airtel

Abridged Annual Report 2018-19

Bharti Airtel Limited

#airtelThanks

The Future of **Digital Experiences**

Board of **Directors**

Mr. Sunil Bharti Mittal
Chairman

Ms. Chua Sock Koong
Non-Executive Director

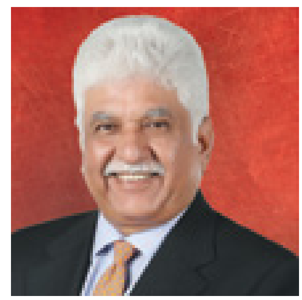
Mr. Craig Edward Ehrlich
Independent Director

Mr. D. K. Mittal
Independent Director

Mr. Gopal Vittal
MD & CEO (India & South Asia)

Ms. Kimsuka Narasimhan
Independent Director

Mr. Manish Kejriwal
Independent Director



Mr. Rakesh Bharti Mittal
Non-Executive Director

Mr. Shishir Priyadarshi
Independent Director

Ms. Tan Yong Choo
Non-Executive Director

Mr. V. K. Viswanathan
Independent Director

Chairman	Member	Committees
■	▲	Audit Committee
■	▲	Risk Management Committee
■	▲	HR & Nomination Committee
■	▲	Stakeholders' Relationship Committee
■	▲	CSR Committee
■	▲	Committee of Directors

Read **Inside**

Corporate **Information**

Board of Directors

Mr. Sunil Bharti Mittal, Chairman

Ms. Chua Sock Koong

Mr. Craig Edward Ehrlich

Mr. Dinesh Kumar Mittal

Mr. Gopal Vittal, Managing Director & CEO (India & South Asia)

Ms. Kimsuka Narasimhan

Mr. Manish Kejriwal

Mr. Rakesh Bharti Mittal

Mr. Shishir Priyadarshi

Ms. Tan Yong Choo

Mr. V. K. Viswanathan

CEO (Africa)

Airtel Africa Plc

Mr. Raghunath Mandava

Chief Financial Officer

Mr. Badal Bagri

Company Secretary

Mr. Pankaj Tewari

Statutory Auditors

Deloitte Haskins & Sells LLP
Chartered Accountants

Internal Assurance Partners

Ernst & Young LLP
ANB & Co., Chartered Accountants

Cost Auditors

Sanjay Gupta & Associates
Cost Accountants

Secretarial Auditors

Chandrasekaran Associates
Company Secretaries

Registered & Corporate Office

Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase – II, New Delhi – 110 070, India
CIN: L74899DL1995PLC070609

Website

http://www.airtel.com

Performance **Highlights**

	Units	IFRS	Ind AS**			
		Financial Year Ended March 31				
		2015	2016	2017	2018	2019
Operating Highlights						
Total Customer Base	000's	324,368	357,428	372,354	413,822	403,645
Mobile Services	000's	310,884	342,040	355,673	395,722	384,078
Homes Services*	000's	1,679	1,949	2,129	2,172	2,270
Digital TV Services	000's	10,073	11,725	12,815	14,168	15,392
Airtel Business*	000's	1,732	1,714	1,736	1,760	1,904
Consolidated Financials (₹ Mn)						
Total revenues	₹ Mn	920,394	965,321	942,506	826,388	807,802
EBITDA (before exceptional items)	₹ Mn	314,517	341,682	356,208	304,479	262,937
Cash Profit from Operations before derivative and exchange fluctuation (before exceptional items)	₹ Mn	285,280	289,083	283,668	227,169	167,777
Earnings Before Tax	₹ Mn	107,130	128,463	77,232	32,669	(17,318)
Net Profit	₹ Mn	51,835	60,767	37,997	10,990	4,095
Consolidated Financials (₹ Mn)						
Shareholder's Equity	₹ Mn	619,564	667,693	674,563	695,344	714,222
Net Debt	₹ Mn	668,417	835,106	913,999	952,285	1,082,346
Capital Employed	₹ Mn	1,287,981	1,502,799	1,588,562	1,647,629	1,796,568
Key Ratios						
Capex Productivity	%	77.40	69.89	64.51	49.26	40.65
Opex Productivity	%	43.63	42.75	40.62	42.16	46.30
EBITDA Margin	%	34.17	35.40	37.79	36.84	32.55
EBIT Margin	%	17.23	17.22	16.63	13.41	5.90
Return on Shareholder's Equity	%	8.52	9.44	5.66	1.60	0.58
Return on Capital employed	%	8.05	8.32	6.45	4.64	5.06
Net Debt to EBITDA	Times	2.08	2.46	2.73	3.19	4.32
Interest Coverage ratio	Times	8.43	7.06	5.20	4.37	2.84
Book Value Per Equity Share	₹	154.99	167.03	168.8	174.0	178.7
Net Debt to Shareholders' Equity	Times	1.08	1.25	1.35	1.37	1.52
Earnings Per Share (Basic)	₹	12.97	15.21	9.51	2.75	1.02

Note:

* Effective FY 2016-17, the Company has realigned the reporting of its corporate fixed line voice and fixed line data business with Airtel Business and accordingly Telemedia Services renamed to Homes Services. Hence, the customer base of 'Broadband and Telephone Services' is now represented as 'Homes' and 'Airtel Business'.

** With effect from April 01, 2016, the Company has applied Ind AS for the preparation of its financial statements. The transition is carried out from accounting principles generally accepted in India with the transition date being April 01, 2015.

All figures are based on Consolidated Financial Statements. Previous year(s) figures are restated / reclassified, wherever necessary.

Message from **the Chairman**

"#airtelThanks turned out to be an extremely successful initiative in this regard helping us deliver greater value to customers in terms of content and services."

Indian mobile market firmly consolidated into a

3+1

industry structure

Africa continued its upward trend and robust revenue growth and profitability to register a healthy year

Overall, the initiatives are today benefiting over

250,000

students in India's far flung villages

Dear Shareholders,

Global economic growth moderated during the year in the midst of several developments like the US-China trade confrontation and the overhang of uncertainty around Brexit in Europe. While US remained an exception exhibiting sustained momentum, China continued to slowdown. India – our primary market, with initial implementation challenges of its historic federal tax reform of GST recovered well during the year registering over 7% GDP expansion. Our African markets witnessed healthy recovery in GDP growth led by a rebound in the Nigerian economy. Overall, the Company experienced moderate economic condition in both the geographies.

Global industry evolution gained rapid traction during the year as 4G networks expanded at great pace and the emerging markets moved forward towards high speed mobile broadband for all. Exponential growth in smartphone penetration and low tariff sharply accelerated growth in data consumption. We witnessed significant changes in usage behavior in different markets. Massive surge in video consumption continued to be the mainstay of galloping data usage. While per capita data consumption nearly doubled in India, usage expanded by over 40% in Africa.

We witnessed varying business dynamics during the year in the two regions - India and Africa - given different market conditions. While the Indian mobile market firmly consolidated into a 3+1 industry structure, revenues for the sector did not see any uptick during the year and continued to witness an ultra-low tariff regime. High overall industry debt continues to be a major concern. Africa on the contrary, continued its upward trend and robust revenue growth and profitability to register a healthy year.

In India, amidst conspicuous pricing pressure, we did well to retain our market share by focusing on 'revenue paying customers' and orienting ourselves towards mid to high end of the market. The introduction of the minimum commitment plans helped us register significant recovery in ARPU towards the end of the year.

In the face of rapidly changing customer needs and consumption, we remained focused on digital innovations to remain the network of choice. #airtelThanks has been an extremely successful initiative helping us deliver greater value to customers in terms of content and services. We believe content partnerships will play a major role in customer acquisition and retention in the coming days and the industry will increasingly gravitate towards collaborating with producers of content.

Airtel Africa had a robust year on all parameters. With the addition of 10 million new customers, the count reached 99 million. Total revenues witnessed strong growth aided by significant expansion in data revenue (31%) and Airtel Money (60%). EBITDA margin expanded by 4% underlining the efficacy of our efforts in operational efficiency. Exponential increase in 3G and 4G sites in different markets further strengthened our network coverage and quality. We now have 4G presence in 11 out of the 14 markets. Robust growth in Airtel Money infrastructure and coverage during the year augurs well for this rapidly growing revenue stream.

We believe, the momentum in 4G is going to continue for a few more years across different markets. Emerging markets like India and Africa today are some distance away from launch of 5G networks. But rapid strides of new technologies like AR, VR, IOT and AI and sharply proliferating data usage in customer lives, no matter what development level they are in, can trigger an accelerated transition across markets. As a Company, we have always believed in staying ahead of the curve as far as adopting new technology is concerned. With our reinforced balance sheet we are ready to take the lead subject to enabling regulatory environment, a complementary technology ecosystem- network and device, and overall market dynamics.

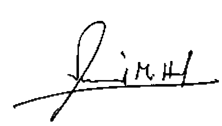
During the year, Airtel completed the acquisition of Telenor (India) following all regulatory and statutory approvals. We also completed the merger of the Consumer Mobile Businesses of Tata Teleservices (Maharashtra) and Tata Teleservices with Bharti Airtel and Bharti Hexacom. Bharti Infratel and Indus Towers and their respective shareholders and creditors entered into the final phase of scheme of amalgamation and arrangement to create a pan India Tower Co, the largest tower company in the world outside China. We also entered into an agreement to merge Airtel Kenya with Telekom, subject to regulatory approvals.

The year witnessed multiple rounds of successful fund raising through equity infusion by both Bharti Airtel Limited (Airtel) and Airtel Africa plc (Airtel Africa). While Airtel successfully completed its first ever and amongst the largest Rights Issue in the Country to raise ₹ 249.4 billion, Airtel Africa completed its Initial Public Offer (IPO) on the London Stock Exchange in the premium listing segment at an offer price of 80 pence/share to raise $ 750 million at an overall equity valuation of US$ 3.9 billion, with a secondary listing on the Nigerian Stock Exchange. Earlier during the year, seven leading global investors comprising Warburg Pincus, Temasek, Singtel, SoftBank Group International, Qatar Investment Authority and others had invested $1.45 billion in Airtel Africa through primary equity issuance.

Ben Verwaayen, completed his tenure on the Board during the year, we thank him for his service to the Company and also welcome Kimsuka Narasimhan who has joined the Board as an Additional Independent Director. Airtel Africa Board was constituted during the year having a great mix of competence and experience.

The Group philanthropic arm Bharti Foundation extended the reach of its school education programmes to newer regions. Overall, the initiatives are today benefiting over 2,50,000 students in India's far flung villages, and being widely acclaimed as one of the largest privately run initiatives in school education in India. The Satya Bharti Abhiyan, our rural sanitation initiative, operational in the State of Punjab has a total beneficiary count of over 1,75,000 today. Airtel Africa's CSR initiatives are oriented towards local priorities in the countries we operate in. Our initiatives in Africa are largely driven by our belief that our interventions in the areas of spreading digital awareness among youth and children, healthcare, youth empowerment can result in meaningful development and welfare in these countries.

The world is moving towards a digital future where telecommunication will play a pivotal role. As countries move further on their digital path, telecom companies will come across numerous opportunities to contribute towards enabling this journey. As a Company, we will continue to approach every opportunity with speed and proactive care for our customers, and ensure they continue to be at the heart of everything we do.



Sunil Bharti Mittal

Message from **Managing Director & CEO**
(India & South Asia)

Dear Shareholders,

The Financial Year 2018-19 was another eventful year for the telecom industry. In addition to the unprecedented consolidation, we saw a major shift in consumer behavior. The role of telecom companies is no longer restricted to just providing the "pipe" and the right price plan. It is now about creating an ecosystem of digital services (music, content, payments and much more) and leveraging data, network, and distribution assets to deliver these services. Airtel has been at the forefront of this industry transformation from both lenses – digital innovation as well as strengthening our core connectivity proposition.

As part of digital innovation – we launched '#airtelThanks', a first of its kind rewards program for our premium customers. It offers a host of exclusive benefits such as premium content, handset protection, gift cards etc. This program has been at the heart of our upgrade strategy and has been powered by our partnerships with leading brands across the globe. We further strengthened our own digital assets – 'Airtel TV' & 'Wynk Music' and launched 'Airtel Books' with more than 70,000 e-books from leading publications. All of these programs are backed by a 360 degree view of our customers – enabled by our Innovation Lab (X Labs), which dedicatedly focuses on next-gen technologies and harnesses power of our data.

