

**J. C. BHALLA & CO.**  
CHARTERED ACCOUNTANTS

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**Independent Auditors' Report**

**To the Members of M/s. Bharti Airtel Nigeria B.V., Netherlands**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Bharti Airtel Nigeria B.V.** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Statement for Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Indian GAAP. This responsibility also includes maintenance of adequate accounting records 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 design, implementation and maintenance of adequate internal financial controls, 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). 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 the 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's management, as well as evaluating the overall presentation of the financial statements.



HEAD OFFICE : B-17, Maharani Bagh, New Delhi- 110065 Tel. : +91-11-26847416, 41551155, 26842255

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 aforesaid financial statements give a true and fair view in conformity with Indian GAAP, of the state of affairs of the Company as at March 31, 2015, its results of operations, and its cash flows for the year ended on that date.

For J. C. Bhalla & Co.  
Chartered Accountants  
Firm Regn. No: 001111N



(Akhil Bhalla)  
Partner  
Membership No.505002

Place: NEW DELHI

Dated: 8<sup>th</sup> July 2015



**BHARTI AIRTEL NIGERIA B.V.**

Financial Statements for the year ended March 31, 2015

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**BHARTI AIRTEL NIGERIA B.V.**

**Balance Sheet**

Balance Sheet as of March 31, 2015

Particulars	Notes	As of March 31, 2015 (in USD Thousands)	As of March 31, 2014 (in USD Thousands)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	4	16	16
Reserves and surplus	5	(471,798)	(403,553)
<b>Non- Current Liabilities</b>			
Long-term borrowings	6	1,790,949	1,806,097
<b>Current Liabilities</b>			
Other current liabilities	7	30,812	6,572
<b>Total</b>		<u><u>1,349,979</u></u>	<u><u>1,409,132</u></u>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Non current investments	8	1,251,175	1,251,175
Long- term loans and advances	9	98,788	154,940
<b>Current Assets</b>			
Cash and bank balances	10	-	3,001
Other current assets	11	16	16
<b>Total</b>		<u><u>1,349,979</u></u>	<u><u>1,409,132</u></u>

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

As per our report of even date

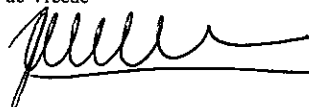
For J.C.Bhalla & Co.  
Chartered Accountants  
ICAI Firm Registration No: 001111N



Akhil Bhalla  
(Partner)  
Membership No: 505002

For and on behalf of the Board of Directors of BHARTI AIRTEL NIGERIA B.V.

J.C. Uneken- van de Vreede  
(Director)



Place : NEW DELHI  
Date : 8th July 2015

Place : Amsterdam  
Date : 6th July 2015




**BHARTI AIRTEL NIGERIA B.V.****Statement of Profit and Loss****Statement of Profit and Loss for the year ended March 31, 2015**

Particulars	Notes	For the year ended March 31, 2015 (in USD Thousands)	For the year ended March 31, 2014 (in USD Thousands)
<b>Income</b>			
Revenue from operations		-	-
Other Income	12	5,285	10,822
<b>Total Income</b>		<u>5,285</u>	<u>10,822</u>
<b>Expenses</b>			
Other expenses	13	26,554	17,445
<b>Total Expenses</b>		<u>26,554</u>	<u>17,445</u>
<b>Profit/ (Loss) before Finance Costs, Depreciation and amortisation and Taxation</b>		<b>(21,269)</b>	<b>(6,623)</b>
Finance costs	14	46,976	49,637
<b>Profit (Loss) before Tax</b>		<u><b>(68,245)</b></u>	<u><b>(56,260)</b></u>
<b>Profit (Loss) for the year</b>		<u><u><b>(68,245)</b></u></u>	<u><u><b>(56,260)</b></u></u>
<b>Profit (Loss) per share (equity shares of par value EUR 1 each)</b>			
Basic and Diluted (In USD)			
Ordinary shares	15	(3,791)	(3,126)

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

As per our report of even date

For J.C.Bhalla & Co.

Chartered Accountants

ICAI Firm Registration No: 001111N



Akhil Bhalla

(Partner)

Membership No: 505002


Place: NEW DELHI

Date: 8<sup>th</sup> July 2015

For and on behalf of the Board of Directors of BHARTI AIRTEL NIGERIA B.V.

