Bharti Airtel International (Mauritius) Limited

Audited Financial Statements

March 31, 2018

Bharti Airtel International (Mauritius) Limited

Audited Financial Statements – March 31, 2018

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			Date of appointment
DIRECTORS	:	Jantina Catharina Van De Vreede	April 06, 2010
		Bashirali Abdulla Currimjee	April 06, 2010
		Naushad Ally Sohoboo	September 06, 2013
		Devendra Khanna	September 05, 2013
		Rajvardhan Singh Bhullar	April 18, 2016
ADMINISTRATOR AND SECRETARY	:	SGG Corporate Services (Mauritius) Ltd *(formerly known as CIM Corporate Services Ltd)* 33 Edith Cavell Street Port Louis, 11324 Republic of Mauritius	
REGISTERED OFFICE	:	SGG Corporate Services (Mauritius) Ltd 33 Edith Cavell Street Port Louis, 11324 Republic of Mauritius	
BANKER	:	Standard Chartered Bank (Mauritius) Limited Unit 6A and 6B, 6th Floor, Standard Chartered Tower, Lot 19, Cybercity, Ebene Republic of Mauritius	
AUDITORS	:	Deloitte 7 - 8th Floor, Standard Chartered Tower, 19 – 21 Bank Street, Cybercity Ebene Republic of Mauritius	

The directors present their commentary, together with the audited financial statements of Bharti Airtel International (Mauritius) Limited (the 'Company') for the year ended March 31, 2018.

PRINCIPAL ACTIVITY

The Company is principally engaged in investments holding.

DIVIDENDS

The directors do not recommend the payment of any dividend for the year (2017: Nil).

DIRECTORS

The present membership of the Board of directors is set out on page 2.

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Company's directors are responsible for the preparation and fair presentation of the financial statements, comprising the statement of financial position at March 31, 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards ('IFRS') and comply with the Companies Act 2001 and for such internal controls which are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

AUDITORS

The Board of directors has recommended the appointment of Deloitte as auditor for the year 2018-19. Deloitte has confirmed its willingness / eligibility to continue in office and a resolution concerning its re-appointment will be proposed at the next Annual General Meeting of shareholder.

We certify that, to the best of our knowledge and belief, we have filed with the Registrar of Companies, all such returns as are required of Bharti Airtel International (Mauritius) Limited under the Companies Act 2001, for the year ended March 31, 2018.

Sd/-
SGG Corporate Services (Mauritius) Ltd
33 Edith Cavell Street
Port Louis, 11324
Mauritius

Date: July 9, 2018

Independent Auditor’s Report

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **Bharti Airtel International (Mauritius) Limited** (the "Company") set out on pages 8 to 26, which comprise the statement of financial position as at 31 March 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2018, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in compliance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements of the *International Ethics Standards Board for Accountants'* Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The financial statements of Bharti Airtel International (Mauritius) Limited for the year ended 31 March 2017 were audited by another auditor who expressed an unmodified opinion on those statements on 28 June 2017.

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Company other than in our capacity as auditor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Other information

The directors are responsible for the other information. The other information comprises the Company Information, Commentary of the directors and Certificate from the secretary, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies and they are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

This report is made solely to the Company's shareholder, as a body, in accordance with section 205 of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies. Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to the shareholder in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Sd/-

Deloitte | **Vishal Agrawal, FCA**

Chartered Accountants | **Licensed by FRC**

Bharti Airtel International (Mauritius) Limited
Statement of Comprehensive Income
(All amounts are in United States Dollars - 'USD)

	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017 (Restated)
Income			
Income	5	1,881,212	32,476
		1,881,212	32,476
Expenses			
Finance costs	6	(2,579)	(2,302)
Other operating expenses	7	(27,923)	(32,552)
Exceptional items	11	-	(3,082,940,128)
		(30,502)	(3,082,974,982)
Profit / (Loss) before tax		1,850,710	(3,082,942,506)
Income tax expense	8	(52,163)	-
Profit / (Loss) for the year		1,798,547	(3,082,942,506)
Other comprehensive income / (loss) for the year		-	(37,459,835)
Total comprehensive income / (loss) for the year		**1,798,547**	**(3,120,402,341)**

The accompanying notes form an integral part of these financial statements.