In parallel, we continue to strengthen our core connectivity offering with differentiated focus on 4G. More than 15,000 new towers and 120,000 mobile broadband base-stations were deployed last year to expand our 4G footprint and fulfill capacity requirements. Airtel has been recognized as the fastest network by independent global agencies for 3 quarters in a row. Further, to improve indoor coverage, we are re-farming 900 band for LTE across 10 circles. We have also launched our VoLTE services across India, to help enhance voice quality.

As we look ahead, we continue to remain excited about the massive opportunity in India. With only three private operators serving 1.3 Billion people and significant 4G penetration upside, the industry is poised for sustained long term growth. Airtel is well positioned to serve this growth. Even in the most turbulent times, we have held our market share. We have a simple strategy – go after quality customers and offer them a brilliant network experience.

Quality Customers – We will leverage '#airtelThanks' to build greater value for our customers and offer differentiated services (content, financial services and network experience) to our premium customers. This will be the key to our premiumisation strategy and will help drive up ARPU. On the non-wireless front, we will focus on serving the digital needs of a Home and aspire to take a decisive lead in convergence and triple play across content, speed and mobile. In B2B, we will focus disproportionately on growing our core connectivity business and at the same time build new products/verticals including Security, Data Centers and Cloud.

Brilliant Network Experience – We remain obsessed with network quality and have shifted our focus from Speed to Experience. Instead of Speed, we are focusing on solving for the right use cases for our customer segments – be it Gaming, Video or Payments. In line with our strategy to focus on quality customers, we will build capacity only where it matters. We will deploy smart, low cost equipment to densify our network and sweat the existing spectrum. Simultaneously, we will build a solid back haul through the massive investments that have already been made.

This strategy would be enabled through five key anchors:

Services at scale: We will continue to grow our digital services (Airtel TV, Wynk, Books, Payments etc.) and combine them into a single consumer app that enables sampling of these services - '#airtelThanks'. We will use our deep customer understanding and data to drive adoption and distribute it through 'Mitra' (our offline sales system app).

Micro-marketing: We will continue to de-average our business at District/Tehsil level to take focused offline GTM actions. We will simultaneously grow the online channel by simplifying our product flows and integrating with third party platforms.

Simplify: Our goal is to raise the bar on customer experience by being an open, highly responsive and transparent telco for our customers. We will achieve this by brutally simplifying our business and processes.

War on Waste: We will deploy smartly in key districts, adopt disruptive solutions and share infrastructure.

Partnerships: This is core to Airtel culture – we aspire to be the best partner in the ecosystem. We will invest in building a digital layer to enable easy and quick integration and drive mutual growth with partners.

Finally, and most importantly – our People. We are committed to ensuring growth of our talent. We have simplified our organization structure to offer large and meaningful roles to all employees. We have invested heavily in Digital talent including Product, Engineering and Data Science. We are institutionalizing agile ways of working at Airtel, given that this will be key to success in the new telecom age. Going forward the war for relevance will be fought through the lens of war for talent. Attracting the best people and retaining them will be ever more important.

As an organization, we continue to be committed to sustainable and inclusive growth. Our Integrated Report spells out our initiatives for environment sustainability and community development. Bharti Foundation has been doing remarkable work to spread awareness about education and empowerment of girl child.

As we move ahead, I would like to thank our customers, our people, our partners and our shareholders for their support and faith in us. We seek your continued guidance in our journey.

Gopal Vittal

Message from **Managing Director & CEO**

(Africa)

“We now have around 19,700 Airtel Money branches, kiosks and mini-shops and approximately 286,000 Airtel Money agents and we have a robust SIM activating outlets channel, enabling strong customer growth and cross-selling through brand recognition across all 14 countries.”

Dear Shareholders,

Airtel Africa continued on its growth trajectory in 2018/19. This was achieved through a continued focus on distribution excellence, ensuring excellent overall network quality and enabling existing customers to garner more benefits from our network. We added 9.6 Mn customers, taking the total base to 98.9 Mn. Airtel Africa's revenue growth of 12% (constant currency), was primarily driven by mobile data and Airtel Money. Airtel Africa continued to improve its EBITDA margin, up 4%, highlighting our investments in efficient operations and cost management in recent years. All services - Voice, Data and Airtel Money have seen a significant increase in usage across the customer base.

Airtel Money continues to increase financial inclusion in the countries in which we operate, providing customers with mobile money service that are accessible 24 hours a day, 7 days a week through their mobile devices. In order to support and strengthen the infrastructure and coverage required to enable continued multi-channel growth of Airtel Money. We now have around 19,700 Airtel Money branches, kiosks and mini-shops and approximately 286,000 Airtel Money agents and we have a robust SIM activating outlets channel, enabling strong customer growth and cross-selling through brand recognition across all 14 countries.

There is ongoing investment in network expansion to improve coverage, quality and support the growing demand for data. We increased the number of new 4G sites by 7,182 taking the total number to 9,297. In addition, we added 2,701 new 3G sites, taking the total number to 16,426 and 1,433 new 2G sites, taking the total number to 21,059. During the year we launched 4G in Nigeria, Chad and Congo B, this means that we now have 4G in 11 out of our 14 operations. Over the period, smartphone penetration rose in all of our 14 markets.

Airtel Africa continued to remain focused on delivering the right cost model, by working on continuously improving its operating model across various activities. Some of the key initiatives which resulted into significant savings were, redesign of the managed service model across the markets, energy optimization, bandwidth remodelling to get greater capacity at a better cost and restructuring the IT organization.

Airtel Africa continued to invest in the hiring and development of talent with senior hires at the Group HQ as well as in the markets. In addition, the roll-out of the new IT Target Operating Model has led to the creation of new specialist roles at the Africa Development Centre.

Airtel Africa is committed to supporting the communities in the areas where it operates. In addition to the ongoing initiatives around education, health and the development of youth, it also stepped up to assist the flood victims in Malawi and of the Cholera outbreak in Zambia. The Company also provided environmentally friendly boreholes to communities in Nigeria and free digital education for children in Madagascar, amongst other initiatives.

Airtel Africa is satisfied with the progress in 2018/19 and is enthusiastic about the opportunities for 2019/20. We have the right talent, in the right positions, to deliver on our commitment to grow the number of subscribers and revenue. We will continue to invest in our network and operations to ensure that our customers truly benefit from the potential that mobile communications and financial inclusion can offer.

Regards,

Raghunath

Raghunath Mandava

Corporate **Social Responsibility Report**

At Bharti Airtel, our relentless pursuit has always been to not just become a leading global telecommunications company but also one that cares. It is this quest that enthuses us to approach our corporate responsibility with all seriousness. We aim to positively impact not just our financial performance, but our future generations as well.

With operations in **18 countries** and over 403 Mn customers, we understand our responsibility to leaving a positive impact on the communities. Our initiatives in the field of education, women empowerment, sanitation, employment generation and healthcare, validates our steadfast commitment to making the world we operate in, a better place. Moreover, Airtel's network spreads to remotest pockets of India, where rural communities suffer from poverty and lack of access to education and healthcare facilities. In FY 2018-19, over 149 Mn customers came from rural areas. Hence, undertaking programs on education and health is paramount for community development in these regions.

During FY 2018-19, Bharti Airtel Limited made significant contributions towards various community development projects. Airtel contributed ₹ 94.78 Mn to Bharti Foundation towards furtherance of its objectives, ₹ 300 Mn to Satya Bharti Foundation towards setting up of Satya Bharti University and ₹ 100.87 Mn for other community development and philanthropic initiatives.

India

Bharti Foundation

Bharti Foundation was set up in the year 2000 as the philanthropic arm of Bharti Enterprises. The Foundation implements and supports programs primarily in education as well as sanitation for the underprivileged section of the society. Through its flagship initiative the 'Satya Bharti School Program', the Foundation provides free quality education across primary, elementary as well as secondary level education to thousands of underprivileged children, with a special focus on the girl child. The Foundation also works in partnership with respective state governments towards strengthening the quality of over-all schooling experience for students in government schools through the 'Satya Bharti Quality Support Program'. Our sanitation initiative, 'Satya Bharti Abhiyan', was launched in 2014 in rural district of Ludhiana, Punjab and has enabled the district to attain Open Defecation Free (ODF) status.

Through these programs we are contributing to some extent to the Sustainable Goals such as Quality Education, Gender Equality, Clean Water and Sanitation.

400,000+
Students

4,000+
Villages

2,500+
Schools

272,564
Students being impacted in the current academic year

2+ Mn
Community members impacted

17,000
Teachers

*The above data includes all education programs and partner projects and the impact created since inception

Education

Satya Bharti School Program

The flagship Satya Bharti School Program was started in 2006 with an aim of imparting free and quality education to the disadvantaged rural children in India - most of whom are first generation learners. The program gives special focus to education of the girl child, with atleast 50% students enrolled in Satya Bharti Schools being girls. The program covers the entire education value-chain, widening its activity from primary to elementary, and to senior secondary education as well. The program also offers, free books, study material and uniforms to the students apart from free education. All the schools are kept clean with proper hygienic conditions and with free nutritious mid-day meals also provided during the day. Well-trained and inspired teachers are entrusted with the responsibility to provide quality education to the students.

This Program creates a platform for the rural children to get hold of, not only quality education but also the way forward to a responsible life that is inspired by the principles of values, commitment, integrity and a desire to make a difference in the society.

Key Achievements, 2018-19

Satya Bharti School Students won laurels in various international and national level competitions. Our students have excelled in both scholastic and co-scholastic activities, which are detailed below.

Co-Scholastic

1. Satya Bharti Adarsh Senior Secondary School, Rauni (Ludhiana) won the internationally acclaimed **'School Enterprise Challenge Award'** for the second consecutive year for promoting entrepreneurship.
2. Students gave a stellar performance at **'Khula Aasmaan'** - a national level painting competition by India Art Foundation, winning two gold, one bronze and 30 honorable mentions and consolations).
3. 11 Satya Bharti Schools featured among the 'Top 100' of which Satya Bharti School Bhomsagar (Jodhpur) featured in the 'Top 20' at the **'Design for Change'** contest that acknowledges meaningful community campaigns for bringing change.
4. Simranjeet Kaur, student, Satya Elementary (Ludhiana East, Punjab) was awarded a Bronze medal' at **'Pramerica Spirit of Community Award 2019'** recognising the student's effort for community services under the individual category for 'Mensuration Education.'
5. Seven Satya Bharti School Students emerged as winners of **'Inspire Aspire'** Poster Making Competition 2018.
6. Satya Bharti Adarsh Senior Secondary School Chogawan (Amritsar, Punjab) has been awarded 'Best School in Community Involvement' and Satya Bharti School (primary level), Amritakunda (Murshidabad, West Bengal) has been awarded 'Best Eco-Friendly School' by **'Mind Mingle Education Awards'**, recognising best efforts that make an impact under education.
7. Three of five Satya Bharti Adarsh Senior Secondary Schools (Chogawan, Sherpur Kalan and Jhaneri) were awarded with 'Top 500 Schools' in the country by **'Brainfeed** (School Excellence Awards 2018)' recognising excellence in providing quality education.
8. **'Centre for Teacher Accreditation (CENTA)'**, a Teaching Professionals Olympiad awarded four Satya Bharti School Teachers (2 for subject and 2 national level awards). The Olympiad had teachers participating from 2,000+ locations form India and UAE from over 10,000 schools.

Scholastic

76 Satya Bharti School Students secured merit based admission for elementary/ higher secondary education in Navodaya, Aarohi and Punjab meritorious schools, etc.

Class X CBSE results:

364 students (**205** girls and **159** boys) from all five Satya Bharti Adarsh Senior Secondary Schools, located in rural heartlands of Punjab appeared for the Class X CBSE Board Examinations

- The overall pass percentage: 95.88% (higher than the CBSE national average (**91.1%**) and Panchkula (**93.72%**)
- Girls outshined boys with overall pass percentage of **96.6%** with more than 15 girls scoring **90%** and above

Class XII CBSE results:

199 students (**112** girls and **87** boys) from all five Satya Bharti Adarsh Senior Secondary Schools in Punjab appeared for the Class XII CBSE Board Examinations

- Overall pass percentage: **96.98%** (higher than the CBSE national pass percentage of **83.4%** and Panchkula region of **87.5%**)
- The overall girls pass percentage of **96.43%** which is above than CBSE national average of **88.7%** and Panchkula region of **92.8%**

Leading from the front

Jasmeet Kaur,

a role model for girl students in her school

Jasmeet Kaur of class V, Satya Bharti School Pamal, Ludhiana West, Punjab belongs to Baddowal Village, cantonment area of Indian Tibetan Border Police, about 13 Km from Ludhiana. Her father, a truck driver is the only bread earner in the family of seven.