J.C. Uneken- van de Vreede

(Director)



Place: Amsterdam

Date: 6<sup>th</sup> July 2015




**BHARTI AIRTEL NIGERIA B.V.**

**Cash Flow Statement**

Particulars	For the year ended March 31, 2015 (USD Thousands)	For the year ended March 31, 2014 (USD Thousands)
<b>Cash flows from operating activities</b>		
Loss before tax	(68,245)	(56,260)
<i>Adjustments for -</i>		
Depreciation and amortization		
Finance Cost	46,976	49,637
Interest income	-	-
Foreign exchange loss(gain)	-	-
<b>Operating cash flow before changes in assets and liabilities</b>	<b>(21,269)</b>	<b>(6,623)</b>
<b>Adjustments for changes in assets and liabilities:</b>		
- increase/(decrease) in trade and other payables	19,471	(27,296)
<b>Cash generated from operating activities</b>	<b>(1,798)</b>	<b>(33,919)</b>
Taxes paid	-	-
<b>Net cash inflow / (outflow) from operating activities</b>	<b>(1,798)</b>	<b>(33,919)</b>
<b>Cash flows from investing activities</b>		
Loan given to subsidiaries	(1,585)	(75,668)
Repayment of loan by subsidiaries	62,506	266,585
Purchase of tangible assets		
<b>Net cash inflow / (outflow) from investing activities</b>	<b>60,921</b>	<b>190,917</b>
<b>Cash flows from financing activities</b>		
Loan from Related Parties	5,822	110,175
Repayment of loan to Related Parties	(67,946)	(264,173)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>(62,124)</b>	<b>(153,998)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	<b>(3,000)</b>	<b>3,000</b>
Add: Balance as at the beginning of the period	3,001	1
<b>Balance as at the end of the period (Refer note 18)</b>	<b>-</b>	<b>3,001</b>


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

As per our report of even date

For J.C.Bhalla & Co.

Chartered Accountants

ICAI Firm Registration No: 001111N



Akhil Bhalla

(Partner)

Membership No: 505002

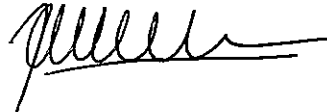
Place : NEW DELHI

Date : 8th July 2015

For and on behalf of the Board of Directors of BHARTI AIRTEL NIGERIA B.V.

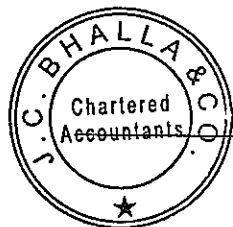
J.C. Uneken- van de Vreede

(Director)



Place : Amsterdam

Date : 6th July 2015




## **BHARTI AIRTEL NIGERIA B.V.**

### **Notes to Financial Statements**

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#### **1. Corporate Information**

Bharti Airtel Nigeria B.V. ('The Company'), incorporated on November 1, 2001, is registered in The Netherlands and having its registered office at Keizersgracht 62-64, 1015 CS Amsterdam, The Netherlands.

The Company forms part of the Bharti Airtel Group of companies. Immediate parent company is Bharti Airtel Nigeria Holdings II B.V. The Company is ultimately owned by Bharti Airtel Limited ('the holding company'), a company incorporated under the laws of India.

The activities of the Company mainly consist of providing holding and finance services, including management services.

#### **2. Basis of preparation**

These special purpose financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared to comply in all material respects with the accounting standards issued by the Institute of Chartered Accountants of India. The financial statements have been prepared under the historical cost convention, on a going concern and on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. These financial statements are not statutory financial statements, and accordingly do not include all the disclosures required under the Indian Companies Act, 2013 read with General Circular 8/2014 dated April 4, 2014.

The Company's financial statements are presented in United States Dollars (USD), which is also the Company's functional currency. Amounts less than USD 1 thousand has been shown as "0".

#### **3. Summary of significant accounting policies**

##### **3.1 Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles 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 year. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.



**BHARTI AIRTEL NIGERIA B.V.**  
**Notes to Financial Statements**

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**3.2 Investments**

Investment, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current Investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Non-current investments are valued at cost. Provision is made for diminution in value to recognise a decline, if any, other than that of temporary nature.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**3.3 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the consideration received/receivable, excluding discounts, rebates, value added tax ('VAT') and other taxes and duties.