Bharti Airtel International (Mauritius) Limited
Statement of Financial Position
(All amounts are in United States Dollars - 'USD')

	Notes	As of March 31, 2018	As of March 31, 2017 (Restated)	As of April 1, 2016 (Restated)
ASSETS				
Non-current assets				
Investments		-	-	3,135,700,205
		-	-	**3,135,700,205**
Current assets				
Financial assets				
-Cash and cash equivalents	9	11,656	20,254	3,485
-Loan to related party	10	237,089,341	31,033,129	-
Prepayments		7,422	5,204	5,660
		237,108,419	31,058,587	9,145
Assets held for sale	11	-	204,200,000	-
Total assets		**237,108,419**	**235,258,587**	**3,135,709,350**
EQUITY AND LIABILITIES				
Equity				
Stated capital	12	3,604,970,000	3,604,970,000	3,384,970,000
(Accumulated losses) / Retained Earnings		(3,080,577,893)	(3,082,376,440)	566,066
Foreign currency translation reserve		(287,347,253)	(287,347,253)	(249,887,418)
Total equity		237,044,854	235,246,307	3,135,648,648
Current liabilities				
Income tax payable		52,163	-	-
Other payables	13	11,402	12,280	60,702
Total liabilities		63,565	12,280	60,702
Total equity and liabilities		**237,108,419**	**235,258,587**	**3,135,709,350**

Approved by the Board of directors on July 9, 2018 and signed on its behalf by:

Sd/-
Naushad Ally Sohoboo
Director

Sd/-
Rajvardhan Singh Bhullar
Director

The accompanying notes form an integral part of these financial statements.

Bharti Airtel International (Mauritius) Limited
Statement of Changes in Equity
(All amounts are in United States Dollars - 'USD')

	Stated capital		(Accumulated Losses) / Retained earnings	Foreign currency translation reserve 'FCTR'	Total equity
	No of shares	Amount			
As of April 1, 2016 (Restated)	3,384,970,000	3,384,970,000	566,066	(249,887,418)	3,135,648,648
					-
Loss for the year	-	-	(3,082,942,506)	-	(3,082,942,506)
Other comprehensive loss	-	-		(37,459,835)	(37,459,835)
Total comprehensive loss	-	-	**(3,082,942,506)**	**(37,459,835)**	**(3,120,402,341)**
Issue of shares	220,000,000	220,000,000	-	-	220,000,000
As of March 31, 2017 (Restated)	**3,604,970,000**	**3,604,970,000**	**(3,082,376,440)**	**(287,347,253)**	**235,246,307**
Profit for the year	-	-	1,798,547	-	1,798,547
Total comprehensive income	-	-	**1,798,547**	-	**1,798,547**
As of March 31, 2018	**3,604,970,000**	**3,604,970,000**	**(3,080,577,893)**	**(287,347,253)**	**237,044,854**

The accompanying notes form an integral part of these financial statements.

Bharti Airtel International (Mauritius) Limited
Statement of Cash Flows
(All amounts are in United States Dollars - 'USD')

	For the year ended	
	March 31, 2018	**March 31, 2017**
Operating activities		
Profit / (loss) before tax	1,850,710	(3,082,942,506)
Adjustments for:		
Finance cost	2,579	2,302
Interest income	(1,881,212)	(32,476)
Exceptional Items	-	3,082,940,128
Operating cash flows before changes in working capital	(27,923)	(32,552)
Changes in working capital :		
Prepayments	(2,218)	456
Other payables	(878)	(48,422)
Net cash flows used in operating activities (a)	**(31,019)**	**(80,518)**
Investing activities		
Acquisition of investment	-	(219,900,411)
Sale of investment	204,200,000	31,000,000
Loan to related party	(204,175,000)	(31,000,000)
Net cash flows generated from / (used in) investing activities (b)	**25,000**	**(219,900,411)**
Financing activities		
Finance costs paid	(2,579)	(2,302)
Proceeds from issue of shares	-	220,000,000
Net cash flows (used in)/generated from financing activities (c)	**(2,579)**	**219,997,698**
Net (decrease)/increase in cash and cash equivalents during the year (a)+(b)+(c)	(8,598)	16,769
Cash and Cash Equivalents as at beginning of the year	20,254	**3,485**
Cash and cash equivalents as at end of the year	**11,656**	**20,254**

The accompanying notes form an integral part of these financial statements.

1. CORPORATE INFORMATION

Bharti Airtel International (Mauritius) Limited (the "Company") is domiciled and incorporated, on April 6, 2010, in Mauritius under the Companies Act 2001 as a private company limited by shares. The registered office of the Company is situated at 33 Edith Cavell Street, Port Louis, 11324, Mauritius.

The Company is principally engaged in investment holding. The financial statements are authorised for issue by the Company's Board of Directors on the date stamped on page 9.