Once a shy girl, Jasmeet soon started enjoying coming to school and became very confident. Seeing her interest in sports, her teacher Sandeep Kaur, a state level Kho-Kho player, motivated her to start participating in school level race and Kho-Kho.

When she represented her school in Cluster level sports, it was a proud moment for her. It happened to be her first victory in life. She was honored by the Sarpanch, Cluster Co-ordinator and Head Teachers of all the Satya Bharti Schools in the Cluster.

Seeing her commitment, Jasmeet was given the opportunity to play at the State level. Her family initially resisted but, after reassurance from her teacher, agreed to send her to Amritsar. Jasmeet's team secured 3rd position at the State Level.

06
States

46,191
Students

254
Schools

50%
Percentage of Girls

1,644
Teachers

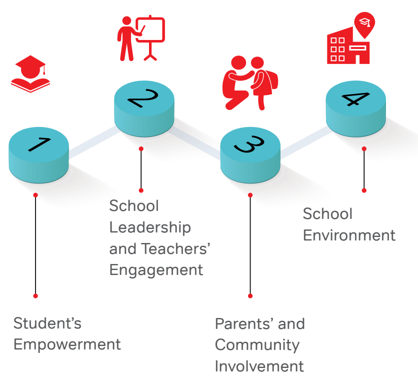
70%
Percentage of female teachers

76%
Percentage of children from SC/ST/OBC communities

Data as of 31st March, 2019
From April 2019 onwards partnership schools are being handed over and a few schools are being merged for optimizing resources

Satya Bharti Quality Support Program

Initiated in 2013, Satya Bharti Quality Support Program engages school leaders, teachers, students, parents and communities for enhancing the overall learning experience at government schools. Good practices of Satya Bharti Schools are implemented in each school with the purpose of institutionalizing these within a time frame of three to five years. The Program's framework is structured around the whole-school approach through co-scholastic activities defined under four program pillars:



771
Schools**
(In 14 states*)

9,828
Teachers

50%
Percentage of Girls

226,373
Students

58%
Percentage of children from SC/ST/OBC communities

Data as of 31st March, 2019
** Data includes indirect support to 30 Army Goodwill schools in J&K and 2 schools in Goa

Each school decides the pace and trajectory depending on the School leader's vision for bringing about a sustainable change. The program is implemented across India in 14 states, namely, Delhi, Goa, Haryana, Jammu & Kashmir, Punjab, Rajasthan, Andhra Pradesh, Telangana, Uttar Pradesh, Jharkhand, Himachal Pradesh, Assam, Meghalaya and Karnataka.

"Spell Wizard competition was organized (by Bharti Foundation) for students, from school to district levels. This has given opportunity to students to demonstrate their skills in English language. We appreciate the work of Bharti Foundation."

- Mr Jitender Kumar Sinha,
District Superintendent of Education-cum-Additional District Program Officer, Samgra Siksha Abhiyan, Godda, Jharkhand

"The Bharti Foundation has conducted Student Empowerment Training Program, which has received encouraging response from the participants (224 teachers from 185 Secondary Schools). We are hoping for a long and fruitful association with Bharti Foundation and its support in bringing quality interventions in our state schools."

(Anuradha Gupta) KAS,
Director School Education - Jammu

Key Achievements, 2018-19

Government schools partnered under this program, its teachers and students won laurels in various district, state, national and international level competitions.

1. Two of our partnered government schools featured in 'Top 100' category in the prestigious **'Design for Change'** contest. Army Goodwill School students, in Harka Bahadur, Kargil, was among 'Top Four' with their pioneering initiative 'I CAN Challenge' campaign. They were felicitated at the President's House, inspiring other schools in the Ladakh region to work towards making a sustainable future.

2. **'CENTA'** – Teaching Professionals Olympiad has given eight awards to six teachers from partnered government schools (1 Regional, 2 Subject and 5 City Level awards). The Olympiad had teachers participating from 2,000+ locations form India and UAE from over 10,000 schools.

3. Students of two partnered government schools won a Gold and a Bronze each in the **'Pramerica Spirit of Community Awards 2019'** being recognised for their voluntary community service. Five students of UMS Khairbani, a government school in Jharkhand won Gold award for 'Mothers Literacy Campaign'.

4. 15 schools were declared winners at **'Inspire Aspire'** Poster Making Competition.

5. Girls held 50% of the leadership roles in the government schools during 2018-19.

6. Dedicated training programs were conducted to impart leadership skills to the school principals and senior teachers across 372 schools in 10 states, with 438 participants attending the program.

The Program created a meaningful impact on students and teachers of non-partnered government schools as well, through indirect interventions. Some of the highlights were:

1. A training program was structured on Student Empowerment, with 227 teachers in 185 non-partnered government schools across seven out of ten districts of Jammu attending the program.

2. Spell Wizard (an English language spelling competition to improve vocabulary and spelling competency among students) was organized in 353 partnered schools. 829 non-partnered government schools also participated at various events at school, block and district level. The initiative benefited 30,656 students across 10 states cumulatively.

3. The Teacher Innovation Award initiative, appreciating the hardwork of teachers, was organised at district level in four states with 497 teachers participating in the event.

4. Science workshops were conducted to develop scientific knowledge and acumen in 311 schools outreaching 15,528 students across 9 states.

5. International Kids Film Festival was organized in 99 schools across 8 states showcasing films on life skills and social issues like Global Citizenship, Compassion, Creativity and Innovation, Critical Thinking and Decision Making etc. for over 10,000 students.

Satya Bharti Abhiyan

Launched in August 2014, the Satya Bharti Abhiyan, improves sanitation conditions in large geographic areas by providing access to toilets for households. Aligning to the government's vision, the program helps these areas to become Open Defecation Free (ODF). Having commenced operations from rural district of Ludhiana, the program spread its footprint to urban areas of Ludhiana (since October 2016) and to rural Amritsar (since September 2017). In Amritsar, Satya Bharti Abhiyan is being implemented in collaboration with Department of Water Supply and Sanitation (DWSS), Govt of Punjab. The Foundation and DWSS are working together to provide financial assistance to the beneficiaries for building toilets.

The Information, Education and Communication (IEC) to foster behavior change, for promotion of usage and maintenance of toilets is implemented through the government agencies and re-enforced through IEC by outsourced partners. Process orientation, transparency and stakeholder empowerment are the pillars of implementation.

Satya Bharti Abhiyan

as of March 31, 2019
(cumulative data since inception)

18,402
Toilets (rural + urban Ludhiana)

14
Girls toilets (Government schools - Rural Ludhiana)

5,040
Toilets (rural Amritsar)

37
Ladies toilets constructed in FY 2018-19 (Ludhiana Police Commissionerate)

175,069
Total beneficiaries (including 56,031 estimated beneficiaries annually for ladies toilets for Ludhiana Police Commissionerate)

1. Upon request from Ludhiana Police Commissionerate, Bharti Foundation constructed 37 separate toilets for over 55,000 lady staffers and visitors annually. The toilets constructed in brick and mortar, are customized to provide specific amenities for women, like incinerator for disposal of sanitary napkins, privacy protection walls, facilities like western toilet seat, mirror, wash basin soap tray, and towel holder.

2. The Program completed its Urban Ludhiana phase during the year that began in 2014 with over 700 individual household toilets handed-over in 11 Urban Local Bodies (ULBs) in Ludhiana district till date.

Making personal hygiene and cleanliness a norm

Baljit,

an elderly resident of village Bagga Khurd (rural Ludhiana),

she had to patiently control her bowel movement till her turn came to go out for open defecation. She also had to carry her disabled grandson for open defecation. The Program helped her built a toilet in her house, making her life convenient.

"We hadn't expected that the work will take place so fast. Within a month we were handed over our own toilet. And ever since we have got the toilet, we have been using it. It not only helped me in this old age but also helped my mentally challenged grandson remain clean. Over a period of time, my grandson has also learnt to use the toilet".

- Baljit Kaur

Higher Education Programs

India needs a vibrant higher education system to address the challenges it faces and to exploit the opportunities offered by its demographic dividend. The higher education partnerships and initiatives undertaken by Bharti Enterprises are designed to fulfil this need and meet the education paradigms of the 21st century.

Partnerships with Indian Higher Education Institutions

Bharti School of Telecommunication Technology and Management, Indian Institute of Technology Delhi
http://bhartischool.iitd.ac.in/

The Bharti School of Telecommunication, Technology and Management has been set up in partnership with the Indian Institute of Technology, Delhi to develop telecom leaders, through excellence in education and research. A number of steps have been taken by the school to foster research and excellence in learning.

427
Students have graduated from the school since inception

206
Students have received placements since inception

159
Students enrolled in the last 3 years

Cumulative and ongoing impact

102
Students have graduated from the school in last 3 years

93%
Placement rate in FY2018-19

₹1.5 Mn
Average annual salary of students receiving placement in 2018

40
Faculty members engaged at the school

Bharti Centre for Communication, Indian Institute of Technology, Mumbai
https://www.ee.iitb.ac.in/bharticentre/

The Bharti Centre for Communication has been set up in association with the Indian Institute of Technology, Mumbai to nurture knowledge in telecommunication and allied systems. The Centre hosted around 20 research students and six eminent speakers from across the world and has published over 20 papers in international conferences and journals.

International Partnerships

Bharti Institute of Public Policy a partnership between Indian School of Business, Mohali and Bharti Enterprises with the Fletcher School of Law and Diplomacy, Tufts University (USA).

http://www.isb.edu/bharti-institute-of-public-policy

The Bharti Institute of Public Policy, an independent think-tank, focusses on education and research in the domain of public policy and engages with policy makers by providing them with critical, evidence-based analyses of public policy rooted in data. The institute works on policy challenges across diverse domains, the main ones being Agriculture and Food, Environment, Education, Financial Policy, Governance and Digital identity. The Institute secured a three year USD 2 million grant in October 2018 from the Bill and Melinda Gates Foundation to build and develop a portal for various spatial and temporal data visualisations to improve the quality of India's data-journalism.

Research

Newcastle University, UK

Bharti Foundation and Newcastle University have signed a MoU to collaborate on knowledge-sharing, academic research and program opportunities. In 2018, four students from Newcastle University completed their research assignment, 'The Understanding and Effectiveness of the Satya Bharti Lesson Plan', under the Satya Bharti School Program in Punjab. Findings of their research will add value to Foundation's programs.

University of Cambridge, UK

This partnership aims to extend knowledge of increasing corn crop productivity to farmers. The three-year research program is a partnership with University of Cambridge, FieldFresh Foods Private Limited, and Punjab Agricultural University (PAU). The University signed an MOU with Bharti Foundation in September, 2016.

Manmohan Singh Bursary Fund (since 2010)

A scholarship program that offers an opportunity to students of exceptional intelligence and caliber to study at the University of Cambridge. Thus far, 15 students have received the scholarship.

Satya Bharti University

The Satya Bharti University is deftly on the path of being established as an institution of global excellence in research and learning.

Airtel Connect

Airtel Delhi Half Marathon

The Airtel Delhi Half Marathon (ADHM) supports the idea of 'Run for a cause', giving the runners the opportunity to make a meaningful contribution through their marathon run. The platform brings together corporates, individuals, employees and students of schools and colleges giving them the opportunity to have an understanding about Bharti Foundation's School Education Programs.

900+
Airtel employees participated in ADHM 2018

Young Leader Program

The Young Leader Program is a two-week initiative (part of corporate induction to engage new team members of Bharti Airtel as volunteers to support various initiatives of Bharti Foundation.

ACT (A Caring Touch)

An employee payroll-giving initiative, ACT by Bharti Foundation, aims to involve employees of Bharti Group Companies (Bharti Airtel Limited, Bharti Airtel Services Limited and Telesonic Networks Limited) in participating socio-economic activities of the Foundation.

