

CONDENSED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2014

COMPREHENSIVE INCOME STATEMENTS

(Amount in Rs.)

Particulars	Quarter Ended		
	Jun-14 Unaudited	Mar-14 Audited	Jun-13 Unaudited
Revenue from operation	6,874,753	5,133,177	2,929,888
Operating expenses	13,823,569	12,281,361	10,263,598
Loss before depreciation, amortisation and taxation expenses	(6,948,816)	(7,148,184)	(7,333,710)
Depreciation and amortisation expenses	14,622,925	13,647,403	11,397,481
Loss before taxation	(21,571,741)	(20,795,588)	(18,731,191)
Taxation	-	-	-
Total comprehensive loss	(21,571,741)	(20,795,588)	(18,731,191)
Number of shares	19,142,000	19,142,000	17,742,000
Earning per share			
- Basic	(1.13)	(1.11)	(1.06)
- Diluted	(1.13)	(1.11)	(0.98)

STATEMENT OF FINANCIAL POSITION

Particulars	Jun-14 Unaudited	Mar-14 Audited
ASSETS		
Non current assets	201,058,097	208,199,314
Current assets	11,336,105	16,720,129
TOTAL ASSETS	212,394,202	224,919,443
EQUITY AND LIABILITIES		
Stated capital	191,420,000	191,420,000
Other reserves	126,395,000	126,395,000
Revenue deficit	(140,100,080)	(118,528,339)
Total equity	177,714,920	199,286,661
LIABILITIES		
Current liabilities	34,679,282	25,632,782
Total liabilities	34,679,282	25,632,782
TOTAL EQUITY AND LIABILITIES	212,394,202	224,919,443

STATEMENT OF CASH FLOWS

Particulars	Quarter Ended	
	Jun-14 Unaudited	Jun-13 Unaudited
Net cash used in operating activities	(94,875)	7,072,872
Net cash used in Investing activities	(7,919,125)	(10,416,023)
Net cash generated from financing activities	7,202,200	3,013,428
Increase / (decrease) in cash and cash equivalents	(811,800)	(329,722)
Cash and cash equivalents at beginning	3,631,825	3,500,589
CASH AND CASH EQUIVALENTS AT THE END	2,820,025	3,170,867

NOTES:

- The condensed unaudited financial statement for the quarter ended 30 June 2014 were approved by the Board of Directors in its meeting held on 31 July 2014.
- The condensed unaudited financial statements for the quarter ended 30 June 2014, have been prepared using the same accounting policies as those adopted in the financial statements for the year ended 31 March 2014 and complied with IAS34.
- The Company is involved in provision of Information, Communication, Technology and Computer related activities.
- During the last quarter, we have completed the south region and will be lit up end of August 2014. The south region covers areas such as Airport, Rose Belle, Chemin Grenier up to Bel Ombre. In addition to that, we also completed the constructions of two Optical Line Terminal Equipment/Exchange (OLTE) rooms, namely, in Grand Bay and FUEL. These two rooms will harbour our equipment which will actually serve all the potential subscribers in these areas. In the next quarter, we shall start the roll out of the north region which is due to be completed by March 2015. The north region will cover highly dense residential as well as coastal areas to serve corporate segments. These areas include Triolet, Morc. St Andre, Plaine Des Papayes, R. Du Rempart and surrounding villages.
- We have also started communicating quite aggressively with our target audience in terms of Below The Line marketing tools. Such tools include vehicle wrapping, shop paintings and road shows. These events will be intensified in the next quarter in order to increase our brand exposure and sales.
- Revenue from operation for the quarter increased to Rs 6.875 Mn from Rs 5.133 Mn in the preceding quarter due to increase in subscriber base. Operating expenditure for the quarter also increased to Rs 13.824 Mn from Rs 12.281 Mn due to increase in bandwidth capacity. Depreciation and amortisation cost increased to Rs 14.623 Mn as compared to Rs 13.647 Mn in previous quarter due to capitalisation. Consequently, the Company's total comprehensive loss increased to Rs 21.572 Mn as compared to Rs 20.796 Mn in previous year.
- Copies of the condensed unaudited financial statements of the company are available at the registered office of the company at 8th Floor, Ebene Mews, 57 Ebene Cybercity, Mauritius.
- Previous period figures have been regrouped and rearranged whenever necessary.
- The above condensed unaudited financial statements are issued pursuant to DEM Rule 17 and the Securities Act 2005.
- Copies of the condensed unaudited financial statements and the statement of direct and indirect interests of the Company, pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rule 2007, are available to the public, free of charge, at the registered office of the company at 8th Floor, Ebene Mews, 57 Ebene Cybercity, Mauritius.

By Order of the Board
Bharat Telecom Ltd

Place: Mauritius
Date : 31 July 2014

Secretary
Abax Corporate Administrators Ltd

STATEMENT OF CHANGE IN EQUITY & RESERVES

Particulars	Stated Capital	Share Premium	Application for shares	Revenue deficit	Total Equity
At 01 April 2014	191,420,000	126,395,000	-	(118,528,339)	199,286,661
Issue of Ordinary Shares	-	-	-	-	-
Allotment of Shares	-	-	-	-	-
Loss for the quarter	-	-	-	(21,571,741)	(21,571,741)
At 30 June 2014	191,420,000	126,395,000	-	(140,100,080)	177,714,920
At 01 April 2013	175,420,000	62,395,000	4,000,000	(40,216,146)	201,598,854
Issue of Ordinary Shares	1,500,000	8,000,000	-	-	9,500,000
Allotment of Shares	500,000	-	(500,000)	-	-
Loss for the quarter	-	-	-	(18,731,191)	(18,731,191)
At 30 June 2013	177,420,000	70,395,000	3,500,000	(58,947,337)	192,367,663