*	**-**	-
Tusk Investments 1 Limited	**7,665**	7,665
Tusk Investments 2 Limited	**804**	10,550
Elephant 2 Limited*	**-**	-
Elephant Investments (General Partner) Limited*	**-**	-
Elephant Investments (Carry) Limited*	**-**	-
Less: Provision for impairment**	**(7,698)**	(15,900)
	771	2,315

* Amounts have been rounded to the nearest thousand.

** As of 31 August 2014, in the Company financial statements, an impairment analysis of the investment in subsidiaries was carried out and consequently, the reduction in impairment loss of GBP 156 thousand was recorded on account of the increase in the value of investments after adjusting the capital reduction of GBP 8,046 thousand made through Group subsidiaries.

The Group comprises the following entities:

Name of Subsidiary	*Incorporation (or registration) and operation*	*Proportion of ownership Interest*	*Proportion of voting Power*
Elephant Capital LP	England	100%	100%
Tusk Investments 1 Limited	Mauritius	100%	100%
Tusk Investments 2 Limited	Mauritius	100%	100%
Elephant 2 Limited	Guernsey	100%	100%
Elephant Investments (General Partner) Limited	England	100%	100%
Elephant Investments (Carry) Limited	British Virgin Islands	100%	100%
Elephant Capital 1 Limited	Mauritius	100%	100%

13. Loans to subsidiaries (Company statement of financial position)

Loans to subsidiaries in the standalone financial statements of the Company comprise the following:

Particulars	***2014***	*2013*
	£'000	*£'000*
Non-current		
Elephant Capital LP*		
Opening balance	**14,000**	14,000
	14,000	14,000
Less: Provision for impairment**	**(8,850)**	(8,953)
A	**5,150**	5,047
Current		
Opening balance	**4,996**	10,000
Add: Paid during the year	**-**	(5,004)
	4,996	4,996
Less : Provision for impairment**	**(4,996)**	(4,996)
B	**-**	-
Total (A+B)	**5,150**	5,047

* Loan of GBP 18,996 thousand was given by Elephant Capital plc to Elephant Capital LP in order to provide further funds to Tusk Investments 1 Limited and Tusk Investments 2 Limited for making investments in certain investee companies in accordance with the investment strategy of the Group. Further, the loan classified as non-current has not been discounted to its present value, as the repayment period is not determinable.

** An impairment analysis of loans to subsidiaries was carried out by the Company as of 31 August 2014 and, consequently, a reversal of an impairment loss of GBP 103 thousand was recorded on account of the increase in the value of investments made through Group subsidiaries since 31 August 2013.

14. Financial assets at fair value through profit or loss

The Group has invested in a portfolio of listed and unlisted securities of businesses operating primarily in India.

Details of the Group's investments are as set out below:

	2014			2013		
	Non-current £'000	***Current £'000***	***Total £'000***	*Non-current £'000*	*Current £'000*	*Total £'000*
	£'000	**£'000**	**£'000**	£'000	£'000	£'000
Listed investments						
Balance brought forward	**-**	**1,875**	**1,875**	-	7,080	7,080
Disposal	**-**	**(1,668)**	**(1,668)**	-	(5,039)	(5,039)
	-	**207**	**207**	-	2,041	2,041
Unrealised gain/(loss)	**-**	**147**	**147**	-	(166)	(166)
A	**-**	**354**	**354**	-	1,875	1,875
Unlisted investments						
Balance brought forward	**4,875**	**-**	**4,875**	7,391	3,004	10,395
Disposal	**-**	**-**	**-**	-	(3,004)	(3,004)
	4,875	**-**	**4,875**	7,391	-	7,391
Unrealised loss	**(157)**	**-**	**(157)**	(2,516)	-	(2,516)
B	**4,718**	**-**	**4,718**	4,875	-	4,875
Total investments (A+B)	**4,718**	**354**	**5,072**	**4,875**	1,875	6,750

15. Receivables

	Group 2014 £'000	***Company 2014 £'000***	*Group 2013 £'000*	*Company 2013 £'000*
Other receivable	**-**	**1**	-	-
	-	**1**	-	-

Other receivables are short-term and their carrying values are considered to be a reasonable approximation of their fair value.

16. Cash and cash equivalents

	Group 2014 £'000	***Company 2014 £'000***	*Group 2013 £'000*	*Company 2013 £'000*
Cash in current accounts	**2,100**	**1,205**	1,472	815
	2,100	**1,205**	1,472	815

17. Payables

	Group 2014 £'000	***Company 2014 £'000***	*Group 2013 £'000*	*Company 2013 £'000*
Trade and other payables	**95**	**51**	123	77
	95	**51**	123	77

All trade and other payables are short-term and their carrying values are considered to be a reasonable approximation of their fair value.