3,437
Number of employees participation

500
Airtel Employees and Airtel Partners Volunteered

₹8,293,166
Total contribution by BAL, BASL and TNL employees and employer contribution in FY19 towards Bharti Foundation

₹3,793,507
Employee contribution

₹4,499,659
Employer contribution

Africa

We encourage the use of technological support for initiatives related to education and health. We believe that aligning our CSR initiatives with our core business is the best way to drive change. As a corporate citizen working with communities we take a step forward during natural disasters or national emergencies whenever required. Some examples of our initiatives during the year under review were:

Digital Education

ICT day

Airtel Zambia held a 'Girls in ICT Day' by giving away material support as well as holding talks with 100 girls from rural schools on ICT (Information and Communication Technology). Airtel Zambia also donated assorted educational books to the newly built Kaunda Square Secondary School library. Airtel Kenya, in partnership with Computers for Schools Kenya and the County government of Kisumu, launched 'Free Internet for Schools Programme' in Kisumu. The company partnered with Junior Achievement (JA) Kenya to launch a Students Empowerment Program, where they hosted girls from Kariobangi North Secondary School for a day of learning during the 2018 Junior Achievement Job Shadow Program.

Coderbus project

Airtel Madagascar, partnered with the NGO Habaka/STEM4Good to provide free digital education to children through a project dubbed **'Coderdojo Madagascar'**. Coderbus is a connected bus with volunteer mentors who are employees from Airtel and the NGO, who provide free digital lessons to young people all over the country. Airtel provided laptops with connectivity to all the students at Coderbus. Since its inception, more than 3000 young people, with 60% of the total being girls, have been trained. These children are now able to code and create their own digital applications, games and websites.

3,000+

Young people have been trained since inception of the program

Transforming primary education

Airtel Malawi supports the **'Unlocking Talent'** programme by zero rating access to the 'unlocking talent' website for all Airtel subscribers and by providing free data connectivity, currently for 110 tablets, catering for 90,000 standard 1 and 2 learners from 14 schools, with a plan to scale up to 310 tablets for over 225,000 learners from 22 schools by the year 2023. The project focuses on marginalised groups across all districts in Malawi, learn maths and literacy through apps installed on tablets, in solar powered Learning Centres.

225,000+

Learners expected to be benefited by 2023

Health

Awareness campaigns

Spreading awareness

The Wazazi Nipendeni SMS Service initiative, is a Public Private Partnership model, led by the Tanzania Ministry of Health (MoHCDGEC) that sends (free) informative and carefully timed, government approved, health information and reminders to Tanzanians. For example, visits to clinics, maternal health and early childcare messages nationwide were some of the topics that were covered during the year. Airtel supports the technical set up of the service, zero rates the text messaging and USSD communication. The program engages 18 health organizations that continue to implement the service nationwide. To date, Airtel has sent and received 34,756,635 messages to a cumulative 510,123 Airtel subscribers and zero rates the government e-Gov USSD sessions for self-registration by end-users. This has resulted in more than 4,000 registrations by on-the-ground healthcare workers.

34,756,635

Cumulative informative messages sent

Supporting World Autism Walk

Airtel Zambia handed over T-shirts, calendars and caps during the World Autism walk, meant to raise funds for children with autism in Zambia.

Medical treatment

Supporting through medical care

In Nigeria, Airtel partnered with the St. Cyril Cancer Treatment Foundation to offer better care and support to cancer patients. Airtel donated chemotherapy infusion chairs, medical waiting room chairs, chemotherapy infusion pumps with drip stand, flat screen monitors and nursing/medical consumables to the Foundation. Airtel Tanzania supported clinic testing and treatment for mouth and eye for its partners and staff, at the Airtel Headquarters in Dar es Salaam.

Malawi Blood Transfusion Service (MBTS) collected blood from donors during a blood donation exercise conducted by Bwaila Media Club in partnership with Airtel Malawi in Lilongwe. In Seychelles, The Disease Surveillance and Response Unit (DSRU) signed a Memorandum of Understanding (MoU) with Airtel Seychelles to improve the efficiency of surveillance and response in the country where Airtel provided MiFi devices with monthly data of 10 GB each to be used by the unit for monitoring.

Epidemic support

During the Cholera outbreak in Zambia, Airtel stepped forward to support the Ministry of Education in their efforts to keep educational institutes functional so that students could continue to attend their schools without the fear of Cholera.

Around 10 schools were identified by the Ministry of Education and 'classified' as the vulnerable schools required to be cleaned and enhance their hygiene standards, with a potential impact for more than 8,000 pupils (combined) to have their schools reopened. The schools cleaned their environments and pledged to keep them clean to keep away diseases, like cholera, in the future. Following the heavy rains and floods that left many people destitute in some parts of the country, Airtel Malawi made a donation to the Department of Disaster Management Affairs (DODMA) to help the affected people.

8,000+

Potential students across 10 schools impacted

"Our initiatives are determined by local priorities and driven by the local teams. Our objective is to lend a hand where we can, to the communities across all the 14 countries that we operate in."

— **Raghunath Mandava**
CEO (Africa)

Youth Empowerment

Skill development and learning

VSOMO (A Mobile-learning programme sponsored by Airtel Tanzania) carried out an orientation program with youth from 7 different regions (Arusha, Morogoro, Mwanza, Dodoma, Kilimanjaro, Dar es Salaam and Coast region) in preparation for practical sessions after successfully completing the VETA (Vocational Educational and Training Authority) e-learning programme. Airtel Tanzania also partnered with Dar Teknohama Business Incubator (DTBi) to impart computer basic skills and technology to Dar es Salaam entrepreneurs, so as to expand their businesses through digital platform.

In partnership with Economic Liberation Association (ELA) Airtel Zambia trained over 60 youth in Chawama on issues Related to financial literacy and Mobile Money banking. Airtel Tanzania organized a fun run in which Airtel employees, stakeholders, and the general public bought participation tickets and thereby contributed towards the support of youth aged 18 to 24 years, who will qualify to take vocational education online training through VSOMO App.

Community development

Providing better living standards

The staff of Airtel Rwanda joined residents of Masaka Sector in Kicukiro District to speed up the completion of the Abaraya Model Village, enabling more than 70% households to live in better viable settlements.

Board's **Report**

Dear Members,

Your Directors have pleasure in presenting the 24th Board Report on the Company's business and operations, together with audited financial statements for the financial year ended March 31, 2019.

Company Overview

Bharti Airtel is one of the world's leading providers of telecommunication services with operations in 18 countries across Asia and Africa. The Company's diversified service range includes mobile, voice and data solutions, using 2G, 3G and 4G technologies. We provide telecom services under wireless and fixed line technology, national and international long distance connectivity and Digital TV; and complete integrated telecom solutions to our enterprise customers. All these services are rendered under a unified brand 'Airtel' either directly or through subsidiary companies. Airtel Money (known as 'Airtel Payments Bank' in India) extends our product portfolio to further our financial inclusion agenda and offers convenience of payments and money transfers on mobile phones over secure and stable platforms in India and across all 14 countries in Africa.

The Company also deploys and manages passive infrastructure pertaining to telecom operations through its subsidiary, Bharti Infratel Limited, which also owns 42% of Indus Towers Limited. Together, Bharti Infratel and Indus Towers are the largest passive infrastructure service providers in India.

Financial Results

In compliance with the provisions of the Companies Act, 2013 ('Act'), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') the Company has prepared its standalone and consolidated financial statement as per Indian Accounting Standards ('Ind AS') for the FY 2018-19. The standalone and consolidated financial highlights of the Company's operations are as follows:

Standalone Financial Highlights

Particulars	FY 2018-19		FY 2017-18	
	₹ Millions	USD Millions*	₹ Millions	USD Millions*
Gross revenue	496,080	7,101	536,630	8,327
EBITDA before exceptional items	128,321	1,837	181,529	2,817
Cash profit from operations	70,790	1,013	131,674	2,043
Earnings before taxation	(52,037)	(745)	(6,812)	(106)
Net income / (loss)	(18,290)	(262)	792	12

*1 USD = 69.86 Exchange Rate for the financial year ended March 31, 2019. (1 USD = 64.44 Exchange Rate for the financial year ended March 31, 2018).

Consolidated Financial Highlights

Particulars	FY 2018-19		FY 2017-18	
	₹ Millions	USD Millions*	₹ Millions	USD Millions*
Gross revenue	807,802	11,567	826,388	12,823
EBITDA before exceptional items	262,937	3,768	304,479	4,725
Cash profit from operations	167,777	2,406	227,169	3,525
Earnings before taxation	(17,318)	(253)	32,669	507
Net Income / (loss)	4,095	59	10,990	171

*1 USD = 69.86 Exchange Rate for the financial year ended March 31, 2019. (1 USD = 64.44 Exchange Rate for the financial year ended March 31, 2018).

The financial results and the results of operations, including major developments have been further discussed in detail in the Management Discussion and Analysis Report.

Secretarial Standards

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

Share Capital

During the year, the Authorized share capital of the Company has increased to ₹ 147,530 Mn divided into 29,506,000,000 equity shares of face value of ₹ 5/- each pursuant to the amalgamation of Telenor (India) Communications Private Limited with the Company. Further, the Company has allotted 5 (Five) equity shares of face value of ₹ 5/- each, fully paid up to Telenor South Asia Investment Pte. Ltd. pursuant to the above said amalgamation. Consequent to the said allotment, the paid-up share capital of the Company has increased to 3,997,400,107 equity shares of face value of ₹ 5/- each aggregating to ₹ 19,987 Mn.

General Reserve

During the year, the Company has transferred ₹ 16 Mn into General Reserve from the Share Based Payment Reserve pertaining to gain / loss on exercise / lapse of vested options.

Dividend

During the year, the Company had paid a final dividend of ₹ 2.50/- per equity share of ₹ 5/- each fully paid up (50% of face value) for FY 2017-18 amounting to ₹ 9,993.50 Mn (excluding tax on dividend).

The Board has also declared and paid an Interim Dividend of ₹ 2.50/- per equity share of ₹ 5/- each fully paid up (50% of face value) for FY 2018-19 amounting to ₹ 9,993.50 Mn (excluding tax on dividend) during the year.

Dividend Distribution Policy

As per Regulation 43A of the Listing Regulations, top 500 listed companies are required to formulate a dividend distribution policy. Accordingly, the Company had adopted the dividend distribution Policy which sets out the parameters and circumstances to be considered by the Board in determining the distribution of dividend to its shareholders and / or retaining profits earned by the Company. The Policy is enclosed as Annexure A to the Board's Report and is also available on the Company's website at https://s3-ap-southeast-1.amazonaws.com/bsy/iportal/images/Airtel-Dividend_Distribution_Policy_35406A496EEC3AB50D0C777F006C6D41.pdf

Transfer of amount to Investor Education and Protection Fund

During the FY 2018-19, the Company has transferred the unpaid / unclaimed dividend pertaining to FY 2010-11 amounting to ₹ 6.4 Mn. to the Investors Education and Protection Fund ('IEPF') Account established by the Central Government. The Company has also uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on August 8, 2018 (date of last Annual General Meeting) on the Company's website www.airtel.com.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the shares on which dividend remains unpaid / unclaimed for seven consecutive years or more shall be transferred to the Investor's Education and Protection Fund ('IEPF') after giving due notices to the concerned shareholders. Accordingly, the Company has transferred 54,607 equity shares to the IEPF during the FY 2018-19. The details of equity shares transferred are also available on the Company's website www.airtel.com.

The shareholders whose unpaid dividend / shares are transferred to the IEPF can request the Company / Registrar and Transfer Agent as per the applicable provisions in the prescribed Form No. IEPF-5 for claiming the unpaid dividend / shares out of the IEPF. The process for claiming the unpaid dividend / shares out of the IEPF is also available on the Company's website at http://www.airtel.in/about-bharti/equity/shares.

Deposits

The Company has not accepted any deposits and, as such, no amount of principal or interest was outstanding as on the balance sheet closure date.

Significant Developments

Mergers / amalgamations / demergers under Sections 230 to 232 of the Companies Act, 2013 completed during the year:

- Scheme of amalgamation between Telenor (India) Communications Private Limited ('Telenor') and Bharti Airtel Limited

  Pursuant to an order dated March 08, 2018 of the Hon'ble National Company Law Tribunal, New Delhi ('the NCLT Delhi') sanctioning the scheme of amalgamation and subject to receipt of all regulatory and statutory approvals, Telenor was amalgamated into the Company w.e.f. May 14, 2018. Pursuant to the Scheme of amalgamation, the Company allotted 5 (five) Equity Shares of face value of ₹ 5/- each to Telenor South Asia Investment Pte. Limited, Singapore.

