

CERTIFICATE OF ACCURACY

It is hereby declared that the translation of the enclosed document from French to English language has been translated by a qualified translator and is, to the best of our knowledge and ability, a true and accurate translation of the corresponding original document.

Signed,

For All Translation Services Pvt. Ltd.


Authorised Signatory



Pawan Bahuguna

Bharti Airtel (France) S.A.S

Financial year ending on 31st March 2016

Auditor's report on the annual accounts



Ernst & Young and others
Immeuble Le Calypso
Quartier Euromed
48, quai du Lazaret
13002 Marseille

Tel: +33 (0) 4 91 23 98 00
www.ey.com/fr

Bharti Airtel (France) S.A.S

Financial year ending on 31st March 2016

Auditor's report on the annual accounts

To the sole partner of,

In accordance with our appointment as Statutory Auditors by your General Meeting, we hereby present our report to you for the financial year ended on 31st March 2016 on:

- The audit of the annual financial statements of the company Bharti Airtel (France) S.A.S., as attached to this report;
- The justification of our assessment;
- The specific verifications and information required by the law.

The annual financial statements were approved by the President. It is our duty, on the basis of our audit, to express an opinion on the financial statements.

I. Opinion concerning the annual financial statements

We carried out our audit in accordance with the professional standards applicable in France, which require steps making it possible to obtain a reasonable assurance that the annual financial statements do not include any significant anomalies. An audit consists in examining, by sampling, the decisive elements justifying the amounts and information contained in the said financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We consider that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion.

We certify that the consolidated financial statements are a faithful presentation of the assets, the financial position and the results of all of the companies within the scope of consolidation at the end of this financial year in accordance with French accounting rules and principles.

II. Justification for our assessments

In accordance with the requirements of Article L.832-9 of the French Commercial Code relating to the justification of our assessments, we draw your attention to the matters that we reviewed the impairment testing method as well as the cash flow projections and assumptions used for the tests and the reasonableness of the significant estimates and the presentation of all the accounts.

Thus the assessments made in this way fall within the framework of our auditing approach to the annual financial statements, taken as a whole, and hence contributed to formation of our opinion without reservations, expressed in the first part of the present report.

III. Specific verifications and information

We have also, in conformity with professional standards applicable in France, made specific verifications required by the laws in force.

We have no comment to make concerning the sincerity and the agreement with the annual accounts of the information provided within the report on the management of the Board of Directors and within the documents addressed to shareholders, concerning the financial situation and the annual accounts.

Marseille, date 22 September 2016

Statutory Auditors

ERNST & YOUNG and Others

SASU BHARTI AIRTEL FRANCE

CHEZ REGUS 88 TER AVENUE DU
GENERAL LECLERC
92100 BOULOGNE BILLANCOURT

ANNAUL ACCOUNTS
Year ended on 31.03.16

BHARTI AIRTEL FRANCE CHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

BHARTI AIRTEL FRANCE

Balance sheet

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

Balance sheet Presented in Euros

ASSET	Financial year closed on			Previous fiscal year 31/03/2015 (12 months)	Variation
	31/03/2016 (12 months)				
	Gross	Amort. prov.	Net	Net	
Subscribed non-paid capital (0)					
<i>Capital asset</i>					
Installation cost					
Research and Development					
Franchises, patents, and similar rights					
Goodwill					
Other intangible assets					
Advance and payments on intangible assets					
Land					
Constructions					
Technical installations, industrial equipments and tools	6 382 028	1 527 331	4 854 697	3 030 607	1 824 090
Other tangible fixed assets					
Assets under construction					
Advances and deposits					
Equity interests valued on an equity basis					
Other equity interests					
Receivables from participations					
Other fixed investments					
Loans					
Other financial fixed assets					
TOTAL (1)	6 382 028	1 527 331	4 854 697	3 030 607	1 824 090

<i>Trading assets</i>					
Raw materials, procurement supplies					
Work-in progress goods					
Work-in progress of services and production					
Intermediate and finished goods					
Goods					
Advances and prepayments on orders	1 269		1 269		1 269
Trade accounts receivable	701 027	106 111	594 916	202 187	392 729
Other receivables					
. Receivables from suppliers					
. Personnel					
. Social Organizations					
. State income tax				56 966	- 56 966
. State Taxes on sales	54 326		54 326	18 653	35 673
. Others				8 218	- 8 218
Subscribed capital called but unpaid					
Investments in transferable securities					
Assets	892 424		892 424	646 714	245 710
Cash instruments					
Expenses paid in advance	106 606		106 606	134 189	- 27 583
TOTAL (II)	1 755 653	106111	1 649 542	1 066 927	582 615
Expenses distributed for several fiscal periods (III)					
Bond redemption premium (IV)					
Conversion differences - assets (V)					
TOTAL ASSET (0 to V)	8 137 682	1 633 443	6 504 239	4 097 534	2 406 705