18. Share capital

	2014 Number of shares	**2014** £'000	2013 Number of shares	2013 £'000
Authorised ordinary shares of 1p each	**300,000,000**	**3,000**	300,000,000	3,000
Issued and fully paid ordinary shares of 1p each - beginning of year	**24,662,511**	**246**	47,739,411	477
Buy-back of ordinary 1p shares*	**(4,545,454)**	**(45)**	(23,076,900)	(231)
	20,117,057	**201**	24,662,511	246

*On 14 July 2014, the Company bought back and cancelled a total of 4,545,454 ordinary shares at a price of 22p per share (2013: bought back and cancelled 23,076,900 ordinary shares at a price of 39p). The cancellation of share capital is reflected in the share capital and distributable capital reserve accounts in the Company and consolidated statement of change in equity.

The Company's share capital comprises ordinary shares. Rights attached to ordinary shares include the right to vote at the Company's meetings of shareholders including the AGM and to receive future dividends.

19. Loss and net asset value per share

	2014	*2013*
Loss attributable to ordinary shareholders	**£(22,885)**	£(3,858,805)
Issued ordinary shares - beginning of year	**24,662,511**	47,739,411
Buy-back of shares	**(4,545,454)**	(23,076,900)
Issued ordinary shares outstanding at the end of the year	**20,117,057**	24,662,511
Weighted average number of shares outstanding	**24,064,753**	38,255,753
Loss per share (basic and diluted)	**(0.1p)**	(10p)
Net asset value per share (statutory)	£**0.35**	£0.33
Total statutory net assets value as at year end	**£7,104,022**	£8,126,907

There were no options in issue to dilute the earnings per share as at 31 August 2014.

20. Financial assets and liabilities

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of financial assets and liabilities:

Financial assets

	Notes	***Group 2014 £'000***	***Company 2014 £'000***	*Group 2013 £'000*	*Company 2013 £'000*
Investments at fair value through profit or loss *(designated as fair value through profit or loss)*	14	**5,072**	**-**	6,750	-
Loans and receivables					
• Loan to subsidiaries	13	**-**	**5,150**	-	5,047
• Receivables	15	**-**	**1**	-	-
• Cash and cash equivalents	16	**2,100**	**1,205**	1,472	815
		7,172	**6,356**	8,222	5,862

The loan given to subsidiaries classified as non-current has not been discounted to its present value, as the repayment period is not determinable.

The above loans and receivables do not carry any interest income and management considers the fair values to be not materially different from the carrying amounts recognised in the statement of financial position.

Financial liabilities

	Notes	**Group 2014 £'000**	**Company 2014 £'000**	*Group 2013 £'000*	*Company 2013 £'000*
Financial liabilities measured at amortised cost					
Payables	17	**95**	**51**	123	77
		95	**51**	123	77

None of the financial liabilities are interest bearing. Management considers the fair values to be not materially different from the carrying amounts recognised in the statement of financial position as they are expected to be settled within the next one year.

The accounting policies for each category of financial instruments are provided in note 4.10. Information relating to fair values is presented in the related notes. The methods used to determine the fair values are described in note 23. A description of the Group's financial instruments risks, including risk management objectives and policies is given in note 22.

21. Related party transactions

21.1 Related parties

(a) Key Management Personnel ("KMP")

Names of Directors

Vikram Lall

Gaurav Burman (Date of resignation 26 February 2014)

Francis Anthony Hancock

Elizabeth Tansell

(b) Entities controlled by KMP with whom transactions have taken place during the year:

Elephant Capital LLP

Chamberlain Fund Services Limited (novated to SMP Fund Services Limited on 29 November 2013)

Elephant India Finance Private Limited

Elephant India Limited

(c) Associates with whom transactions have taken place during the year:

Global Cricket Ventures Limited ("GCV")

21.2 The transactions with related parties and balances as at the year-end are summarised below:

(a) Key Management Personnel ("KMP")

Compensation paid to the Company's Board of Directors is disclosed in note 10. It comprises of Director fees only and there are no post-employment benefits payable to any of the Directors of the Company.