Mergers / amalgamations / demergers under Sections 230 to 232 of the Companies Act, 2013 pending sanction of the appropriate authorities:

- Scheme of amalgamation between Bharti Digital Networks Private Limited (earlier known as Tikona Digital Networks Private Limited) ('Bharti Digital'), a subsidiary company and Bharti Airtel Limited

  Pursuant to an order dated July 4, 2018, the NCLT Delhi sanctioned the scheme of amalgamation between Bharti Digital and our Company whereby Bharti Digital is proposed to be amalgamated into our Company. The amalgamation is pending before the Department of Telecommunications ('DoT') under the Guidelines for the Transfer / Merger of various categories of Telecommunication service licenses /authorisation under Unified License ('UL') on compromises, arrangements and amalgamation of the companies dated February 20, 2014 issued by the DoT ('Transfer-Merger Guidelines').

- Composite scheme of arrangement between Tata Teleservices Limited ('TTSL'), Bharti Hexacom Limited ('Bharti Hexacom'), a subsidiary company and Bharti Airtel Limited

  Pursuant to an order dated January 30, 2019, the NCLT Delhi sanctioned the composite scheme of arrangement between TTSL, Bharti Hexacom and the Company for demerger of one part of the entire consumer wireless mobile business of TTSL in its telecom circles (other than Rajasthan) and transferring and vesting it on a going concern basis in the Company and demerger of the other part of the entire consumer wireless mobile business of TTSL in the telecom circles in Rajasthan and transferring and vesting it on a going concern basis in Bharti Hexacom. The demerger is pending before the DoT under the Transfer-Merger Guidelines.

- Scheme of arrangement between Tata Teleservices (Maharashtra) Limited ('TTML') and Bharti Airtel Limited

  Pursuant to Orders dated January 30, 2019 and December 4, 2018, the NCLT Delhi and National Company Law Tribunal, Mumbai, respectively, sanctioned the scheme of arrangement between TTML and the Company for the demerger of the entire consumer wireless mobile business of TTML in its telecom circles in Mumbai and Maharashtra and transferring and vesting it on a going concern basis in the Company. The demerger is pending before the DoT under the Transfer-Merger Guidelines.

- Scheme of arrangement between Telesonic Networks Limited ('TNL'), a subsidiary company and Bharti Airtel Limited

  Pursuant to the approval dated October 31, 2017 of the Board of Directors of the Company and consents received from the shareholders of the Company, a petition dated March 12, 2018 had been filed before the NCLT Delhi under Sections 230 to 232 of the Companies Act, for the sanction of a proposed scheme of arrangement whereby the optical fibre cable business undertaking of the Company shall be transferred to and vested in TNL on a going concern basis by way of a slump sale. The order is yet to be pronounced by the NCLT Delhi.

Rights Issue

During the year, the Company has approved the issuance of upto 1,133,591,075 Equity Shares of face value of ₹ 5/- each by way of rights issue at a price of ₹ 220 per rights equity share (including a premium of ₹ 215 per rights equity share) aggregating up to ₹ 249,390.04 million on a rights basis to the eligible equity shareholders in the ratio of 19 rights equity shares for every 67 equity shares held by the eligible equity shareholders on the record date, that is, April 24, 2019. The issue opened on May 03, 2019 and is scheduled to be closed on May 17, 2019.

Capital Market Ratings

As on March 31, 2019, the Company was rated by two domestic rating agencies, namely CRISIL and ICRA and three international rating agencies, namely Fitch Ratings, Moody's and S&P.

As on March 31, 2019, CRISIL and ICRA revised their long-term ratings of the Company to [CRISIL] AA / [ICRA] AA, with a stable outlook. Short-term ratings were maintained at the highest end of the rating scale at [CRISIL] A1+ / [ICRA] A1+. Fitch maintained the rating at BBB- / Stable. S&P and Moody revised its outlook and rating to BBB- / Negative and to Ba1 / Negative respectively during the year.

Employee Stock Option Plan

At present, the Company has two Employee Stock Options ('ESOP') schemes, namely the Employee Stock Option Scheme 2001 and the Employee Stock Option Scheme 2005. Besides attracting talent, the schemes also helped retain talent and experience. The HR and Nomination Committee administers and monitors the Company's ESOP schemes.

Both the ESOP schemes are currently administered through Bharti Airtel Employees Welfare Trust (ESOP Trust), whereby shares held by the ESOP Trust are transferred to the employee, upon exercise of stock options as per the terms of the Scheme.

Pursuant to the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 (the ESOP Regulations), a disclosure with respect to ESOP Scheme of the Company as on March 31, 2019, has been uploaded on Company's website at https://www.airtel.in/about-bharti/equity/results.

During the previous year, there were no changes in the aforesaid ESOP Schemes of the Company and the ESOP Schemes are in compliance with ESOP regulations. A certificate from Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors, with respect to the implementation of the Company's ESOP schemes, would be placed before the shareholders at the ensuing AGM. A copy of the same will also be available for inspection at the Company's registered office upto the date of AGM.

Material changes and commitments affecting the financial position between the end of financial year and date of report after the balance sheet date

There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of this report.

Debentures

During the financial year, the Company has not issued any debentures. The details of outstanding debentures are as under:

- 15,000 Series I debentures having a face value of ₹ 1 Mn per debenture at a coupon rate of 8.25% per annum.
- 15,000 Series II debentures having a face value of ₹ 1 Mn per debenture at a coupon rate of 8.35% per annum.

The aforesaid debentures are listed on National Stock Exchange of India Limited.

Directors and Key Managerial Personnel

Inductions, Re-appointments, Retirements & Resignations

In line with the Company's policy on Independent Directors, Mr. Ben Verwaayen, upon completion of his tenure retired from the Board w.e.f. December 26, 2018. The Directors place on record their appreciation for the help, guidance and contribution made by him during his tenure on the Board.

Pursuant to the provisions of Sections 149, 161 and other applicable provisions of the Companies Act, 2013 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and as recommended by the HR and Nomination Committee and subject to the approval of the shareholders, the Board, on March 30, 2019, had appointed Ms. Kimsuka Narasimhan as an Additional Independent Director w.e.f. March 30, 2019 to hold office for a term of five consecutive years i.e. upto March 29, 2024. The Company has received requisite notice from a member under Section 160 of the Companies Act, 2013 proposing the appointment of Ms. Kimsuka Narasinham as an Independent Director.

Mr. V. K. Viswanathan and Mr. D. K. Mittal had completed their present term as Independent Directors of the Company on January 13, 2019 and March 12, 2019 respectively. On the recommendation of the HR and Nomination Committee, the Board, subject to the approval of the shareholders, has re-appointed them as Independent Directors for a further term of five consecutive years i.e. upto January 13, 2024 and March 12, 2024 respectively.

In the opinion of the Board, Mr. V. K. Viswanathan, Mr. D. K. Mittal and Ms. Kimsuka Narasimhan fulfil the conditions specified in the Companies Act, 2013 and the rules made thereunder and under Listing Regulations and are independent to the management and accordingly, the Board recommends their appointment / re-appointment.

Pursuant to the provisions of the Companies Act, 2013, Ms. Chua Sock Koong, Director of the Company will retire by rotation at the ensuing AGM and being eligible, has offered herself for re-appointment. The Board recommends her re-appointment.

Brief resume, nature of expertise, details of directorships held in other companies of Ms. Chua Sock Koong proposed to be re-appointed, along with her shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as an Annexure to the Notice of the ensuing AGM.

Mr. Nilanjan Roy, Global Chief Financial Officer has resigned w.e.f. February 28, 2019. The Directors placed on record their appreciation for the contribution made by him during his tenure. The Board on the recommendation of Audit Committee and HR & Nomination Committee, had appointed Mr. Badal Bagri as Chief Financial Officer (India and South Asia) and Key Managerial Personnel of the Company w.e.f. March 01, 2019.

Declaration by Independent Directors

The Company has received declarations from all Independent Directors of the Company confirming that they continue to meet the criteria of independence, as prescribed under Section 149 of the Companies Act, 2013 and Regulations 16 & 25 of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's code of conduct.

Board Diversity and Policy on Director's Appointment and Remuneration

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board will be able to leverage different skills, qualifications, professional experiences, perspectives and backgrounds, which is necessary for achieving sustainable and balanced development. The Board has adopted a policy on 'Nomination, Remuneration and Board Diversity', which sets out the criteria for determining qualifications, positive attributes and independence of a Director. The detailed policy is available on the Company's website at https://s3-ap-southeast-1.amazonaws.com/bsy/iportal/images/Policy-on-Nomination-Remuneration-and-Board-Diversity_38F11FC9AA4BC8FAD0B12B51CA0F39BC_1554095379321.pdf and is also annexed as Annexure B to this report.

Annual Board Evaluation and Familiarisation Programme for Board Members

The HR and Nomination Committee has put in place a robust framework for evaluation of the Board, Board Committees and Individual Directors. Customised questionnaires were circulated, responses were analyzed and the results were subsequently discussed by the Board. Recommendations arising from the evaluation process was considered by the Board to optimize its effectiveness. A detailed update on the Board Evaluation is provided in the report on Corporate Governance which forms part of this report.

A note on the familiarisation programme adopted by the Company for orientation and training of the Directors, and the Board evaluation process undertaken in compliance with the provisions of the Companies Act, 2013 and the Listing Regulations is provided in the Report on Corporate Governance, which forms part of this Report.

Committees of Board, Number of Meetings of the Board and Board Committees

The Board of Directors met six (6) times during the previous financial year. As on March 31, 2019, the Board has ten committees, namely, the Audit Committee, the Risk management Committee, the HR and Nomination Committee, the Corporate Social Responsibility ('CSR') Committee, the Stakeholders' Relationship Committee, the Committee of Directors, the Airtel Corporate Council, the Special Committee of Directors (for Monetization of stake in Bharti Infratel Limited), the Special Committee of Directors (for Restructuring of overseas holding structure) and Special Committee of Directors (for fund raising).

All the recommendations made by committees of the Board including the Audit Committee were accepted by the Board. A detailed update on the Board, its composition, detailed charter including terms and reference of various Board Committees, number of Board and Committee meetings held during FY 2018-19 and attendance of the Directors at each meeting is provided in the Report on Corporate Governance, which forms part of this Report.

Subsidiary, Associate and Joint Venture Companies

As on March 31, 2019, your Company has 101 subsidiaries, 7 associates and 8 joint ventures, as set out in note 34 of the standalone financial statements (for Abridged Annual Report please refer note 17).

During FY 2018-19, Bharti Airtel Holding (Mauritius) Limited, Airtel Africa Mauritius Limited, Bharti Airtel Overseas (Mauritius) Limited, Airtel Africa Limited, Airtel Mobile Commerce Nigeria B.V., Airtel Mobile Commerce Congo B.V., Airtel Mobile Commerce (Seychelles) B.V., Airtel Mobile Commerce Madagascar B.V., Airtel Mobile Commerce Kenya B.V., Airtel Mobile Commerce Rwanda B.V., Airtel Mobile Commerce Malawi B.V., Airtel Mobile Commerce Uganda B.V., Airtel Mobile Commerce Tchad B.V, Airtel Mobile Commerce Zambia B.V. became Subsidiaries of the Company.

During FY 2018-19, Bharti Airtel Burkina Faso Holdings B.V., Africa Towers Services Limited, Tigo Rwanda Limited ceased to be subsidiaries of the Company.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing salient features of financial statements of subsidiary, associate and joint venture companies is annexed to the Abridged and full version of the Annual Report. The statement also provides the details of performance and financial position of each of the subsidiary, associate and joint venture and their contribution to the overall performance of the Company.

The audited financial statements of each of its subsidiary, associate and joint venture companies are available for inspection at the Company's registered office and also at registered offices of the respective companies and pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of each of its subsidiary companies are also available on the Company's website www.airtel.com.

Copies of the annual financial statements of the subsidiary, associate and joint venture companies will also be made available to the investors of the Company and those of the respective companies upon request.

Abridged Annual Report

In terms of the provision of Section 136(1) of the Companies Act, 2013, Rule 10 of Companies (Accounts) Rules, 2014 and Regulation 36 of the Listing Regulations, the Board of Directors has decided to circulate the Abridged Annual Report containing salient features of the balance sheet and statement of profit and loss and other documents to the shareholders for FY 2018-19, who have not registered their e-mail id. The Abridged Annual Report is being circulated to the members excluding Annexures to the Board's Report viz. the 'Dividend Distribution Policy', 'Nomination, Remuneration and Board Diversity Policy', 'Secretarial Audit Report', 'Annual Report on Corporate Social Responsibility ('CSR') Activities', 'Extract of Annual Return', 'Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earning and Outgo', 'Disclosure relating to remuneration u/s 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014', 'Report on Corporate Governance and Auditors' Certificate on compliance of conditions of Corporate Governance' and 'Business Responsibility Report'.