During the year ended March 31, 2017, Bharti Airtel Limited has sold its shareholding in the Company to Network i2i Limited, a company domiciled and incorporated in Mauritius under the Companies Act 2001 as a private company limited by shares. Effective from March 21, 2017, the Company is now wholly owned subsidiary of Network i2i Limited (Parent Company).

2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with and in compliance with International Financial Reporting Standards ("IFRS") and IFRIC interpretations. The financial statements have been prepared under the historical cost convention except that relevant financial assets and liabilities are stated at fair value, or carried at amortised cost as appropriate.

The financial statements of the Company are presented in United States Dollars ("USD").

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting year. Although these estimates are based on management's knowledge of current events and actions, actual results ultimately may differ from those estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years, if the revision affects both current and future years (refer to note 4 on critical accounting judgements and key sources of estimation uncertainty).

The significant accounting policies used in preparing the financial statements are set out in note 2.2 of the notes to the financial statements.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Non-Current Assets held for sale

Non-current assets are classified as assets-held-for-sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Assets classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell.

Assets classified as held for sale are presented separately in the Statement of Financial Position.

Loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative loss previously recognised.

b. Impairment of non-financial assets

The carrying amount of assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenue or earnings and material adverse changes in the economic environment. If any indication exists, or when impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

c. Financial instruments

(i) Financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The Company determines the classification of its financial assets at initial recognition.

Financial assets are recognised initially at fair value plus directly attributable transaction costs, except for financial assets classified as fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include cash and cash equivalents and loan to related party.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

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 measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in finance costs in the profit or loss.

Impairment

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a company of financial assets is impaired. A financial asset or a company of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the company of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a Company of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in the profit or loss.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as fair value through profit or loss and other financial liabilities. The Company determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognised initially at fair value plus directly attributable transaction costs, except for financial liabilities classified as fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss.

The Company's financial liabilities include other payables, which are classified as other financial liabilities (subsequently measured at amortised cost).

Subsequent measurement

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is recognised in the profit or loss.

- *Other payables*

Other payables are carried at cost which is the fair value of consideration to be paid in the future for goods and services received, whether or not billed to the Company. Payables to related parties are recognised and carried at cost.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

d. Foreign currency transactions

(i) Functional and presentation currency

The Company's functional currency has changed from Indian Rupees ("INR") to the United States dollar ("USD") in the current year as the directors of the Company considered this would better reflect the primary economic environment that the Company operates to generate and expend cash. In accordance with IAS – 21 this change has been accounted for prospectively from April 1, 2017.

Further, the Company has changed its presentation currency from Indian Rupees ("INR") to the United States dollar ("USD") in the current year in conjunction with the functional currency change. The approval of the Registrar of Companies has been obtained under Section 213 of the Companies Act 2001 of Mauritius.The average exchange of the Bank of Mauritius on reporting date was MUR 33.49 to USD 1 (2017: MUR 35.63 to USD 1)

This change was applied retrospectively and accordingly, the Company has translated the previous periods as under:

- assets and liabilities of all corresponding figures presented (including opening balances from the beginning of earliest prior period presented) at the closing rates of respective year end
- income and expenses for all corresponding figures presented at the average exchange rate for the financial year
- all resulting exchange differences were recognized in foreign currency translation reserve

(All amounts are in United States Dollars - 'USD'; unless stated otherwise)

Below is the impact of above change in presentation currency on the statement of financial position and the statement of comprehensive income:

Statement of Financial Position

	As of			
	March 31, 2017		April 1, 2016	
	As previously Reported INR	Equivalent in (As restated) USD	As previously Reported INR	Equivalent in (As restated) USD
Investments	-	-	207,755,817,100	3,135,700,205
Cash and cash equivalents	1,313,491	20,254	230,879	3,485
Loan to related party	2,012,498,391	31,033,129	-	-
Prepayments	337,505	5,204	375,025	5,660
Assets held for sale	13,242,370,000	204,200,000	-	-
Total assets	**15,256,519,387**	**235,258,587**	**207,756,423,004**	**3,135,709,350**
Stated capital	222,341,721,417	3,604,970,000	207,721,486,017	3,384,970,000
Accumulated losses	(207,085,998,320)	(3,082,376,440)	30,915,181	566,066
Foreign currency translation reserve	-	(287,347,253)	-	(249,887,418)
Other payables	796,290	12,280	4,021,806	60,702
Total equity and liabilities	**15,256,519,387**	**235,258,587**	**207,756,423,004**	**3,135,709,350**