The following amounts were paid on account of Director's fees during each of the years reported:

Nature of transaction	***Amount***		***Debit/(credit) balance*** *(unsecured)*	
	Year ended 31 August 2014 £'000	*Year ended 31 August 2013 £'000*	***As at 31 August 2014 £'000***	*As at 31 August 2013 £'000*
Directors' fee	**81**	114	**(10)**	(24)

(b) Transactions made during the year with related parties other than those with key managerial personnel are as follows:

Nature of transaction	***Amount***		***Debit/(credit) balance*** *(unsecured)*	
	Year ended 31 August 2014 £'000	*Year ended 31 August 2013 £'000*	***As at 31 August 2014 £'000***	*As at 31 August 2013 £'000*
(i) Management fees:*				
- Paid to Elephant Capital LLP	**82**	170	**-**	-
- Paid to Elephant India Limited	**130**	270	**-**	-
- Received from Elephant India Finance Private Limited	**51**	126	**-**	-
(ii) Other transactions:				
- Registrar and administration charges paid to Chamberlain Fund Services Limited	**3**	17	**-**	(1)
- Service fee from GCV	**61**	64	**(10)**	(11)
- Paid to Elephant Capital LLP	**51**	126	**-**	-

* Payments to Elephant Capital LLP and Elephant India Limited are paid out of the management fee referred in note 9.

22. Risk management objectives and policies

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised in note 20. The main types of risks are market risk, credit risk and liquidity risk.

The Group's risk management is co-ordinated at its headquarters, in close co-operation with the Board of Directors, and focuses actively on minimising the volatility due to its exposure to financial markets and managing long-term financial investments to generate lasting returns.

The Group is exposed to market risk through its use of financial instruments and specifically to currency risk, and certain other price risks, which result from both its operating and investing activities.

Market risk

Market risk embodies the potential for both losses and gains and includes currency risk, and price risk. The Group's strategy on the management of market risk is driven by its investment objective, as outlined in the Investment Manager's review. The Group invests in a range of investments, including quoted and unquoted equity securities in a range of sectors. The Board monitors the Group's investment exposure against internal guidelines specifying the proportion of total assets that may be invested in various sectors.

Currency risk

The Group's portfolio comprises predominantly Indian rupee ("INR") denominated investments along with certain unquoted investments denominated in United States dollars ("USD") as well. But the reported net asset value is denominated in pounds sterling ("GBP"). Any depreciation in

INR or USD could have an adverse impact on the performance of the Group. The Group does not enter into any derivative contracts for hedging of INR or USD exposure.

For the Company's financial statements, all the assets and liabilities are predominantly denominated in GBP which is the functional currency of the Company and there are no significant currency risks existing in the Company statement of financial position.

For the Group net short-term exposure in GBP equivalents of foreign currency denominated financial assets and liabilities at each reporting date is as follows:

	£'000	***£'000***
Functional currency	**GBP**	**GBP**
Foreign currency	**INR**	**USD**
31 August 2014		
Financial assets	**4,620**	**855**
Financial liabilities	**-**	**34**
Net short -term exposure	**4,620**	**821**
31 August 2013		
Financial assets	6,168	600
Financial liabilities	-	32
Net short-term exposure	6,168	568

As at 31 August 2014, if INR or USD had weakened by 1% (31 August 2013: 1%) against GBP with all other variables held constant, the loss for the year would have been higher and equity would have been lower as follows:

	£'000	***£'000***	***£'000***
Functional currency	**GBP**	**GBP**	**Total**
Foreign currency	**INR**	**USD**	
31 August 2014	**46**	**8**	**54**
31 August 2013	62	6	68

The volatility is mainly as a result of foreign exchange losses on translation of INR and USD denominated financial assets designated at fair value through profit or loss.

If the functional currency had strengthened with respect to the various foreign currencies, there would be an equal and opposite impact on loss and equity for each year.

Price risk

Price risk is a risk that the value of an instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market. As the majority of the Company's financial instruments are carried at fair value with fair value changes recognised through the profit or loss account, all changes in the market conditions will directly affect net investment income.

Price risk is mitigated by constructing a diversified portfolio of instruments and direct involvement in the management of the investment portfolio. Further, the Company does not invest more than 25% of its net asset value in any single investment.

For the listed equity securities, the volatility figure of 1% is considered to be a suitable basis for estimating how profit or loss and equity would have been affected by changes in market risk that were reasonably possible at the reporting date. If the quoted stock price for these securities increased or decreased by the percentage of volatility, the investment value would have changed by GBP 3 thousand (31 August 2013: GBP 19 thousand). The listed securities are classified as investments at fair value through profit or loss.

The Group's sensitivity to price risk with regards to its investments in unlisted entities, including Global Cricket Ventures Limited (Mauritius), Amar Chitra Katha Private Limited and Air Works India (Engineering) Private Limited, cannot be determined because the securities are not marketable. The fair values at the reporting date have been determined in accordance with the guidance provided in International Private Equity and Venture Capital guidelines and IAS 39 (refer to note 23).