Members who desire to obtain the full version of the report may write to the Corporate Secretarial Department at the registered office address of the Company or Karvy Fintech Private Limited (formerly known as Karvy Computershare Private Limited), Registrar and Share Transfer Agent of the Company and will be provided with a copy of the same. Full version of the Annual Report will also be available on the Company's website www.airtel.com.

Auditors and Auditors' Report

Statutory Auditors

In terms of the provisions of Section 139 of the Companies Act, 2013, Deloitte Haskins & Sells LLP were appointed as the Company's Statutory Auditors by the shareholders in the AGM held on July 24, 2017, for a period of five years i.e. till the conclusion of 27th AGM.

The Board has duly examined the Statutory Auditors' Report to the financial statements, which is self-explanatory. Clarifications, wherever necessary, have been included in the Notes to financial statements section of the Annual Report

As regards the comments under para i(a) of the Annexure B to the Independent Auditors' Report regarding updation of quantitative and situation details relating to certain fixed assets, the Company is in the process of executing a comprehensive project with the involvement of technical experts, for deploying automated tools and processes which will enable near real-time tracking of fixed assets and reconciliation thereto. This project is expected to be completed by next year.

Further, the auditors have not reported any fraud u/s 143(12) of the Act.

Internal Auditors and Internal Assurance Partners

The Board had appointed Head Internal Assurance as the Internal Auditor of the Company and Ernst & Young LLP and ANB & Co., Chartered Accountants, Mumbai as the Internal Assurance Partners to conduct the internal audit basis a detailed internal audit plan which is reviewed each year in consultation with the Internal Audit Group and the Audit Committee.

The Board, on the recommendation of the Audit Committee, has re-appointed Ernst & Young LLP and ANB & Co. Chartered Accountants, Mumbai as the internal assurance partners for the FY 2019-20.

Cost Auditors

During the year under review, R. J. Goel & Co., Cost Accountants, resigned as Cost Auditors of the Company.

The Board, on the recommendation of the Audit Committee, has approved the appointment of Sanjay Gupta & Associates, Cost Accountants, as Cost Auditors, for the financial year ending March 31, 2019 in casual vacancy and also for the financial year ending March 31, 2020. The Cost Auditors will submit their report for FY 2018-19 on or before the due date.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration payable to the Cost Auditors is required to be ratified by the shareholders, the Board recommends the same for approval by shareholders at the ensuing AGM.

Secretarial Auditors

The Company had appointed Chandrasekaran Associates, Company Secretaries, to conduct its Secretarial Audit for the financial year ended March 31, 2019. The Secretarial Auditors have submitted their report, confirming compliance by the Company of all the provisions of applicable corporate laws. The Report does not contain any qualification, reservation, disclaimer or adverse remark. The Secretarial Audit Report is annexed as Annexure C to this report.

The Board has re-appointed Chandrasekaran Associates, Company Secretaries, New Delhi, as Secretarial Auditors of the Company for FY 2019-20.

Sustainability Journey

We, at Bharti Airtel, strongly believe that power of communication can bring in multi-dimensional transformations, ensuring smooth functioning of life and businesses, and helping society to become sustainable and inclusive. We recognize our role in this sustainable approach in the way we conduct our business by integrating sustainability in our strategies and operations.

Our Vision defines what we aim to do, whereas our Core Values - Alive, Inclusive and Respectful - expound how we aim to embrace the responsible business practices. As the stakeholders have played a crucial role in Airtel's sustained success over the years, Airtel's sustainability approach has been carefully developed through systematic engagement with its stakeholders worldwide. We continuously strive to provide long-term sustainable value to all our stakeholders including investors, customers, employees, business partners and suppliers, government and regulators and communities. This is performed through systematic stakeholder dialogue to gauge their expectations, share information and sustainability priorities, practices and performance and explore avenues of partnerships to achieve the goals. Our sustainability initiatives towards topics that are material to our stakeholders and to the company, have been reported in our Integrated Report, as well as on our website http://www.airtel.in/sustainability.

Corporate Social Responsibility ('CSR')

Building upon and scaling up on various interventions initiated in areas as prescribed in our CSR policy, the Company has increased its CSR spending during the previous financial year i.e. ₹ 245.37 Mn in FY 2017-18 to ₹ 458.40 in FY 2018-19. Additionally, the Company has also contributed ₹ 37.25 Mn towards various other charitable causes. The consolidated contribution of the Company towards various CSR activities during the financial year 2018-19 is ₹ 495.65 Mn.

The Company is building its CSR capabilities on a sustainable basis and is committed to gradually increase its CSR spend in the coming years. The CSR spending is guided by the vision of creating long-term benefit to the society. With the strong foundations that we laid towards this end of the year, and the proposed scaling up of a number of our CSR Projects, we believe that we have made meaningful progress towards reaching the target in the coming financial year.

A detailed update on the CSR initiatives of the Company is provided in the Corporate Social Responsibility Report, which forms part of the Annual Report.

The Annual Report on Corporate Social Responsibility u/s 135 of the Companies Act, 2013 is annexed as Annexure D to this Report.

Integrated Reporting

The Securities and Exchange Board of India ('SEBI') vide circular no: SEBI/HO/CFD/CMD/CIR/P/2017/10 dated February 06, 2017 has recommended voluntary adoption of 'Integrated Reporting' (IR) from 2017 - 2018 by the top 500 listed companies in India. We continue with our integrated reporting journey in the current fiscal aligning with our philosophy of being a highly transparent and responsible company. This is our second Integrated Report wherein we are guided by the principles of International Integrated Reporting Framework developed by the International Integrated Reporting Council ('IIRC'). The Board acknowledges its responsibility for the integrity of report and information contained therein.

Business Responsibility Report

As stipulated under the Listing Regulations, the Business Responsibility Report, describing the initiatives taken by the Company from environmental, social and governance perspective forms a part of the Annual Report.

Management Discussion and Analysis Report

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the year under review, is presented in a separate section, forming part of the Annual Report.

Corporate Governance

A detailed report on Corporate Governance, pursuant to the requirements of Regulation 34 of the Listing Regulations, forms part of the Annual Report.

A certificate from Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of the Company, confirming compliance of conditions of Corporate Governance, as stipulated under the Listing Regulations, is annexed as Annexure H to this report.

A statement containing additional information as required under Clause IV of Section II of Part II of Schedule V of the Companies Act, 2013 is provided in the Report on Corporate Governance, which forms part of this Annual Report.

Risk Management

Risk management is embedded in Bharti Airtel's operating framework. The Company believes that risk resilience is key to achieving higher growth. To this effect, there is a process in place to identify key risks across the Group and prioritise relevant action plans to mitigate these risks.

To have more robust process, the Company had constituted a separate Risk Management Committee to focus on the risk management including determination of company's risk appetite, risk tolerance and regular risk assessments (risk identification, risk quantification and risk evaluation) etc.

Risk Management framework is reviewed periodically by the Board and Risk Management Committee, which includes discussing the management submissions on risks, prioritising key risks and approving action plans to mitigate such risks.

The Company has duly approved a Risk Management Policy. The objective of this Policy is to have a well-defined approach to risk. The policy lays down broad guidelines for timely identification, assessment, and prioritisation of risks affecting the Company in the short and foreseeable future. The Policy suggests framing an appropriate response action for the key risks identified, so as to make sure that risks are adequately addressed or mitigated.

The Internal Audit function is responsible to assist the Audit Committee (erstwhile Audit & Risk Management Committee) / Risk Management Committee on an independent basis with a complete review of the risk assessments and associated management action plans.

Operationally, risk is being managed at the top level by Management Boards in India and South Asia and in Africa (AMB and Africa Exco) and at operating level by Executive Committees of Circles in India and Operating Companies in the international operations.

Detailed discussion on Risk Management forms part of Management Discussion & Analysis under the section 'Risks and Concerns', which forms part of this Annual Report. At present, in the opinion of the Board of Directors, there are no risks which may threaten the existence of the Company.

Internal Financial Control and their adequacy

The Company has established a robust framework for internal financial controls. The Company has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information. During the year, such controls were assessed and no reportable material weaknesses in the design or operation were observed. Accordingly, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2018-19.

Other Statutory Disclosures

Vigil Mechanism

The Code of Conduct and vigil mechanism applicable to Directors and Senior Management of the Company is available on the Company's website at https://s3-ap-southeast-1.amazonaws.com/bsy/iportal/images/Code-of-Conduct-applicable-to-Directors-and-Senior-Management-of-the-com_B30F70736F8A8DEE6203908A7988580D.pdf

A brief note on the highlights of the Whistle Blower Policy and compliance with Code of Conduct is also provided in the Report on Corporate Governance, which forms part of this Annual Report.

Extract of Annual Return

In terms of provisions of Section 92, 134(3)(a) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the extract of Annual Return of the Company in form MGT-9 is annexed herewith as Annexure E to this report.

Sexual Harassment of Women at Workplace

The Company has an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at work place. Details of the same including the details of the complaints received is provided in the Report on Corporate Governance, which forms part of this Integrated Report.

Significant and material orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future other than the orders passed by tribunal w.r.t. various scheme of arrangements mentioned earlier in this report.

Particulars of loans, guarantees and investments

Particulars of loans, guarantees and investments form part of Note no. 10, 23 & 8 respectively to the financial statements provided in the full version of the Annual Report.

Disclosure under Section 197(14) of Act

Neither the Managing Director & CEO nor the Chairman of the Company receive any remuneration or commission from its holding or subsidiary company.

Related Party Transactions

A detailed note on the procedure adopted by the Company in dealing with contracts and arrangements with Related Parties is provided in the Report on Corporate Governance, which forms part of this Annual Report.

All arrangements / transactions entered into by the Company with its related parties during the year were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any arrangement / transaction with related parties which could be considered material in accordance with the Company's Policy on Related Party Transactions read with the Listing Regulations and accordingly, the disclosure of Related Party Transactions in Form AOC - 2 is not applicable. However, names of Related Parties and details of transactions with them have been included in Note no. 34 to the financial statements provided in the full version of the Annual Report and Note no. 17 of the financial statements provided in abridged version of the Annual Report under Indian Accounting Standards 24.

The Policy on the Related Party Transactions is available on the Company's website at https://s3-ap-southeast-1.amazonaws.com/bsy/iportal/images/BAL-Policy-on-Related-Party-Transactions_CAF52027123589504F21514722AAF1A5.pdf

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The details of energy conservation, technology absorption and foreign exchange earnings and outgo as required under Section 134(3) of the Companies Act, 2013, read with the Rule 8 of Companies (Accounts of Companies) Rules, 2014 is annexed as Annexure F to this report.

Particulars of Employees

Disclosures relating to remuneration of Directors u/s 197(12) of the Companies Act, 2013 ('the Act') read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure G to this report.

Particulars of employee remuneration as required under Section 197(12) of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. In terms of the provisions of the first proviso to Section 136(1) of the Act, the Annual Report is being sent to the shareholders excluding the aforementioned information. The information will be available on the Company's website at https://www.airtel.in/about-bharti/equity/results and is also available for inspection at the registered office of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of AGM and will also be available for inspection at the venue of the AGM. Any member interested in obtaining such information may write to the Company Secretary at the Registered Office of the Company.

Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013, the Directors, to the best of their knowledge and belief, confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed, along with proper explanation relating to material departures;

b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors had prepared the annual accounts on a going concern basis;

e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgements

The Board wishes to place on record their appreciation to the Department of Telecommunications ('DoT'), the Central Government, the State Governments in India, Government of Bangladesh, Government of Sri Lanka and Governments in the 14 countries in Africa, Company's bankers and business associates, for the assistance, co-operation and encouragement extended to the Company.

The Directors also extend their appreciation to the employees for their continuing support and unstinting efforts in ensuring an excellent all-round operational performance. The Directors would like to thank various partners, viz., Bharti Telecom Limited, Singapore Telecommunications Ltd. and other shareholders for their support and contribution. We look forward to their continued support in future.