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

Balance sheet (continued)

LIABILITY	Financial year closed on 31/03/2016 (12 months)	Previous fiscal year 31/03/2015 (12 months)	Variation
<i>Own capitals</i>			
Personal or legal capital (including actual payments: 10,000)	10 000	10 000	
Premium contribution, issuance, merger			
Revaluation deviations			
Legal reserve	1 000	1 000	
Statutory, contractual reserves			
Regulated reserves			
Other reserves			
Balance brought forward	764 917	432 897	332 020
Income of the financial year	674 921	332 020	342 901
Investment grants			
Regulated provisions			
Income of the previous financial year to be allocated			
TOTAL (I)	1 450 838	775 917	674 921
Proceeds from issues of participating securities			
Contingent advances			
TOTAL (II)			
<i>Provisions for risks and charges</i>			
Provisions for the risks	49	49	
Provisions for expenses	33 255	33 255	

TOTAL (III)	33 304	33 304	
<i>Sundry borrowings</i>			
Convertible debenture loans			
Other debenture loans			
Loans and other borrowings from credit institutions			
. Loans			
. Overdrafts, banking loans	1 269	1 478	- 209
Sundry borrowings and financial debts			
. Others			
. Associated	1 909 057	1 688 074	220 983
Advances and prepayments received on the current orders	393	8 123	- 7 730
Debts to suppliers and related accounts	1 528 760	845 469	683 291
Fiscal and social debts			
. Personnel	39 912	24 980	14 932
. Social Organizations	6 939	3 025	3 914
. State income tax	141 272		141 272
. State Taxes on sales	1 067	1 107	- 40
. State, tax payment bonds			
. Other taxes, duties and other similar levies			
Amounts payable on fixed assets and related accounts	745 312	139 006	606 306
Other debts	4 592		4 592
Cash instruments			
Unearned income	641 524	569 746	71 778
TOTAL (IV)	5 020 097	3 281 008	1 739 089
Conversion differences - liabilities (V)		7 305	- 7 305
TOTAL	6 504 239	4 097 534	2 406 705
LIABILITY (1 to V)			

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

BHARTI AIRTEL FRANCE

Profit and loss account

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

Profit and loss account

Presented in Euros

	Financial year closed on	Previous fiscal year	Absolute variation	%
	31/03/2016 (12 months)	31/03/2015 (12 months)		

	France	Exports	Total	Total		
Sale of goods						
Production sold goods	3 607 457		3 607 457	2 097 688	1 509 769	71,97
Production sold of services						
Net Sales / Turnover	3 607 457		3 607 457	2 097 688	1 509 769	71,97

Production of inventory stocks						
Capitalised production						
Operation subsidies						
Write-backs of provisions and transferred expenses				621	- 621	-100
Other incomes						
Total operation incomes (I)			3 607 457	2 098 309	1 509 148	71,92
Purchases of goods bought for resale (including customs duty)						
Change in stocks of goods bought for resale						
Purchases of raw materials and other supplies						
Change in stocks of raw materials and other supplies						
Purchases and other external charges			1 322 358	1 041 458	280 900	26,97
Taxes, duties and similar levies			968	2 128	- 1 160	-54,51
Wages and salaries			161 543	148 047	13 496	9,12
Payroll			48 191	49 220	- 1 029	-2,09