**(i) Management fees**

Revenue on account of management fees is recognised as the services are rendered.

**(ii) Interest income**

Income on account of interest is recognised on an accrual basis.





**BHARTI AIRTEL NIGERIA B.V.**  
**Notes to Financial Statements**

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**3.4 Foreign currency translation**

*Initial Recognition*

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

*Conversion*

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

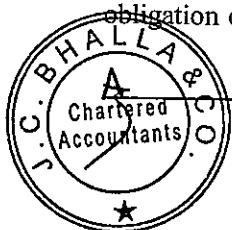
*Exchange Differences*

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**3.5 Provisions and contingencies**

Provisions are recognised when the Company has a present obligation as a result of past event; it is more likely than not that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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 not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liabilities is disclosed in



## **BHARTI AIRTEL NIGERIA B.V.**

### **Notes to Financial Statements**

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the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

The company forms a fiscal unity for corporate income tax purposes with Bharti Airtel Africa B.V. as of 8<sup>th</sup> June 2010. Under the Tax Collection Act, the company is jointly and severally liable for the taxes payable by the group.

#### **Airtel Networks Limited – Ownership**

Airtel Networks Limited (“Airtel Networks”) (formerly known as Celtel Nigeria Limited) was incorporated on December 21, 2000 as Econet Wireless Nigeria Limited and is a subsidiary of Bharti Airtel Nigeria BV (BANBV) (formerly, Celtel Nigeria BV), which in turn, is an indirect subsidiary of Bharti Airtel International (Netherlands) BV, a subsidiary of Bharti Airtel Limited.

Airtel Networks and/or BANBV are defendants in cases filed by Econet Wireless Limited (EWL) where EWL is claiming, amongst others, a breach of its alleged pre-emption rights against erstwhile and current shareholders.

Under the transaction to acquire 65% controlling stake in Airtel Networks Limited in 2006, the erstwhile selling shareholders were obliged under the pre-emption right provision contained in the shareholders’ agreement dated April 30, 2002 (the “Shareholders Agreement”) to first offer the shares to each other before offering the shares to a third party. The sellers waived the pre-emption rights amongst themselves and the shares were offered to EWL despite the fact that EWL’s status as a shareholder itself was in dispute. However, the offer to EWL lapsed since EWL did not meet its payment obligations to pay for the shares within the 30 days deadline as specified in the shareholders’ agreement and the shares were acquired by Celtel Nigeria BV (now, Bharti Airtel Nigeria BV) in 2006. EWL has inter alia commenced arbitral proceedings in Nigeria contesting the acquisition. BANBV, which is the current owner of approximately 79.059% (increased from 65.7% to 79.059% in March, 2013) of the equity in Airtel Networks Limited has been defending these cases and the arbitration since it was commenced.

On December 22, 2011, the Tribunal in the Arbitration commenced by EWL issued a Partial Final Award stating, amongst others, that the Shareholders Agreement had been breached by the erstwhile shareholders and, accordingly, the acquisition was null and void. However, the Tribunal has rejected EWL’s claim for reversal of the 2006 transaction. Instead, the Tribunal ordered a damages hearing.



**BHARTI AIRTEL NIGERIA B.V.**

**Notes to Financial Statements**

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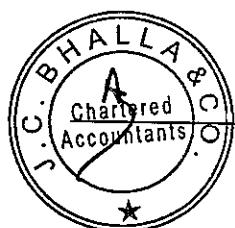
On February 3, 2012, BANBV filed an application before the Lagos State High Court to set aside the Partial Final Award. In addition, BANBV filed an application for an injunction to restrain the parties to the Arbitration from further convening the arbitration for the purposes of considering the quantum of damages that could be awarded to EWL until the conclusion of the matter to set aside the Partial Final Award. The application to set aside the Partial Final Award was heard by the Lagos State High Court on June 4, 2012 and by a Judgment delivered on October 4, 2012, the Lagos State High Court dismissed BANBV's application to set aside the Partial Final Award against which, BANBV lodged an appeal at the Court of Appeal in Lagos, Nigeria. The appeal was dismissed by the Court of Appeal on February 14, 2014. BANBV not satisfied with the judgment of the Court of Appeal, Lagos, on March 27, 2014 has filed its appeal with the Supreme Court of Nigeria.