In the Company statement of financial position, there are no financial assets whose value is dependent on movement in market prices and thus, no price risk is seen in the Company's financial statements.

Credit risk

Credit risk is the risk that the counterparty fails to discharge an obligation to the Group. The Group's cash, cash equivalents and receivables are actively monitored to avoid significant concentrations of credit risk. The credit risk for cash and cash equivalents is considered negligible, since the Group transacts with reputable banks. The recoverability of debts from investee companies is monitored by Directors during Board meetings and by review of management accounts.

There was a loan given by Elephant Capital plc to Elephant Capital LP, which was further given to Tusk Investments 1 Limited and Tusk Investments 2 Limited for investing in unlisted/listed entities. As of 31 August, 2014 the cumulative impairment of GBP 13,846 thousand (31 August 2013: GBP 13,949 thousand) has been recorded as a consequence of the decline in the value of investments made by the Group subsidiaries. Apart from this, the management considers the credit quality of all other financial assets to be good in the Company's and consolidated financial statements and, thus, these are not impaired.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The responsibility for liquidity risk management rests with the Board of Directors who also monitor the short, medium and long-term funding and liquidity management requirements.

As at the reporting date, the Group's and Company's liabilities having contractual maturities (including interest payments where applicable), represented by way of "Trade and other payables", are GBP 95 thousand (31 August 2013: GBP 123 thousand) and GBP 51 thousand (31 August 2013: 77 thousand) respectively. These are expected to be settled within one year.

23. Levels of hierarchy

In accordance with the disclosure requirements of IFRS 13, the following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable input).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement. The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

31 August 2014	*Note*	***Level 1 £'000***	***Level 2 £'000***	***Level 3 £'000***	***Total £'000***
Assets:					
Listed securities	14	**354**	**-**	**-**	**354**
Unlisted securities	14	**-**	**-**	**4,718**	**4,718**
Total		**354**	**-**	**4,718**	**5,072**
Liabilities		-	-	-	-
Net fair value		**354**	**-**	**4718**	**5072**

31 August 2013	*Note*	*Level 1 £'000*	*Level 2 £'000*	*Level 3 £'000*	*Total £'000*
Assets:					
Listed securities	14	1,875	-	-	1,875
Unlisted securities	14	-	-	4,875	4,875
Total		1,875	-	4,875	6,750
Liabilities		-	-	-	-
Net fair value		1,875	-	4,875	6,750

Measurement of fair value

The Group's Investment Manager performs valuations of financial items for financial reporting purposes, including Level 3 fair values, in consultation with third party valuation specialists for complex valuations. The methods and valuation techniques used for the purpose of measuring fair values are given below:

(a) Listed securities:

The quoted investments are denominated in Indian rupees and are publicly traded on the NSE and BSE in India and the value of such quoted investment has been determined using the closing bid market prices on the NSE as at the reporting date.

(b) Unlisted securities:

The fair value of the unquoted investments has been determined using appropriate methodology in accordance with International Private Equity and Venture Capital Guidelines and guidance provided in IAS 39.

(i) Global Cricket Ventures ("GCV") – As at 31 August 2014, the Group held a 45.56% equity stake in Global Cricket Ventures Limited (Mauritius) which had been acquired for GBP 5,949 thousand. The value of this investment as on 31 August 2014 has been determined on the basis of best estimate of net assets of GCV attributable to Elephant Capital's shareholding.

(ii) Obopay - Pursuant to the execution of an Agreement and Plan of Merger of OBP Investments, OBP Investments, Inc., stakeholders representative with Obopay Inc. (Obopay), the capital stock of Obopay (except series G Preferred stock) issued and outstanding immediately (including Elephant Capital's holding in series C and Series D preferred stock) prior to the merger was cancelled and extinguished without any conversion thereof and no payment or distribution was made. Therefore the holding of Elephant Capital in Series C and D preferred stock was valued at nil as at 31 August 2013 and the same basis of valuation has been followed for 31 August 2014.

