SMARTX SERVICES LIMITED
Statutory Audit for the period from
September 21, 2015 to March 31, 2016
INDEPENDENT AUDITOR’S REPORT

To the Members of Smartx Services Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Smartx Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, Statement of Profit and Loss and Cash Flow Statement for the period from September 21, 2015 to March 31, 2016 and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company’s preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes
evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company’s Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its profit, and its cash flows for the period ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W

per Vineet Kedia
Partner
Membership Number: 212230
Place of Signature: Gurgaon
Date: April 26, 2016
Annexure 1 referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date

Re: Smartx Services Limited ("the Company")

(i) The Company did not have any fixed asset during the period. Accordingly, Clauses 3(i) (a), (b) and (c) of the order pertaining to records maintained for fixed assets, physical verification of fixed assets and title deeds of immovable property respectively are not applicable to the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits from the public.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax and other material statutory dues applicable to it. The provision related to provident fund, sales-tax, service tax, customs duty, excise duty, value added tax, employee's state insurance and cess are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax and material statutory dues were outstanding, at the period end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income tax, which have not been deposited on account of any dispute.
(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders or government.

(ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the period.

(xi) According to the information and explanations given by the management, the company has not paid/provided managerial remuneration. Therefore, provisions of clause 3(xi) of the order are not applicable to the company and hence not commented upon.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W

per Vineet Kedia
Partner
Membership Number: 212230

Place: Gurgaon
Date: April 26, 2016
ANNEXURE 2 TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE
FINANCIAL STATEMENTS OF SMARTX SERVICES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section
143 of the Companies Act, 2013 ("the Act")

To the Members of Smartx Services Limited

We have audited the internal financial controls over financial reporting of Smartx
Services Limited ("the Company") as of March 31, 2016 in conjunction with our audit of
the financial statements of the Company for the period ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal
financial controls based on the internal control over financial reporting criteria
established by the Company considering the essential components of internal control
stated in the Guidance Note on Audit of Internal Financial Controls Over Financial
Reporting issued by the Institute of Chartered Accountants of India. These
responsibilities include the design, implementation and maintenance of adequate
internal financial controls that were operating effectively for ensuring the orderly and
efficient conduct of its business, including adherence to the Company’s policies, the
safeguarding of its assets, the prevention and detection of frauds and errors, the
accuracy and completeness of the accounting records, and the timely preparation of
reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls
over financial reporting based on our audit. We conducted our audit in accordance with
the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the
"Guidance Note") and the Standards on Auditing as specified under section 143(10) of
the Companies Act, 2013, to the extent applicable to an audit of internal financial
controls, both applicable to an audit of Internal Financial Controls and, both issued by
the Institute of Chartered Accountants of India. Those Standards and the Guidance Note
require that we comply with ethical requirements and plan and perform the audit to
obtain reasonable assurance about whether adequate internal financial controls over
financial reporting was established and maintained and if such controls operated
effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy
of the internal financial controls system over financial reporting and their operating
effectiveness. Our audit of internal financial controls over financial reporting included
obtaining an understanding of internal financial controls over financial reporting,
assessing the risk that a material weakness exists, and testing and evaluating the
design and operating effectiveness of internal control based on the assessed risk. The
procedures selected depend on the auditor’s judgement, including the assessment of
the risks of material misstatement of the financial statements, whether due to fraud or
error.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W

per Vîneet Kedia
Partner
Membership Number: 212230
Place: Gurgaon
Date: April 26, 2016
SMARTX SERVICES LIMITED

Prepared under IGAAP

Standalone Financial Statements

For the period from September 21, 2015 to March 31, 2016
Smartenx Services Limited
Balance sheet as at March 31, 2016

<table>
<thead>
<tr>
<th>EQUITY AND LIABILITIES</th>
<th>Notes</th>
<th>As at March 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders’ funds</td>
<td>3</td>
<td>30,000</td>
</tr>
<tr>
<td>Share capital</td>
<td>4</td>
<td>71</td>
</tr>
<tr>
<td>Reserves and surplus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>5</td>
<td>173</td>
</tr>
<tr>
<td>Long-term provisions</td>
<td></td>
<td>173</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>6</td>
<td>165</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td></td>
<td>165</td>
</tr>
<tr>
<td>Total equity and liabilities</td>
<td></td>
<td>30,409</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td>13</td>
<td>180</td>
</tr>
<tr>
<td>Deferred tax assets (net)</td>
<td></td>
<td>180</td>
</tr>
<tr>
<td>Current assets</td>
<td>7</td>
<td>30,157</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td></td>
<td>72</td>
</tr>
<tr>
<td>Other current assets</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Total assets</td>
<td></td>
<td>30,409</td>
</tr>
</tbody>
</table>

Summary of significant accounting policies
The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Firm registration number: 101049W
Chartered Accountants