Without prejudice to the application by BANBV before the Nigerian courts to set aside the Partial Final Award, the Tribunal has taken steps in relation to the damages hearing in the Arbitration. The damages claim was heard by the Tribunal during October 2013 and the parties submitted their closing arguments on December 20, 2013.

The Tribunal issued its Final Award on damages dated June 30, 2014 on July 4, 2014. The Tribunal found that EWL has suffered losses as a result of breaches of the Shareholders' Agreement and calculated the losses against BANBV to be an amount of USD 132.8 Mn and costs of USD 10.9 Mn, totaling USD 143.7 Mn.

The Company has filed an application for setting aside of the Final Award before the High Court in Nigeria. On the other hand, EWL has filed applications before the High Court in Nigeria to seek to enforce both the Final Award and the Partial Final Award. The Company is contesting these enforcement applications. These matters are currently adjourned to June 10, 2015.

In addition, EWL has filed conservatory attachment proceedings and proceedings for enforcement of the Final Award, inter alia, against BANBV in the Netherlands. On January 22, 2015 the District Court in Amsterdam, Netherlands has denied EWL's request for attachment proceedings. EWL has preferred an appeal before the Court of Appeal of Netherlands, against this. The Company is in the process of filing its statement of defense against the appeal. Meanwhile, the District Court of Amsterdam, vide its order dated April 15, 2015 has confirmed that the proceedings before it stand suspended till the appeal is decided by the Court of Appeal of Netherland.



## **BHARTI AIRTEL NIGERIA B.V.**

### **Notes to Financial Statements**

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Based on Company's assessment and indemnities under the Share Sale Agreement with Zain Group, this Award is not likely to have any material adverse effect on the Company's consolidated financial position as of March 31, 2015.

In addition, Airtel Networks Limited is a defendant in an action where EWL is claiming entitlement to 5% of the issued share capital of Airtel Networks Limited. This case was commenced by EWL in 2004 (prior to the Vee Networks Limited acquisition in 2006). The Court at first instance on 24 January 2012 held that EWL should be reinstated as a 5% shareholder in Airtel Networks Limited. Despite the fact that the 5% shares claimed by EWL had been set aside in escrow since 2006 and therefore will not impact the present ownership of BANBV on a fully diluted basis in Airtel Networks Limited, the company believed that there were good grounds to appeal the first instance judgment and accordingly, filed a Notice of Appeal and made applications before the Federal High Court for a stay of execution of judgment pending appeal and a motion for injunction. These applications were heard on March 13, 2012 and on May 7, 2012, the High Court held that the company had failed to make out a case for the Court to exercise its discretion in its favour of granting the application and accordingly refused it.

Immediately, a similar application for injunction and stay of execution were filed at the Court of Appeal, Kaduna on May 7, 2012. After several adjournments, the substantive appeal was heard on October 3, 2013 and on November 1, 2013 the Court of Appeal dismissed the appeal.

On June 20, 2014, the Company filed its appeal to the Supreme Court of Nigeria together with an application for injunction and stay of execution of the judgment of the Court of Appeal. The Appeal and the Applications are pending before the Supreme Court. The date for the hearing has not yet been fixed.

### **3.6 Earnings / (Loss) Per Share**

The earnings / (loss) considered in ascertaining the Company's Earnings / (Loss) per Share ('EPS') comprise the net profit / (loss) after tax attributable to equity shareholders. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.



**BHARTI AIRTEL NIGERIA B.V.**  
**Notes to Financial Statements**

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**3.7 Segmental Reporting**

**a. Primary segment :**

The Company operates only in one business segment viz. management services, which is the only reportable segment.

**b. Secondary Segment**

The Company has operations serving its subsidiaries only in Africa.

**3.8 Taxes**

The company forms a fiscal unity with Bharti Airtel Africa B.V. A Consolidated tax return is filed in which the parent company accounts for the Dutch tax implications of the group.

**3.9 Employee Cost**

During the year 2014-15 the company had no employees, and hence incurred no wages, salaries or related social security charges, nor during the previous period.

**3.10 Cash and Cash Equivalent**

Cash and cash equivalents includes cash in hand, bank balances and deposits held at call with maturities of less than 3 months.