(iii) Amar Chitra Katha ("ACK") - As at 31 August 2014, the Group held a 20.06% equity stake in Amar Chitra Katha (P) Ltd. at a total cost of GBP 4,085 thousand. The investment has been valued based on the "discounted cash flows of the projected future earnings of underlying businesses". The key assumptions used in the valuation of the investment as at 31 August 2014 are as follows:

Weighted average cost of capital	14.03%
Long-term growth rate	6.00%
Discount for lack of marketability	15.00%

(iv) Air Works - As at 31 August 2014, the Group held an aggregate 4.45% (fully diluted basis) stake in Air Works India (Engineering) Private Ltd. at a total cost of GBP 2,922 thousand. The investment has been valued on the "discounted cash flows of the projected future earnings of underlying business". The key assumptions used in the valuation of the investment as at 31 August 2014 are as follows:

Weighted average cost of capital	15.74%
Long-term growth rate	5.00%
Discount for lack of marketability	15.00%

There have been no transfers between Levels 1 and 3 during the reporting period. Further, there have been no transfers into Level 3 during the current reporting period.

The financial instruments within this level can be reconciled from beginning to ending balances as follows:

Particulars	***2014***	*2013*
	£'000	*£'000*
Opening balance	**4,875**	10,39 5
Sale	**-**	(3,004)
Unrealised losses	**(157)**	(2,516)
Closing balance	**4,718**	4,875

Losses on fair valuation are shown under the heading "Net profit/(losses) on financial assets at fair value through profit or loss".

For the investments, Amar Chitra Katha and Air Works which are valued using the discounted cash flows methodology and are classified as Level 3 at the reporting date, the Company adjusted the discount rate and growth rate assumptions within a range of reasonably possible alternatives. The extent of the adjustment varied according to the characteristics of each security. For results of the sensitivity analysis, refer to the table below:

Particulars	***2014***	*2013*
	£'000	*£'000*
Change by +50 basis points		
Weighted average cost of capital	**(247)**	(289)
Long-term growth rate	**230**	281
Change by -50 basis points		
Weighted average cost of capital	**274**	326
Long-term growth rate	**(207)**	(249)

Besides the above there are other unobservable inputs for cash flow projections. Significant increases/(decreases) in any of those inputs in isolation would result in a significantly lower/(higher) fair value measurement.

For the remaining investments classified as Level 3, due to the absence of any reasonably possible alternative assumptions for these investments, a sensitivity analysis has not been performed.

24. Capital management policies and procedures

The Group's capital management objectives are:

(i) to ensure the Group's ability to continue as a going concern; and

(ii) to provide an adequate return to shareholders by investing in opportunities that are established or operating primarily in India and where there is a high quality, well proven management team in place.

The Group invests in both private and public businesses and across the small, mid and large-cap range of companies and actively manages a concentrated portfolio of investments. It manages its affairs to generate shareholder returns primarily through capital growth, and monitors the achievement of this through growth in net asset value per share. The capital structure of the Group represents only shareholders' funds in the form of share capital, share premium and reserves. The Group does not have any external debt. The Group is not subject to externally imposed capital requirements.

The Group	***2014***	*2013*
	£'000	*£'000*
Total equity	**7,104**	8,126
Total debts	**-**	-
Overall financing	**7,104**	8,126

24. Events after the reporting date

(i) Nitco Ltd. ("Nitco") -Post year end, the Group sold 834 thousand shares of Nitco for an aggregate consideration of GBP 207 thousand. The sale resulted in an overall loss of GBP 393 thousand (being the excess of original cost of GBP 600 thousand over the sale proceeds of GBP 207 thousand).

The amount of gain after the reporting date is GBP 46 thousand (being the excess of sale proceeds of GBP 207 thousand over the fair value of GBP 161 thousand as on 31 August 2014). Subsequent to disposal, the Group's aggregate holding in Nitco is 1,004 thousand shares.

(ii) Subsequent to the year end, there has been an increase in the value of the Group's listed investment, due to a gain in stock price of Nitco and favourable exchange rate movements. This has decreased the Company's unrealised losses by GBP 43 thousand.

Investment	*Value at 31 August 2014*	*(Sales)*	*Profit*	***Value at 2 February 2015***
	£'000	*£'000*	*£'000*	*£'000*
Nitco Limited	354	(161)	43	**236**
	354	(161)	43	**236**

26. Segmental information

The Directors have considered the provisions of IFRS 8 in relation to segmental reporting and concluded that the Group's activities form a single segment under the standard. From a geographical perspective, the Group's substantial investments are mostly focused in India. Equally, in relation to business segmentation, the Group's investments are predominantly in the small and mid-cap businesses and it is considered that, the risks and rewards are not materially different whether the investments are listed or unlisted. However, an analysis of the investments between listed and unlisted investments is provided in note 14.

There are no material reconciling items between the information reported to the Board of Directors, considered as Chief Operating Decision Maker, and that presented in the financial statements.

27. Ultimate controlling party

The Directors are of the opinion that there is no ultimate controlling party.