Statement of Comprehensive Income

	For the year ended	
	March 31, 2017	
	As previously Reported INR	Equivalent in (As restated) USD
Income	2,181,188	32,476
Expenses	(207,064,571,915)	(3,082,974,982)
Net exchange loss	(54,522,774)	-
Loss for the year	**(207,116,913,501)**	**(3,082,942,506)**
Other comprehensive loss for the year	-	(37,459,835)
Total comprehensive loss for the year	**(207,116,913,501)**	**(3,120,402,341)**

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the relevant functional currency at the rates prevailing at the date the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognised in profit and loss within finance costs / finance income. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) – the resulting foreign exchange difference, on subsequent re-statement / settlement, recognised in profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity.

The equity items denominated in foreign currencies are translated at historical cost.

e. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

f. Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:
- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

g. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources will be required to settle the said obligation, and the amounts of the said obligation can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the relevant obligation, using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to un-winding of discount over passage of time is recognised within finance costs.

h. Share capital and issue expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

i. Expense recognition

Expenses are accounted for in profit and loss on accrual basis.

j. Revenue recognition

Revenue is recognised when it is probable that the entity will receive the economic benefits associated with the transaction and the related revenue can be measured reliably. Revenue is recognised at the fair value of the consideration received or receivable, which is generally the transaction price, net of any discounts and process waivers.

Interest income

For all financial instruments measured at amortised cost, interest income is recognised using the effective interest rate, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in 'finance income' in the statement of comprehensive income.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

3.1 New interpretation and amendments thereof, adopted by the Company

The accounting policies adopted are consistent with those of the previous financial year except for adoption of the following new standards, interpretations and amendments effective from the current year.

S. No.	Improvements/ Amendments to Standards	Effective for annual periods beginning on or after
1	IAS 7 Disclosure Initiative – Amendments to IAS 7	January 1, 2017
2	IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses – Amendments to IAS 12	January 1, 2017

The adoption of the new interpretation / amendments to the standards mentioned above did not have any material impact on the financial position or performance of the Company.

(All amounts are in United States Dollars - 'USD'; unless stated otherwise)

3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the company

S. No.	Improvements / Amendments to Standards	Effective for annual periods beginning on or after
1	IAS 12 Income Taxes - Amendments resulting from Annual Improvements 2015–2017 Cycle (income tax consequences of dividends)	January 01, 2018
2	IAS 39 Financial Instruments: Recognition and Measurement - Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception	January 01, 2018
3	IFRS 9 Financial Instruments - Finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition	January 01, 2018
4	IFRS 9 Financial Instruments - Amendments regarding the Interaction of IFRS 4 and IFRS 9	January 01, 2018
5	IFRS 9 Financial Instruments - Amendments regarding prepayment features with negative compensation and modifications of financial liabilities	January 01, 2019
6	IFRIC 22 Foreign Currency Transactions and Advance Consideration issued	January 01, 2018
7	IFRIC 23 Uncertainty over Income Tax Treatments issued	January 01, 2019

The Company does not expect that the adoption of the standards above will have any material impact on the financial statements in the period of its application.

(All amounts are in United States Dollars - 'USD'; unless stated otherwise)

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Significant accounting judgements in applying the Company's accounting policies

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgements

In the process of applying the Company's accounting policies, which are described in Note 2.2, the directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements:

Determination of functional currency

The Company has determined its functional currency as USD which being the currency of the primary economic environment in which it operates. The management have considered the factors as prescribed in IAS 21 "The effects of changes in foreign exchange rates" for determining the functional currency. The items included in the financial statements are measured using that functional currency.

5. Income

	For the year ended	
	March 31, 2018	**March 31, 2017**
Interest income on loans to group company (note 14)	1,881,212	32,476
	1,881,212	**32,476**

6. Finance Costs

	For the year ended	
	March 31, 2018	**March 31, 2017**
Bank charges	2,579	2,302
	2,579	**2,302**

7. Other Operating Expenses

	For the year ended	
	March 31, 2018	**March 31, 2017**
Legal and professional fees*	11,205	17,761
Management service fees#	12,332	11,894
Audit fees	4,386	2,897
	27,923	**32,552**

* It includes amount due from related parties (refer note 14)

Represents the amount recovered by the holding company from the Company for rendering of manpower services on behalf of the Company (refer note 14).