For and on behalf of the board

D S Rawat
Director

Pankaj Migliani
Director

Place: Gurgaon
Date: April 26, 2016
Smartx Services Limited

Statement of Profit and Loss for period September 21, 2015 to March 31, 2016

<table>
<thead>
<tr>
<th>(₹ Thousand, except per share data)</th>
<th>Notes</th>
<th>From September 21, 2015 to March 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other income</td>
<td>9</td>
<td>903</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits expenses</td>
<td>10</td>
<td>50</td>
</tr>
<tr>
<td>Other expenses</td>
<td>11</td>
<td>698</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td></td>
<td>155</td>
</tr>
<tr>
<td><strong>Tax expense</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current tax</td>
<td></td>
<td>264</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>13</td>
<td>(180)</td>
</tr>
<tr>
<td>Total tax expense</td>
<td></td>
<td>84</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td></td>
<td>71</td>
</tr>
<tr>
<td><strong>Earnings per equity share (nominal value of share ₹ 10 each)</strong></td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Basic (in ₹)</td>
<td></td>
<td>0.02</td>
</tr>
<tr>
<td>Diluted (in ₹)</td>
<td></td>
<td>0.02</td>
</tr>
</tbody>
</table>

Summary of significant accounting policies
The accompanying notes are an integral part of the financial statements

As per our report of even date
For S.R. Baliboi & Associates LLP
Firm registration number: 101049W
Chartered Accountants

per Vineet Kedia
Partner
Membership No: 212230

For and on behalf of the board

D S Rawat
Director

Pankaj Puglani
Director

Place: Gurgaon
Date: April 26, 2016
Smartx Services Limited

Cash Flow Statement for the period from September 21, 2015 to March 31, 2016

<table>
<thead>
<tr>
<th>((\text{\textcurren}}) Thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
</tr>
<tr>
<td>Profit before taxation</td>
</tr>
<tr>
<td><strong>Adjustments for</strong></td>
</tr>
<tr>
<td>Interest income</td>
</tr>
<tr>
<td><strong>Operating (loss) before changes in assets and liabilities</strong></td>
</tr>
<tr>
<td>Increase in short-term provisions</td>
</tr>
<tr>
<td>Cash generated (used in) operations</td>
</tr>
<tr>
<td><strong>Income tax paid (net of advance tax)</strong></td>
</tr>
<tr>
<td>Net cash flow (used in) operating activities (A)</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
</tr>
<tr>
<td>Interest received</td>
</tr>
<tr>
<td><strong>Net cash flow from investing activities (B)</strong></td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
</tr>
<tr>
<td>Proceeds from issue of shares</td>
</tr>
<tr>
<td><strong>Net cash flow from financing activities (C)</strong></td>
</tr>
<tr>
<td><strong>Net increase in cash and cash equivalents during the year (A+B+C)</strong></td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the period</td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of the year (refer note 8)</td>
</tr>
</tbody>
</table>

Components of cash and bank balances
Cash and cash equivalents
Balance with scheduled banks:
Current account | 957 |
Fixed deposits with maturity less than three months | 29,200 |
Total cash and cash equivalents | 30,157 |
Total cash and bank balances | 30,157 |

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

Notes:
1. The above cash flow statement has been prepared under the Indirect method set out in Accounting Standard-3 "Cash Flow Statements" notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.
2. Figures in brackets indicate cash outflow.

As per our report of even date

For S.R. Batilibo & Associates LLP
Firm registration number: 101049W
Chartered Accountants

per Vineet Kedia
Partner
Membership No: 212230

For and on behalf of the board

D S Rawat
Director

Pankaj Madhani
Director

Place: Gurgaon
Date: April 26, 2016
Smartx Services Limited

Notes to the financial statements

1. Corporate Information

Smartx Services Limited (‘the Company’ or ‘Smartx’) was incorporated on September 21, 2015 as wholly owned subsidiary of Bharti Infratel Limited with the object of transmission through Optic Fibre Cables and setting up Wi-Fi hotspots for providing services to telecom operators and others on sharing basis. The Registered office of the Company is situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110070.

The Company has not commenced the business as at period end.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis.

2.1 Summary of significant accounting policies

a. Use of estimates

The preparation of the financial statements is in conformity with generally accepted accounting principles (Indian GAAP) and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates.

b. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

c. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

d. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required.
to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

e. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

f. Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

g. Taxes

Tax expense comprises current and deferred tax.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.
3. Share capital

(\text{\textcurrency} thousand)

\text{As at March 31, 2016}

\text{Authorized Shares}
5,000,000 equity shares of \text{\textcurrency} 10 each \hfill 50,000

\text{Issued, subscribed and fully paid-up shares}
3,000,000 equity shares of \text{\textcurrency} 10 each fully paid-up \hfill 30,000