**4. Share capital**

Particulars	As of	(USD Thousands)
	March 31, 2015	As of March 31, 2014
<b>Authorised shares</b>		
90,000 Ordinary shares (March 31, 2014: 90,000 Ordinary shares) of EUR 1 each	81	81
<b>Issued, Subscribed and fully paid-up shares</b>		
18,000 Ordinary shares (March 31, 2014: 18,000 Ordinary shares) of EUR 1 each	16	16



**BHARTI AIRTEL NIGERIA B.V.****Notes to Financial Statements****a. Reconciliation of the equity shares outstanding at the beginning and at the end of the year**

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
	No.	(USD Thousands)	No.	(USD Thousands)
<b>Ordinary shares</b>				
At the beginning of the year	18	16	18	16
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>18</b>	<b>16</b>	<b>18</b>	<b>16</b>

**b. Terms/rights attached to equity shares**

The Company has one class of ordinary shares having par value of EUR 1 per share. Each holder of ordinary shares is entitled to one vote per share.

**c. Details of shareholders (as per register of shareholders) holding more than 5% shares in the Company**

Particulars	As of March 31, 2015		As of March 31, 2014	
	No of shares	% holding	No of shares	% holding
<b>Ordinary shares</b>				
Bharti Airtel Nigeria Holdings II B.V.	18	100%	18	100%

**5. Reserves and surplus**

Particulars	(USD in Thousands)	
	As of March 31, 2015	As of March 31, 2014
<b>Deficit in the Statement of Profit and Loss</b>		
Opening balance	(403,553)	(347,293)
Add: Loss for the year	(68,245)	(56,260)
<b>Net deficit in the statement of profit and loss</b>	<b>(471,798)</b>	<b>(403,553)</b>
<b>Total</b>	<b>(471,798)</b>	<b>(403,553)</b>



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**BHARTI AIRTEL NIGERIA B.V.****Notes to Financial Statements****6. Short-term borrowings**

Particulars	(USD in Thousands)	
	As of March 31, 2015	As of March 31, 2014
<b>Unsecured</b>		
<b>Term Loans</b>		
Principal amount of loan	1,572,009	1,634,132
Interest on loan	218,940	171,965
<b>Total</b>	<b><u>1,790,949</u></b>	<b><u>1,806,097</u></b>

Note : Loan and accrued interest is chargeable to interest @ 2.6% (annual rate) on monthly outstanding balances

**7. Other Current Liabilities**

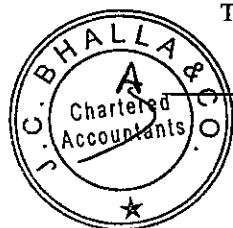
Particulars	(USD in Thousands)	
	As of March 31, 2015	As of March 31, 2014
Legal & professional and marketing expenses	5,511	5,511
Accrued Expenses	1,310	1,061
Network Cost payable	23,991	-
<b>Total</b>	<b><u>30,812</u></b>	<b><u>6,572</u></b>

**8. Non-Current Investments**

Particulars	(USD in Thousands)	
	As of March 31, 2015	As of March 31, 2014
<b>Trade Investments (at cost)</b>		
<b>Investment in Equity Instruments (Un-quoted)</b>		
<b>Investment in Subsidiaries</b>		
Airtel Networks Limited, Nigeria : 79.059% share in the issued capital	1,251,175	1,251,175
<b>Total</b>	<b><u>1,251,175</u></b>	<b><u>1,251,175</u></b>
<i>Aggregate value of Unquoted Investments</i>	1,251,175	1,251,175
<i>Aggregate value of Quoted Investments</i>	-	-
<i>Aggregate Market value of Quoted Investments</i>	-	-
<i>Aggregate provision for diminution in value of investments</i>	-	-

**9. Cash and Bank Balances**

Particulars	(USD in Thousands)	
	As of March 31, 2015	As of March 31, 2014
<b>Cash and cash equivalents</b>		
Balances with banks		
-On current accounts	-	3,001
<b>Total</b>	<b><u>-</u></b>	<b><u>3,001</u></b>



**BHARTI AIRTEL NIGERIA B.V.****Notes to Financial Statements****10. Short Term Loans & Advances**

Particulars	(USD in Thousands)	
	As of March 31, 2015	As of March 31, 2014
<b>Unsecured, considered good unless stated otherwise</b>		
Loans and advances to related parties		
Principal amount of loan	83,695	133,940
Management fee receivable		
Interest on loan	15,093	21,000
<b>Total</b>	<b>98,788</b>	<b>154,940</b>