(All amounts are in United States Dollars - 'USD'; unless stated otherwise)

8. Income Tax

The Company, being the holder of a Category 1, Global Business Licence, is liable to income tax in Mauritius on its taxable profit arising from its world-wide income at the rate of 15% (2017: 15%). The Company's foreign sourced income is eligible for a foreign tax credit which is computed as the lower of the Mauritian tax and the foreign tax on the respective foreign sourced income. The foreign tax for a GBL1 company is based on either the foreign tax charged by the foreign country or a presumed amount of foreign tax: the presumed amount of foreign tax is based on 80% (2017: 80%) of the Mauritian tax on the relevant foreign sourced income. In computing its total foreign tax credit, the Company is allowed to pool all its foreign sourced income.

Capital gains are outside the scope of the Mauritian tax net while trading profits made by the Company from the sale of shares are exempt from tax. At March 31, 2018 the Company had Nil tax losses (2017 : USD 90,741).

The reconciliation between the actual income tax charge and the accounting loss is as follows:

	For the year ended	
	March 31, 2018	**March 31, 2017**
Profit / (loss) before tax	**1,850,710**	**(3,082,942,506)**
Tax expense at 15%	277,607	(462,441,376)
Less: Tax impact on exempt income	-	462,440,995
Deferred tax asset not recognised	-	381
Utilization of brought forward losses	(13,611)	-
Foreign Tax Credit	(211,833)	-
Income tax expense	**52,163**	-

9. Cash and Cash Equivalents

	As of	
	March 31, 2018	**March 31, 2017**
Cash at bank	11,656	20,254
	11,656	**20,254**

10. Other Financial Assets – Current

	As of	
	March 31, 2018	**March 31, 2017**
Loan given to related party (refer Note 14)	235,175,000	31,000,000
Interest accrued (refer Note 14)	1,914,341	33,129
	237,089,341	**31,033,129**

(All amounts are in United States Dollars - 'USD'; unless stated otherwise)

11. Asset-held-for-sale

	As of	
	March 31, 2018	**March 31, 2017**
Bharti International (Singapore) Pte Limited ('BISPL')	-	204,200,000
	-	**204,200,000**

During the year ended March 31, 2018, the Company has sold its investment held for sale in BISPL to Network i2i Limited for USD 204,200,000

During the year ended March 31, 2017, the Company has:

i. sold its entire investment of USD 2,222,651,403 in BAIN for USD 30,742,043 to Network i2i Limited and accordingly recognized a loss on sale of USD 2,191,909,360 as exceptional item. The sale consideration has been received in cash and subsequently loan is given to Network i2i Limited which is shown under 'Loan to related party'.

ii. entered into an agreement to sell its investments in Bharti International (Singapore) Pte Limited for USD 204,200,000 to Network i2i Limited. The completion of the transactions was subject to certain customary closing conditions. The Company on the basis of approval by relevant Board of Directors, considers that the criteria relevant for classification as assets-held-for-sale have been met, therefore accordingly had classified such investments as held for sale and measured at lower of carrying value or fair value less cost to sell. The excess of carrying value of USD 1,088,195,812 over fair value of USD 197,165,044 amounting to USD 891,030,768 had recognized as loss under exceptional item

12. Stated Capital

	As of	
	March 31, 2018	**March 31, 2017**
Issued and fully paid:		
3,604,970,000 Ordinary shares (2017: 3,604,970,000 shares) of USD 1 each	3,604,970,000	3,604,970,000

a. Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of USD 1 per share. Each holder of equity share is entitled to cast one vote per share.

(All amounts are in United States Dollars - 'USD'; unless stated otherwise)

13. Other Payables

	As of	
	March 31, 2018	**March 31, 2017**
Audit fees	4,386	3,000
Amount due to related party (refer note 14)	1,500	3,103
Other payables	5,516	6,177
	11,402	**12,280**

The amount due to related party is unsecured, interest free and repayable on demand. The amount is expected to be settled in cash.