\text{\text{30,000}}

\text{a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:}

\begin{center}
\begin{tabular}{lrr}
\hline
\text{As at} & \text{\textcurrency Thousand} \\
\text{March 31, 2016} & \\
\hline
\text{No.} & \\
\text{At the beginning of the period} & - & - \\
\text{Issued during the period} & 3,000,000 & 30,000 \\
\hline
\text{Outstanding at the end of the period} & 3,000,000 & 30,000 \\
\hline
\end{tabular}
\end{center}

\text{b. Terms/ rights attached to equity shares}

The Company has only one class of equity shares having par value of \text{\textcurrency} 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Shares held by holding company:

\begin{center}
\begin{tabular}{lrr}
\hline
\text{As at March 31, 2016} & \\
\hline
\text{No.} & \text{\textcurrency Thousand} \\
\text{Bharti Infratel Limited} & 3,000,000 & 30,000 \\
\hline
\end{tabular}
\end{center}

d. Details of shareholders holding more than 5\% shares in the Company:

\begin{center}
\begin{tabular}{lrr}
\hline
\text{As at} & \text{\text{\% holding}} \\
\text{March 31, 2016} & \\
\hline
\text{No.} & \\
\text{Equity shares of \text{\textcurrency} 10 each fully paid} & \\
\text{Bharti Infratel Limited} & 3,000,000 & 100\% \\
\hline
\end{tabular}
\end{center}

4. Reserves and surplus

(\text{\textcurrency thousand})

\text{As at March 31, 2016}

\text{Surplus in the statement of profit and loss}
\text{Opening balance} \hfill - \\
\text{Profit for the period} \hfill 71 \\
\text{Net surplus in the statement of profit and Loss} \hfill 71 \\
\text{Total reserves and surplus} \hfill 71
5. Long Term Provisions

(£ Thousand)
As at March 31, 2016

Provision for tax (net of advance tax)
173

173

6. Other Current Liabilities

(£ Thousand)
As at March 31, 2016

Accrued expenses
165

165

7. Cash and bank balances

(£ Thousand)
As at March 31, 2016

Cash and cash equivalents
Balances with banks on current accounts
957
Fixed deposits less than three months
29,200

30,157

8. Other current assets

(£ Thousand)
As at March 31, 2016

Unsecured, considered good unless otherwise stated
Interest accrued
72

72

9. Other income

(£ Thousand)
For the period From September 21, 2015 to March 31, 2016

Interest income on:
- Bank deposits
903

903
10. Employee benefits expenses

(₹ Thousand)
For the period
From September 21, 2015 to March 31, 2016

Salaries, wages and bonus 50

11. Other expenses

(₹ Thousand)
For the period
From September 21, 2015 to March 31, 2016

Legal and professional 57
Miscellaneous expenses
- Network 75
- Others (preliminary expenses) 566

Payment to auditor:

Audit fees* 50

12. Earnings per share (EPS)

(₹ Thousand)
(except per share data)
For the period
From September 21, 2015 to March 31, 2016

Particulars
Nominal value of equity shares (₹) 10
Profit attributable to equity shareholders for computing Basic and Dilute EPS (in thousand) (A) 71
Weighted average number of equity shares outstanding during the period for Basic and Dilute EPS (B) 3,000,000

Basic and Diluted earnings per share (A/B) 0.02

13. Deferred tax asset

(₹ Thousand)
As at March 31, 2016

Deferred tax asset
Expenses allowed as deduction under Sec 35D of Income Tax Act in future years 180

Gross deferred tax asset ₹ 180
Net deferred tax asset ₹ 180
14. Related Party Disclosures

In accordance with the requirements of Accounting Standard (AS) - 18 on Related Party Disclosures, the names of the related parties where control exists and/ or with whom transactions have taken place during the period and description of relationships, as identified and certified by the management are:

<table>
<thead>
<tr>
<th>Name of the Related Party</th>
<th>Relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bharti Infratel Limited</td>
<td>Holding Company</td>
</tr>
<tr>
<td>Bharti Airtel Limited</td>
<td>Ultimate Holding Company</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of the Related Party</th>
<th>Nature of Transaction</th>
<th>From September 21, 2015 to March 31, 2016 (₹ Thousand)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bharti Infratel Limited</td>
<td>Transactions during the period:</td>
<td>-</td>
</tr>
<tr>
<td>Bharti Infratel Limited</td>
<td>Procurement of services</td>
<td>30,000</td>
</tr>
<tr>
<td></td>
<td>Issue of Shares</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Outstanding at the end of the period:</td>
<td>Nill</td>
</tr>
</tbody>
</table>

15. Dues to micro and small enterprises as defined under the MSMED Act, 2006

Dues to micro and small enterprises as at March 31, 2016 are Nil.

16. Contingent Liabilities & Capital Commitments

Contingent liabilities and capital commitments as at March 31, 2016 are Nil.

17. Since the Company has been incorporated in the current year, presentation of comparative information is not applicable to these financial statements.