Depreciation charges on fixed assets amounted	849 208	266 691	582 517	218,42
Depreciation charges on fixed provisions amounted				
Current asset of depreciations and provisions	106 101		106 101	N/S
For risks and charges related to depreciations and provisions				
Other expenses	3 534	1	3 533	N/S
Total operation charges (II)	2 491 902	1 507 544	984 358	65,30
OPERATING INCOME (I – II)	1 115 555	590 764	524 791	88,83
Share of income on the operations done jointly				
Profit transferred in or loss transferred out (III)				
Profits transferred out or losses transferred (IV)				
Financial income from equity interests				
Incomes from the other securities and fixed assets				
Other interests and similar income				
Write-backs of provisions and transferred expenses				
Deferred positive exchange differences	12 329		12 329	N/S
Net incomes from sales of marketable securities				
Total of financial incomes (V)	12 329		12 329	N/S
Financial depreciation, amortisations and provisions				
Interests and similar charges	41 125	29 630	11 495	38,80
Deferred negative exchange differences	73 209	89 892	- 16 683	-18,56
Net charges from sales of marketable securities				
Total of financial charges (VI)	114 334	119 522	- 5 188	-4,34
FINANCIAL INCOME (V – VI)	-102 005	-119 522	17 517	14,66
CURRENT INCOME BEFORE TAX ASSESSMENT (I- II + III – IV + V - VI)	1 013 550	471 242	542 308	115,08

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

Profit and loss account (contd.)

	Financial year closed on 31/03/2016 (12 months)	Previous fiscal year 31/03/2015 112 months	Absolute variation	%
Non-recurring income on management operations				
Non-recurring income on capital transactions				
Write-backs of provisions and transferred expenses				
Total non-recurring income (VII)				
Non-recurring charges on management operations	1 168		1 168	N/S
Non-recurring expenses on capital transactions				
Non-recurring depreciation and provisions				
Total of the non-recurring expenses (VIII)	1 168		1 168	N/S
EXTRAORDINARY INCOME (VII - VIII)	-1 168		- 1 168	N/S
Interests of employees (IX)				
Taxes on the profits (X)	337 460	139 222	198 238	142,39
Total of the incomes (I + III + V + VII)	3 619 786	2 098 309	1 521 477	72,51
Total if the charges (II + IV + VI + VII + IX + X)	2 944 864	1 766 289	1 178 575	66,73
NET RESULT	674 921	332 020	342 901	103,28
Including Equipment leasing				
Property leasing				

BHARTI AIRTEL FRANCE CHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

BHARTI AIRTEL FRANCE

Annex of annual accounts

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

Annex of annual accounts

The balance sheet before distribution for the year ended 31st March 2016 represents a total of 6,504,239.14 Euros, while the income statement, presented as a list, shows 674,921.42 Euros in income.

The financial year runs for 12 months, covering the period from 1st April 2015 to 31st March 2016.

The notes and tables presented hereafter represent an integral part of the annual financial statements

The previous financial year runs for 12 months, covering the period from 1st April 2014 to 31st March 2015.

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

CONTENTS

ACCOUNTING RULES AND METHODS

- Accounting rules and methods
- Changing in the accounting methods:

ADDITIONAL INFORMATION ON THE BALANCE SHEET AND IN THE PROFIT AND LOSS ACCOUNTS:

- Statement of fixed assets
- Statement of depreciations
- Break down of the provisions
- Maturities of assets and liabilities

Additional information about:

- Advance to the directors
- Charges to be paid and assets to be established
- Prepaid expenses and revenue
- Share capital structure
- Beneficiary shares
- Break down of the net turnovers

FINANCIAL COMMITMENTS AND OTHER INFORMATION

- Remunerations of the directors
- Auditor's fees
- Profits for the last 5 financial years

BHARTI AIRTEL FRANCE CHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

Accounting rules and methods

The conventions below were applied in adherence to the principle of prudence, according to the basic principles of:

- continuity of the operations;
- consistency of the accounting methods from one financial year to the next financial year,
- the independence of financial years;

and in accordance with the general rules for establishing and presenting the annual financial statements applicable in France.

The basic method selected for evaluation of accounting items is the historical cost method.

The following main methods are used:

- Provisions for risks and charges: they are set up to take account of financial risks existing on the closing date of the accounts
- Provisions for impairment of assets: they are set up to take account of unrecoverability risks related to the asset existing on the closing date of the accounts

INTANGIBLE AND TANGIBLE ASSETS

The tangible fixed assets are valued at their acquisition cost or production cost, taking into account the cost of restoring the use of these assets, and after deducting trade discounts, rebates, settlement discounts.

- Depreciation of the fixed assets the depreciable assets are depreciated on a straight-line according to the linear or digressive mode on the basis of their economic life.

The following decisions have been taken with regard to the presentation of the annual accounts.