For and on behalf of the Board

Place: New Delhi
Date: May 6, 2019

Sunil Bharti Mittal
Chairman

Management Discussion and Analysis

Overview

India is currently the second largest telecommunication market and has the second highest number of internet users in the world. India's internet user base has grown rapidly in recent years, propelled by the decreasing cost and increasing availability of smartphones and high-speed connectivity at affordable prices. It continues to witness a huge expansion in data and voice usage even as it consolidates towards the largely 3+1 player market. With only three private operators serving 1.3 Billion people and significant 4G penetration upside, the industry is poised for sustained long term growth.

In order to remain a meaningful, relevant player in this era of digitization, Airtel is making a dynamic shift in its strategy from simply being a pipe providing connectivity to being an ecosystem of digital services with an aim to win quality customers across verticals and offer them brilliant experience across all touch points.

This strategy will be based on the key pillars, the primary pillar being providing services at scale. The Company will continue to scale up its digital services offerings, such as Airtel TV, Wynk, Books, Payments, etc., which are offered as part of the flagship Airtel Thanks program. This will be enabled through expanded strategic partnerships and creating of partner ecosystem with ability to quickly and seamlessly integrate offerings on the airtel platform.

Strong customer understanding and deep micro marketing will be at the core across online and offline channels of the Company. To be able to impeccably offer these services to customers and to quickly adapt to the changing industry contours, airtel will simplify its processes to be an agile customer-centric organization. In addition to this, everything will be looked through the lens of War on Waste program to ensure cost savings and delivering incremental profits to its shareholders.

The Company's Africa business is creating a strong foundation for a solid and sustainable business. Airtel targets to increase the mobile revenue and market share through widest smartphone network leadership, data penetration, introduction of new products and addition of quality customers. Airtel Money provides a unique opportunity to build a scalable business at a minimal incremental capex while fully leveraging the existing platform to provide a solution to the low banking penetration seen across the continent.

Economic Review

The global economy continues to expand at a healthy pace. The global GDP grew by 3.6% in 2018 compared to 3.8% in 2017, despite the backdrop of weakening global growth, looming trade policy uncertainty, and concerns about US and China's outlook.

Economic activity in advanced economies grew by 2.2% in 2018 as compared to 2.4% in 2017. The fall was primarily due to slowdown in the euro area caused by several factors including the prolonged uncertainty around the Brexit outcome, weakening consumer and business sentiment, fiscal policy uncertainty even as the sovereign spreads continued to remain elevated softening investments across the region. Amid a tight labor market and strong consumption growth in the United States, the growth momentum in US remained robust with the economy enhancing its growth rate to 2.9% in 2018 vs. 2.2% last year.

Emerging Market and Developing Economies (EMDE) grew by 4.5% during 2018, led by India & China. China's growth declined against last year following a combination of regulatory tightening and an increase in trade tensions with the United States. Most of the EMDE were impacted by the volatile crude oil prices and depreciation bias on the currency. Although oil prices have now stabilized, inflationary pressures continue to remain due to the domestic currency depreciation and thus impacting growth outlook.

Looking into next year, global economic growth is projected to be 3.3% in 2019, before returning to 3.6% in 2020. The pickup is expected in the second half of 2019 on account of ongoing buildup of policy stimulus in China, recent improvements in global financial market sentiment, the waning of some temporary drags on growth in the euro area, and a gradual stabilization of conditions in stressed emerging market economies. Beyond 2020, global growth is set to plateau at about 3.6% over the medium term, sustained by the increase in the relative size of economies, such as those of India and China, which are projected to have robust growth rates.

Global Growth Trend (%)	Actual		Projections	
	2017	2018	2019	2020
World Output	3.8	3.6	3.3	3.6
Advanced Economies	2.4	2.2	1.8	1.7
Emerging Market and Developing Economies	4.8	4.5	4.4	4.8
China	6.8	6.6	6.3	6.1
India	7.2	7.1	7.3	7.5
Sub-Saharan Africa	2.9	3.0	3.5	3.7

Source: IMF World Economic Outlook 2019

Indian Economy

As per IMF, Indian economy grew by 7.1% in 2018 which is the fastest in the world. The economy achieved the growth with overcoming the several challenges it faced during the year. The country got hit by the NBFC crisis and the liquidity crunch in the bond/debt market. The NBFC liquidity crunch came with the major public sector banks already under RBI's Prompt Corrective Action framework. With continuous government efforts towards achieving bank recapitalization and strategic mergers, the economy was able to survive through it.

The country has been an upswing in the private consumption expenditure in the past few years. Further, it is projected to remain robust and the investment growth is also expected to continue as the benefits of recent policy reforms begin to materialise and credit markets rebound. Even the fall in crude oil prices and the appreciation of the rupee in the second half of 2018 has reduced pressures on inflation and the current account deficit.

As per IMF, India is a bright spot in the global ecosystem and India's growth is looking very attractive in the coming years. India's growth is projected to pick up to 7.3% in 2019 and 7.5% in 2020, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy. Going past 2020, IMF expects growth in India to stabilize at just under 7¾% over the medium term, based on continued implementation of structural reforms and easing of infrastructure bottlenecks.

Africa Economy

The Sub-Saharan Africa economy grew by 3.0% in 2018, a marginal improvement from the growth rate of 2.9% witnessed last year. The slowdown was due to the strengthening dollar, fluctuating commodity prices and trade uncertainty. Nigeria, a major economy in the region, gave a positive push to the overall region growth by increasing its growth rate to 1.9% this year from 0.8% last year. The other bright spots were majorly the non-commodity driven markets such as Burkina Faso, Cote d'Ivoire, Ethiopia, Ghana, Niger, Rwanda, Senegal, Tanzania, and Uganda.

While the prospects vary across Sub-Saharan Africa, reflecting the heterogeneity of the economies, associated with disparities in the level of development, exposure to weather shocks, and commodity dependence, for the region as a whole the growth is expected to pick up to 3.5% in 2019 and 3.7% in 2020 even after considering the impact of the recent softening of oil prices.

Growing labor force, increased urbanization and advanced technology adoption are some of the positives working in favour of Africa. With a potential to emerge as one of the world's most productive and dynamic economies, Africa provides substantial opportunities for the telecom sector in the areas of data and mobile commerce.

Sources:

World Bank Global Economic Prospects 2019: http://www.worldbank.org/en/publication/global-economic-prospects

IMF World Economic Outlook 2019: https://www.imf.org/en/Publications/WEO

OECD Economic Outlook 2019: http://www.oecd.org/economy/economic-outlook/

Megatrends that Drive Our Business

- By 2020, India is set to become the world's youngest country with 64% of its population in the working age group. This demographic potential will offer India an unprecedented edge with increase in mobile data penetration.
- The age of digitization is ushering in the fourth industrial revolution, which will be fuelled by telecom networks. This is also encouraging telecom businesses to reinvent themselves by embarking on digital transformation to fully serve the needs of the new digitally savvy and digitally native customers.
- As per IDC, Indian smartphone market witnessed a 14.5% annual growth with a total shipment of 142.3 Mn units in 2018. The penetration of high-speed mobile broadband in India continues to outpace industry expectations, driven by rapid adoption of low cost smartphones and lower data pricing.

- The increasing usage of digital service will push the consumption through Over the top (OTT) platform in near future. Content tie-ups are playing a major role in customer acquisition and retention. Customers are looking for content services like music and video streaming, device protection and other benefits over and above the basic mobile recharges. The industry is moving towards producing or collaborating with manufacturers of content.
- While implementation and rollout of 5G looks to be some time away, the standards and ecosystem on 5G has already gathered pace with more and more use cases coming into picture. In the coming years, Indian telecom industry will work to prepare the networks for 5G and extreme broadband applications such as virtual reality, augmented reality.
- Deployment of Internet of Things (IoT) in various consumer and enterprises solutions such as asset tracking, smart appliances, smart metering, security and surveillance is grabbing attention of developers and telcos. Increased penetration of affordable devices, combined with cloud computing, analytics and rising consumer expectations is driving the rapid growth of the IOT market. The IOT market in India is poised to reach USD 15 Bn by 2020, accounting for nearly 5% of total global market. Telecom will play a critical role in providing connectivity and solutions in this market. Number of M2M connections in Africa is expected to reach 26 Mn by 2020.
- With government push towards cashless economy and increasing acceptability of digital transactions, payments via smartphones are driving financial inclusion. Telecom industry, with an established distribution network is best placed to capture this opportunity.
- Convergence of fixed and wireless technologies is becoming more tangible with improvements in handsets, increased data speed, and development of backhaul.
- With Mission Digitization, DTH operators are likely to benefit from a rising subscriber base and higher market penetration. Innovations in paid TV services, migration from SD to HD boxes have increased consumption of – smart TV's and HD services, offering more opportunities to service operators.

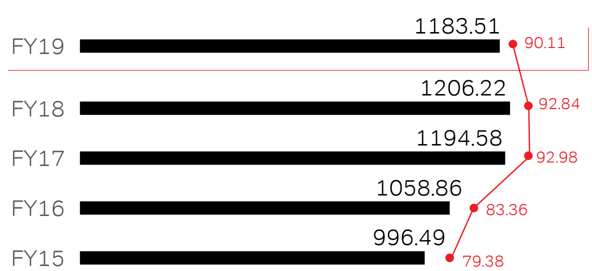
Industry Overview

Indian Telecom Sector

India's total customer base stood at 1,183.51 Mn as on March 31, 2019. The completion of the consolidation within the Indian Telecom Market into three large private players accelerated the SIM consolidation leading to drop in customer base by 1.9% from 1,206.22 Mn last year. Consequently, the tele-density also contracted to 90.11% from 92.84% last year. The urban tele-density stood at 159.96%, whereas the rural tele-density stood at 57.47%, as on March 31, 2019.

Among the service areas excluding metros, Himachal Pradesh has the highest tele-density (146.39%) followed by Kerala (126.15%), Punjab (125.35%), Tamil Nadu (117.05%), Gujarat (107.21%), Haryana (97.66%), Andhra Pradesh (97.55%), Jammu & Kashmir (89.43%). Among the metros, Delhi tops with 238.58% tele-density. On the other hand, the service areas, such as Bihar (59.95%), Uttar Pradesh (68.63%), Assam (68.81%) and Madhya Pradesh (70.11%) have comparatively low tele-density.

Tele Density: India (%)



(Source: Telecom Regulatory Authority of India)

With the tele-density at its current levels, there remains a significant headroom for expansion, especially in rural areas. Differentiated services and personalized digital offers will be the key drivers for the market in urban areas.

The broader industry, having consolidated to three large players, started seeing some return of stability and green shoots of growth. Prices however have remained subdued and need to move up in the long term to ensure industry viability. With imminent digitization, the sector also needs to make a dynamic shift from simply being a pipe providing connectivity to being an ecosystem of digital services. The sector needs to identify new growth areas which combine the potential of digitization and existing core competencies of telecom in addition to making the core business more cost efficient and agile to be able to drive the fourth industrial revolution.

The sector continues to witness data boom and rising consumption of content and related services. There is a strong growth in internet users fuelled by increased availability of bandwidth, affordable data plans and increased use cases; as also awareness driven by the digital

India initiatives of the government. Providing a seamless, high speed network experience and building requisite capacities to cater the consumption boom will be critical for supporting the sector expansion.

The wire-line customer base stood at 21.70 Mn at the end of March 31, 2019 vis-à-vis 22.81 Mn at the end of March 31, 2018.

African Telecom Sector

Africa has been the fastest-growing mobile market in the world during the past few years fuelled by favourable macroeconomic factors manifesting in higher consumption, licensing opportunities and relatively stable regulatory and economic environment. Continued investments by operators across the continent has led to drastic improvement in the telecommunication infrastructures.

Revenue growth for Airtel in Africa has been strong, driven by mobile money and data. Airtel is the leading operator in 12 of the 14 countries in Africa in which it operates.

With the overall growth story remaining strong with a full year witnessing a double-digit revenue growth, the Company has embarked on a journey of cost consolidation and service diversification in-order to further improve profitability and enhance competitive edge. Diversification and digitization of offerings along with continued investment towards enhancing customer experience through high speed LTE network has led to a strong growth in Mobile Data and Money in addition to Voice.

Airtel Africa is undertaking an IPO on the London Stock Exchange along with a secondary listing on Nigeria Stock Exchange, subject to market conditions.

