

NAVITHA AND ASSOCIATES

CHARTERED ACCOUNTANTS

16-11-740/75, Plot No. 84,

V.K. Dhage Nagar, Dilsukhnagar,
Hyderabad - 500 060. T.S.

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To
The Board of Directors
Spacenet Enterprises India Limited
Hyderabad

CERTIFICATE

1. We, Navitha And Associates, Chartered Accountants, statutory auditors of Spacenet Enterprises India Limited ("the Company"). We have examined computation of pre-merger Net-worth as on March 31, '2019 and the provisional post-merger net-worth.
2. The accompanying computation of pre-merger Net-worth as per audited standalone financial statements as on March 31, 2019 and provisional post-merger net-worth of the Company (hereinafter referred to as "the statement") based on the draft scheme of arrangement between the Company, Kling Enterprises India Limited ("demerged company") and their respective shareholder's (hereinafter referred to as "the draft scheme") has been prepared by the Company and Initialled by us for identification purpose only.
3. We have performed verification procedures, in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) Issued by the Institute of Chartered Accountants of India ("ICAI"). We have complied with the relevant applicable requirements of the Standard Quality Control (SQC 1), Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Service Engagements.
4. For the purpose of this certificate, we have traced the numbers considered for computation of pre-merger Net-worth from audited standalone financial statements of the Company for the year ended March 31, 2019. For verifying the changes to the net worth pursuant to the draft scheme, we have carried out the following procedure:
 - a) Confirmed the number of equity shares to be issued to the shareholders of the demerged company from the Board Resolution approving the draft scheme.
 - b) Traced the amounts for the provisional post-merger net-worth in the attached statement to the audited standalone financial statements of Kling Enterprises India Limited (demerged Company) for the year ended March 31, 2019 and the Valuation report dated May 22, 2019 issued by the CA.G.Murali Registered (IBBI) Valuer.
 - c) Tested the arithmetical accuracy of the Statement



5. The provisional post-merger net-worth of the Company has been arrived on the basis of balances appearing on March 31, 2019 in the audited standalone financial statements of the Company. The net-worth and will undergo changes on the effective date of Implementation of the Scheme on account of profit/loss during the intervening period (From April 01, 2019 to the effective date) and the accounting of the Scheme as per Ind AS 103 - Business Combination, including determination of fair values of assets and liabilities of the demerged undertaking as on the acquisition date and issue of equity shares by the Company to the shareholders of the Transferor Company in the approved share entitlement ratio.
6. Based on procedures performed by us as stated above and as per the information and explanation provided to us by the management of the Company, amounts contained in the attached computation of pre-merger net-worth and provisional post-merger net-worth, is as per the audited standalone financial statements as on March 31, 2019.
7. This certificate is issued for the purpose of submission by the Company to the National Stock Exchange and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Navitha And Associates
Chartered Accountants
ICAI Firm Regn. No.0120265

Place: Hyderabad
Date: 23.05.2019


CA. Navith.K
Proprietor
Membership No.221085



UDIN: **19221085AAAAAA8549**

Computation of Pre-merger net worth as on March 31, 2019 and the provisional net worth post-merger

(Rs.in Lakhs)

S.No	Particulars	Pre-Merger Net worth	Merger Adjustments	Post-Merger Net worth
1	Paid up Capital	490.19	1091.40	1581.59
2	General Reserve	1,206.82	--	1,206.82
3	Capital Reserve	--	174.34	174.34
4	Retained Earnings	(2,735.51)	--	(2,735.51)
5	Networth	(1,038.50)	1265.74	227.24