- decomposable fixed assets: the company has not been able to define the decomposable fixed assets or the decomposition of these ones does not have a significant impact,
- non decomposable fixed assets: benefiting from tolerance measures, the company opted to maintain the useful lives for the depreciation of non-decomposed assets.

Interest on borrowings specific production assets is not included in the production cost of these assets.

The amortisation for depreciation is calculated according to the linear or digressive method according to the expected lifetime:

P&M - Bandwith-Non Group	15 years
Plant & Machinery - Others	10 years
Plant & Machinery - <Rs. 5000	1 yr
SDH Hardware	10 years
Switch	11 years

RECEIVABLES AND DEBTS

The receivables and payables are evaluated at their nominal value. A depreciation is recognised in the event that their value is less than the value at the balance sheet.

Changing in the accounting methods:

The methods of valuation and presentation of the annual accounts adopted for this financial year have not been changed compared with the previous financial year.

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

Preparation of financial statements in accordance with the following:

- P.C.G. 2014 and Regulation ANC 2014-03 approved by the decree dated 8 September 2014
- the articles L123-12 to L123-28 of the code of trade

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

Statement of fixed assets

	Gross value of the capital at the start of the financial year	Increasing	
		Revaluation during the financial year	Acquisitions, creations, contributions and transfers from item to item
Installation and research and development expenses			
Other intangible assets			
Land			
Constructions on own land			
Constructions on third-party land			
Facilities, Property, other fitting and fixtures, constructions			
Technical installations, industrial equipments and tools			
Other installations, layout, developments	3 708 730	2 673 298	
Transport equipment			
Office and IT equipment, furniture			
Recoverable packaging and other			
Tangible fixed assets in progress			

Advances and deposits			
TOTAL	3 708 730	2 673 298	
Equity interests valued on an equity basis			
Other equity interests			
Other fixed investments			
Loans and other long-term financial investments			
TOTAL			
GENERAL TOTAL	3 708 730	2 673 298	

	Decrease		Gross value of assets at the end of financial year	Original legal evaluation at the end of financial year
	Item to item by transfer	By sales, decommissioned		
Installation and research and development expenses				
Other intangible assets				
Land				
Constructions on own land				
Constructions on third-party land				
Facilities, Property, other fitting and fixtures, constructions			6 382 028	
Technical installations, industrial equipments and tools				
Other installations, layout, developments				
Transport equipment				
Office and IT equipment, furniture				
Recoverable packaging and other				
Tangible fixed assets in progress				
Advances and deposits				
TOTAL			6 382 028	
Equity interests valued on an equity basis				
Other equity interests				
Other fixed investments				
Loans and other long-term financial investments				
TOTAL				
GENERAL TOTAL			6 382 028	

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

Statement of depreciations

	Situation and transactions of the financial year			
	Starting fiscal year	Charge for financial year	Write-back items	Financial year end
Installation and research cost				
Other intangible assets				
Land				
Constructions on own land				
Constructions on third-party land				
Facilities, Property, other fitting and fixtures, constructions	678 123	849 208		1 527 331
Technical installations, industrial equipments and tools				
Facilities, Property, other fitting and fixtures				
Transport equipment				
Office and IT equipment, furniture				
Recoverable packaging and other				
TOTAL	678 123	849 208		1 527 331
GENERAL TOTAL	678 123	849 208		1 527 331

	Breakdown of allocations to transactions affecting depreciation and amortization expense for the year.				
	Linear	Digressive	Exception	Allocations	Write off
Installation and research cost					
Other intangible assets					
Land					
Constructions on own land					
Constructions on third-party land					
Facilities, Property, other fitting and fixtures, constructions					
Technical installations, industrial equipments and tools	849 208				
Facilities, Property, other fitting and fixtures					
Transport equipment					
Office and IT equipment, furniture					
Recoverable packaging and other					
TOTAL	849 208				
GENERAL TOTAL	849 208				

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

Break down of the provisions

PROVISIONS	Starting fiscal year	Increasing of the allowances	Decrease write-off	Financial year end
For constitution of the mining				
For investment				
For rise in prices				
Additional depreciation to benefit from fiscal incentives				
Of which, exceptional 30% premium				
For the installation in foreign before 1.1.92				
For the installation in foreign after 1.1.92				
For the start-up loans				
Other regulatory provisions				
TOTAL Regulated provisions				
For legal				
For the customer guarantees				
For losses on futures markets				
For the penalties and fines				
For the losses of charges				
For pensions and obligations				
For taxes	33 255			33 255