Note :1. Loan and accrued interest is chargeable to interest @ 5.24% (annual rate) on monthly outstanding balances

2. Interest on loan balance is net off withholding taxes.

**11. Other Current Assets**

Particulars	(USD in Thousands)	
	As of March 31, 2015	As of March 31, 2014
<b>Unsecured, considered good unless stated otherwise</b>		
Receivables from related parties (Refer note 16)	16	16
<b>Total</b>	<b>16</b>	<b>16</b>

**12. Other Income**

Particulars	(USD Thousands)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest income on loans to related parties	5,156	10,822
Net foreign exchange gain	129	-
<b>Total</b>	<b>5,285</b>	<b>10,822</b>

**13. Other Expenses**

Particulars	(USD Thousands)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Advertisement and Marketing	-	5,511
Legal and Professional	26,165	11,272
Rates and Taxes	387	660
Bank Charges	2	2
<b>Total</b>	<b>26,554</b>	<b>17,445</b>





**BHARTI AIRTEL NIGERIA B.V.****Notes to Financial Statements****14. Finance Costs**

Particulars	(USD Thousands)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest expense	46,976	49,637
<b>Total</b>	<b>46,976</b>	<b>49,637</b>

**15. Earnings (Loss) Per Share**

**Loss per share (equity shares of par value EUR 1 each)**

Particulars	Ordinary shares
<b>March 31, 2015</b>	
Nominal value of equity shares (in EUR)	EUR 1
Loss attributable to equity shareholders (A) *	(68,245)
Weighted average number of equity shares outstanding during the year (Nos. in Thousands) (B)	18
Basic / Diluted Loss per Share (A / B)	(3,791)
<b>March 31, 2014</b>	
Nominal value of equity shares (in EUR)	EUR 1
Loss attributable to equity shareholders (A) *	(56,260)
Weighted average number of equity shares outstanding during the year (Nos. in Thousands) (B)	18
Basic / Diluted Loss per Share (A / B)	(3,126)

**16. Related Party Disclosures**

In accordance with the requirements of Accounting Standards (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 year and description of relationships, as identified and certified by the management are:



**BHARTI AIRTEL NIGERIA B.V.****Notes to Financial Statements****Name of the Related Party and Relationship:**

<b>Name of the Related Party</b>	<b>Relationship</b>
Bharti Airtel Limited	Ultimate Parent Company
Bharti Airtel Africa B.V.	Significant Influence Entity
Bharti Airtel Nigeria Holdings II B.V.	Parent Company
Airtel Networks Limited	Subsidiary Company

**Related Party Transactions for 2014-15****(USD in Thousands)**

<u>Nature of Transactions</u>	<i>Bharti Airtel Africa B.V.</i>	<i>Bharti Airtel Nigeria Holdings II B.V.</i>	<i>Airtel Networks Limited</i>
Repayment of Loans Received	5,822	-	(1,585)
Repayment of Loans Given	(67,946)	-	62,506
Interest Expenses / (Income)	46,976	-	(5,285)
Other Non Employee related cost	-	-	-

Outstanding balance at year end

Long Term Borrowings	(1,790,949)	-	-
Trade Payables	-	(5,511)	-
Other Current Assets	-	16	-
Long-term loans and advances	-	-	98,788

**Related Party Transactions for 2013-14****(USD in Thousands)**

<u>Nature of Transactions</u>	<i>Bharti Airtel Africa B.V.</i>	<i>Bharti Airtel Nigeria Holdings II B.V.</i>	<i>Airtel Networks Limited</i>
Repayment of Loans Received	110,175	-	(75,668)
Repayment of Loans Given	(264,173)	-	266,584
Interest Expenses / (Income)	49,637	-	(10,822)
Other Non Employee related cost	-	5,511	-

Outstanding balance at year end

Long Term Borrowings	(1,806,097)	-	-
Trade Payables	-	(5,511)	-
Other Current Assets	-	16	-
Long-term loans and advances	-	-	154,940

17. Previous year figures have been regrouped / reclassified where necessary to conform to current year's classification.