14. RELATED PARTY DISCLOSURES

Details of the nature, volume of transactions and balances with these related entities were as follows:

List of related parties	**Relationship**
Network i2i Limited	Parent Company
Bharti Airtel Limited	Intermediate parent entity
Bharti Enterprises (Holding) Private Limited#	Ultimate controlling entity
Bharti Airtel International (Netherlands) B.V*	Fellow Subsidiary
Bharti International (Singapore) Pte. Ltd^	Fellow Subsidiary
SGG Corporate Services (Mauritius) Ltd	Local Management Company

#Ultimate controlling entity w.e.f. November 3, 2017. It is held by private trusts of Bharti family, with Mr. Sunil Bharti Mittal's family trust effectively controlling the said company

^Fellow subsidiary w.e.f. January 22, 2018; Associate uptill January 21, 2018

*Fellow subsidiary w.e.f. March 15, 2017; Associate uptill March 14, 2017

(All amounts are in United States Dollars - 'USD'; unless stated otherwise)

2018:

Nature of transactions	**SGG Corporate Services Ltd**	**Bharti Airtel Limited**	**Bharti Airtel International (Netherlands) B.V**	**Network i2i Limited**
	USD	**USD**	**USD**	**USD**
Balances Recievable / (Payable)				
Management service fees	-	-	-	-
Legal and professional fees	(1,500)	-	-	-
Loan given to Group companies#	-	-	-	237,089,341
Transactions				
Management service fees (Refer note 7)	-	12,332	-	-
Legal and professional fees (Refer Note 7)	10,935	-	-	-
Sale of Investment	-	-	-	204,200,000
Loan given to Group companies	-	-	-	204,175,000
Interest income on loans to group company	-	-	-	1,881,212

2017:

Nature of transactions	**CIM Corporate Services Ltd**	**Bharti Airtel Limited**	**Bharti Airtel International (Netherlands) B.V**	**Network i2i Limited**
	USD	**USD**	**USD**	**USD**
Balances Recievable / (Payable)				
Management service fees	-	(3,103)	-	-
Legal and professional fees	(2,000)	-	-	-
Loan given to Group companies	-	-	-	31,033,129
Transactions				
Investment in associates	-	-	217,580,315	-
Management service fees (Refer Note 7)	-	11,894	-	-
Legal and professional fees (Refer Note 7)	11,772	-	-	-
Proceeds from issue of shares	-	220,000,000	-	-
Sale of Investment	-	-	-	30,742,043
Loan given to Group companies	-	-	-	29,932,010
Interest income on loans to group company	-	-	-	32,476

Loans given to related parties are unsecured, bear average interest rate of 2.70% for the year (3 months LIBOR plus 1%) and are given for a short term period on a revolving basis which is repayable on demand. The amounts are expected to be settled in cash.

15. Financial Risk Management Objectives and policies

Financial risk factors

In the normal course of business, the Company is exposed to credit risk, liquidity risk and currency risk. The risk management strategy with respect to these risks excludes trading in derivatives.

The Board of directors has overall responsibility for establishment and oversight for the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(All amounts are in United States Dollars - 'USD'; unless stated otherwise)

a. Credit risk

Credit risk is the risk of financial loss to the Company if the Company or counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Within 1 year	Total
March 31, 2018		
Cash and Cash equivalents	11,656	11,656
Loan to related party	235,175,000	235,175,000
Interest Accrued	1,914,341	1,914,341
	237,100,997	**237,100,997**

	Within 1 year	Total
March 31, 2017		
Cash and Cash equivalents	20,254	20,254
Loan to related party	31,000,000	31,000,000
Interest Accrued	33,129	33,129
	31,053,383	**31,053,383**

The financial assets are neither past due nor impaired at reporting dates. Cash at bank is placed with reputable financial institutions.

b. Liquidity risk

Liquidity risk is the risk that the Company may not be able to settle or meet its obligations on time or at a reasonable price.

In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance its operations and mitigate the effects of fluctuations in cash flows.

The table below summarises the maturity profile of the Company's financial liabilities at the reporting date based on contractual undiscounted payments:

	Within 1 year	Total
March 31, 2018		
Other payables	11,402	11,402

	Within 1 year	Total
March 31, 2017		
Other payables	12,280	12,280

(All amounts are in United States Dollars - 'USD'; unless stated otherwise)

c. Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company doesnot have any significant exposure to the foreign currency risk as it is operatin in its functional currency.

d. Interest rate risk

The Company's interest rate risk arises mainly from loan given to related parties as follows:

	Change in interest rate (basis points)	Effect on profit / (loss) before tax
March 31, 2018		
Loan to related party	+20	470,350
	-20	(470,350)
March 31, 2017		
Loan to related party	+20	62,000
	-20	(62,000)

e. Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

The Company considers its equity as capital and manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to the shareholder, return capital to the shareholder or issue new shares. The Company does not have any borrowings and details of equity is as follows:

	As of	
	March 31, 2018	**March 31, 2017**
Equity	**237,044,854**	**235,246,307**

16. Events after reporting date

There were no significant events after the reporting date which require amendments and / or disclosure to the financial statements.