For replacement of the fixed assets				
For major repairs				
For charges on the paid vacations	49			49
Other provisions				
TOTAL Provisions	33 304			33 304
On intangible assets				
On tangible assets				
For companies accounted for using the equity method				
On equity securities				
On other financial assets				
Provisions against stocks and work in progress				
Clients receivables and related accounts	10	106 101		106 101
Other provisions for loss of value				
TOTAL Depreciations	10	106 101		106 111
GENERAL TOTAL	33 314	106 101		139 415
Including depreciation and write-off		106 101		
- operation.				
- financial				
- exceptional				

Provisions for companies accounted for using the equity method amount of the depreciation at the end of the year calculated in accordance with the rules laid down in Article 39-1-5 of CGI

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

Maturities of assets and liabilities

MATURITY OF RECEIVABLES	Gross amount	One year at most	More than 1 year
Receivables from participations			
Loans			
Other financial fixed assets			
Doubtful and disputed trade receivables			
Other trade receivables	701 027	701 027	
Representative of debt securities			
Receivables representing loaned securities			
Social security and social organisations			
Amounts due from employees:			
- Profit tax			
- V. A. T.	54 326	54 326	
- Other taxes, duties and other similar levies			
- Miscellaneous			
Group and associated			
Miscellaneous debtors			
Expenses paid in advance	106 606	106 606	
GENERAL TOTAL	861 960	861 960	
Amount of the loans agreed with in the financial year			
Reimbursement of the loans with in the financial year			
Loans and advances granted to shareholders			

The receivable resulting from the carry back option taken in the 2012-2013 financial year was fully utilized.

STATEMENT OF LIABILITIES	Gross amount	Not more than 1 year	More than 1 and less than 5 years	More than 5 years
Convertible debenture loans				
Other debenture loans				
Loans and other borrowings from credit institutions				
- up to 1 year	1 269	1 269		
- More than 1 year				
Sundry borrowings and financial debts				
Trade creditors and other accounts payable	1 528 760	1 528 760		
Receivables representing loaned securities	39 912	39 912		
Social security and other welfare agencies	6 939	6 939		
Amounts due from employees:				
- Profit tax	141 272	141 272		
- V. A. T.	1 067	1 067		
- Tax payment bonds				
- Other taxes and duties				
Amounts payable on fixed assets and related accounts	745 312	745 312		
Group and associated	1 909 057	954 529	954 528	
Other debts	4 592	4 592		
Liabilities representing borrowed securities				
Unearned income	641 524	641 524		
GENERAL TOTAL	5 019 704	4 065 176	954 528	
Debt taken out during the financial year				
Debt repaid during the financial year				
Debt contracted with shareholders				

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

Charges to be paid and assets to be established

Amount of accrued liabilities and assets to be included in the following balance sheet items	Amount with tax
Convertible debenture loans	
Other debenture loans	
Loans and other borrowings from credit institutions	
Sundry borrowings and financial debts	29 140
Debts to suppliers and related accounts	1 254 016
Fiscal and social debts	46 850
Amounts payable on fixed assets and related accounts	
Other debts (including the assets to be established:)	
TOTAL	1 330 007

Prepaid expenses and revenue

	Charges	Incomes
Operational expenses / incomes	106 606	641 524

Financial incomes / expenses		
Extraordinary incomes / expenses		
TOTAL	106 606	641 524

Share capital structure

	Number	Nominal value
Shares or shares comprising the share capital at beginning of year	10 000	1,00
Shares or shares issued during the year		
Shares or shares reimbursed during the financial year		
Shares or shares comprising the share capital at the end of the financial year	10 000	1,00

Comments:

The capital of the company is wholly owned by BHARTI AIRTEL SINGAPORE LTD located in Singapore

BHARTI AIRTEL FRANCECHEZ REGUS 88 TER AVENUE DU GENERAL LECLERC 92100 BOULOGNE BILLANCOURT

Break down of the net turnovers

Breakdown as per sector of activity	Amount
Sale of goods	
Sales of finished products	
Service provision	3 607 457
TOTAL	3 607 457

Breakdown of the geographical market	Amount
France	
Forgien countries	
TOTAL	3 607 457

Remunerations of the directors

The remuneration of the executive bodies is not provided because this would lead indirectly to indicate individual remuneration.

Financial commitments

No commitment given and received by the company is required to be recognized in respect of the financial year.