Development in Regulations

The year saw several regulatory changes and developments. The significant regulatory changes were:

India

- **The Telecommunication Interconnection (Amendment) Regulations, 2018: Telecom Regulatory Authority of India (TRAI) on July 5, 2018 issued "The Telecommunication Interconnection (Amendment) Regulations, 2018". The key highlights are:**
  - Service providers may request for additional ports at a Point of Interconnect (POI), if the projected utilization of such POI at the end of sixty days from the date of placing the request is likely to be more than 85%. The request shall be such that the projected utilization drops to less than 75%.
  - The projected utilization shall be calculated on the basis of daily traffic for the preceding sixty days at the POIs during busy hour.
  - The time frame for provisioning of ports for initial interconnection and augmentation of ports was revised to 42 working days.
  - The port charges and infrastructure charges, for all ports provided before February 1, 2018 shall continue to be payable as per the terms and conditions which were applicable to them before February 1, 2018.
- **Ruling on the validity of Aadhaar Card by Hon'ble Supreme Court for use by private institutions**
  - Section 57 of the Aadhaar Act has been revoked by the Hon'ble Supreme Court in its judgement dated September 26, 2018. The said section specified the use of Aadhaar card for identification purposes by private companies.
  - Vide this judgement Aadhaar based eKYC for mobile SIM verification of existing connections has been disallowed. Subsequent to this judgement, a new app-based customer enrolment method was approved by Department of Telecom (DoT) as an alternative to Aadhaar based verification.
- **Amendments to the License Agreement of Basic Service, Cellular Mobile Telephone Service (CMTS), Unified Access Service License (UASL), Unified License (UL), UL (Virtual Network Opeartor), National Long Distance (NLD) and International Long Distance (ILD) Licenses (other than UL) for change in interest rate on delayed payment:** Department of Telecommunications (DoT) has issued amendments in the various License Agreements including Basic Service, CMTS, UASL, UL, UL (VNO), NLD & ILD Licenses (other than UL) by which the interest levied in case of delayed payments of License Fee and Spectrum Usage Charges (as applicable) has been revised to MCLR + 4% w.e.f. April 2016.
- **Amendment to Telecommunication Mobile Number Portability (MNP) Regulations:** TRAI issued "Telecommunication Mobile Number Portability (Seventh Amendment) Regulations, 2018" on December 13, 2018. These regulations shall come into force from September 30, 2019. The salient points of regulations are as below:

- The porting timeline of 2 working days has been kept for Intra-Licensed Service Area (Intra-LSA) numbers & 4 working days for Inter-LSA numbers and corporate category. The validity of Unique Porting Code (UPC) has been kept 4 days in place of 15 days.

- Telecom Service Provider will be liable to pay an amount, by way of financial disincentive not exceeding ten thousand rupees for each wrongful rejection of the request for porting, as the Authority may, by order direct.

- Every Access Provider shall set up a mechanism for the purpose of receiving SMS from its subscribers requesting for a UPC and forwarding the same to the MNP zone to which the mobile number belongs.

- Introduction of query response mechanism for the generation & delivery of Unique Porting Code (UPC) for all the cases except corporate category. The Mobile Number Portability Service Provider (MNPSP) will query the database of the Donor Operator on real time basis and ensure the delivery of UPC.

- **Amendment in Merger and Acquisition Guidelines:** DoT issued amendments in its Merger and Acquisition guidelines, 2014 on September 24, 2018. Salient features of the same are:

  - After the sanction of any scheme or proposal for compromise, arrangement and amalgamation filed before a Tribunal / Company Judge by a Company, the Licensor will provide its written approval within 30 days of receipt of request for such approval of the said transfer / merger of licenses / authorizations under Unified License.

  - The resultant entity can now, in addition to surrendering the excess spectrum beyond prescribed limit, also trade the excess spectrum held by it within one year post the merger / amalgamation.

- **Amendment to Unified License for Net Neutrality:** DoT issued an amendment to the unified license conditions for regulatory framework on Net-Neutrality on September 26, 2018. As per the amendment:

  - The Licensee will be prohibited from entering into any arrangement, agreement or contract that has the effect of discriminatory treatment of content.

  - These provisions will not be applicable on:

    - Specialized services, provided that these services are not usable or offered as a replacement of Internet Access Service.

    - Reasonable traffic management practices.

    - Provision of emergency services or any services provided during time of grave public emergency, as per the process laid down by the licensor / regulator.

    - Implementation of any order of a court or direction issued by the Government, in accordance with law.

    - Measures taken in pursuance of preserving the integrity and security of the network and equipment.

    - Measures taken in pursuance of an international treaty, as maybe specified by the Government.

- **National Digital Communications Policy 2018:** DoT released the National Digital Communications Policy 2018 on September 26, 2018. The key features include:

  - Review of levies and fees including License fee (LF), Spectrum Usage Charges (SUC), Universal Service Obligation Fund and the definition of Adjusted Gross Revenue (AGR).

  - Review of the concept of pass through charges to align the same with the principles of input line credit thereby avoiding double incidence of levies.

  - Identify and make available new spectrum bands for access and backhaul segments for timely deployment and growth of 5G networks.

  - Encourage the deployment of fiber by taking steps such as creation of National Fibre Authority, establishing common service ducts, facilitating Fibre-to-the-tower program to enable fiberization of at least 60% of telecom towers thereby accelerating migration to 4G/5G etc.

  - Establish a unified policy framework and spectrum management regime for broadcast and broadband technologies.

- **Amendments to license on Internet Telephony:** DoT issued amendments to the Cellular Mobile

Telecom Service (CMTS)/ Unified Access Service (UAS) license on internet telephony on June 19, 2018. The key highlights are:

- Internet telephony can be provided to customers by access service providers using internet services of other providers.
- Internet telephony calls originated by international out roamers from international locations shall be handed over at the international gateway of licensed International Long Distance Operators (ILDOs) and international termination charges shall be paid to the terminating access service provider.
- Telecom Service Providers (TSP) are allowed to allocate same number to the subscriber both for cellular mobile service and internet telephony service.
- The licensee providing internet telephony is required to comply with all the interception and monitoring related requirements.
- The public IP address used for originating/ terminating internet telephony calls should be made a mandatory part of (Call Data Records) CDRs in case of internet telephony.

- **Issuance of In Flight and Maritime Connectivity Rules (IFMC), 2018:** DoT issued a notification on December 14, 2018 for permitting in-flight voice and data services (IFMC). Highlights of the notification are:
  - Following are eligible to apply for authorization to provide IFMC Services:
    - An Internet Service provider (ISP) (CAT-A) licensee or an Access Service licensee. These licensees should also hold an NLD license or a commercial VSAT CUG service license and a satellite gateway earth station within the service area of its license, in case connectivity through satellite is used.
    - Any Indian Company or any airline or any shipping Company (Indian or foreign permitted to enter Indian space). These companies are required to enter into a commercial agreement with either ISP licensee or an Access Service licensee (partnering licensee) to provide IFMC services.
  - Revenue earned shall be included in the Gross Revenue of the licensee, for the purpose of license fee and spectrum usage charges (SUC).

- **Regulations on Broadcasting and Cable Services:** The new Tariff framework, Interconnection & Quality of Service (QoS) regime of DTH as per "The Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017 dated March 3, 2017" has been implemented on March 31, 2019 and the subscribers have been migrated to the new regime. The salient features of the same are as follows:
  - Freedom and flexibility to the consumers to select the channels of their choice which they want to view and pay only for the choice made by them.
  - Consumers can select either ala-carte channels or a bouquet of a broadcaster / Distributor or any combination thereof.
  - Declaration and publication of a Reference Interconnect offer (RIO), each by a Distributor and Broadcaster to ensure transparency & level-playing field for all entities.
  - Transparent declaration of information relating to channel choices, prices, terms of subscription, provisioning of Set Top Box under the Quality of Service (QoS) Regulation.

- **Issue of Consultation Paper to review Port per Transaction Cost (PPTC) and other related charges for Mobile Number Portability (MNP):** TRAI, on April 1, 2019, issued a consultation paper to review the PPTC and other related charges for MNP. The paper comes after the Hon'ble High Court of Delhi vide it's Judgment dated March 8, 2019 had squashed the TRAI's "Mobile Number Portability Per Port Transaction Charge and Dipping Charge (Amendment) Regulation, 2018" dated January 31, 2018 to reduce the price of per successful port transaction charge from ₹ 19 to ₹ 4.

Africa

Uganda

- The Ugandan regulator in March, 2018 imposed conditions on the sale of SIM cards as well as SIM swaps on all operators. The regulator had also issued a directive, that with effect from July 2018, the operators are not allowed to sell scratch card in non-electronic form.

SCOT Analysis:

Strengths

- **Strong Presence:** One of the leading telecom players in India and #3 worldwide. Market leadership (Rank 1 & 2) in 12 of 14 African countries
- **Scale of Operation:** Presence in 18 countries serving over 403 Mn customers
- **Large Distribution Platform:** Robust platform enabling company to offer services like Mobile Money, OTT applications - Wynk Music, Airtel TV and Airtel Books
- **QuadPlay:** Only operator to leverage quad play: Mobile, Fixed Voice, Broadband and DTH
- **Strong Network:** Future proof network across access, transport and core layers. Pan India 4G/3G spectrum

Challenges

- **Integration of Operations:** Geographically varied presence, integrating operations across India, South Asia and Africa leveraging common platform
- **Fast Changing Customer Needs:** Understanding evolving customer perceptions in fast-changing multi-cultural and multi-lingual environment

Opportunities

- **Rising Data Demand:** Data usage growth with a spurt in smartphone shipments and Government of India's digital drive. In Africa, mobile data traffic expected to see a more than 10-fold increase by 2023
- **Strong Partner Ecosystem:** Possibilities to have a host of strategic partnerships leading to differentiated customers experience in order to win customers
- **Digital payments:** India's digital payment space is expected to grow the segment by about five-fold to USD 1 trillion by 2023. Underpenetrated banking opportunity in Africa as well
- **Content:** Spurt in digital content consumption over internet. Video consumption contributes to >70% of data consumption & India's video streaming industry is all set to grow at a CAGR of ~22%
- **Infra Sharing:** Active infra sharing can lead to reduced expenditures and efficient use of capex
- **Other non-mobile businesses:** Less than 10% fixed broadband penetration in overall 250+ Mn households in India. Digitization to uplift DTH homes which are currently just 40% of overall. Also, even less than 10% of 1.5 Mn SMB/Enterprises have internet connectivity
- **Benefits from Consolidation:** Improved industry dynamics due to the consolidation in the industry with recent mergers & exits of various telcos

Threats

- **Increased Competition:** Pressures on Average Revenue Per User (ARPU) due to increased competition
- **Regulatory Changes:** Uncertainties around political and economic environment across regions
- **Currency Exposures:** Volatility in currencies due to global macro-economic uncertainties and global trade tensions

Financial review

Consolidated Figures

Particular	FY 2018-19		FY 2017-18	
	₹ Millions	USD Millions*	₹ Millions	USD Millions*
Gross revenue	807,802	11,567	826,388	12,823
EBITDA before exceptional items	262,937	3,768	304,479	4,725
Interest, Depreciation & Others before exceptional items	309,545	4,430	263,878	4,095
Profit before exceptional items and Tax	(46,606)	(662)	40,602	630
Profit before tax	(17,318)	(253)	32,670	507
Tax expense	(34,193)	(495)	10,835	168
Profit for the year	4,095	59	10,990	171
Earnings per share (In ₹ / USD)	1.02	0.01	2.75	0.04

*1USD = ₹ 69.86 Exchange Rate for financial year ended March 31, 2019 (1 USD = ₹ 64.44 for financial year ended March 31, 2018)

Standalone Figures

Particular	FY 2018-19		FY 2017-18	
	₹ Millions	USD Millions*	₹ Millions	USD Millions*
Gross revenue	496,080	7,101	536,630	8,327
EBITDA before exceptional items	128,321	1,837	181,529	2,817
Interest, Depreciation & Others before exceptional items	208,407	2,983	182,300	2,829
Profit before exceptional items and Tax	(80,086)	(1,146)	(771)	(12)
Profit before tax	(52,037)	(745)	(6,812)	(106)
Tax expense	(33,747)	(483)	(7,604)	(118)
Profit for the year	(18,290)	(262)	792	12
Earnings per share (In ₹ / USD)	(4.58)	(0.07)	0.20	0.00

*1 USD = ₹ 69.86 Exchange Rate for financial year ended March 31, 2019 (1 USD = ₹ 64.44 for financial year ended March 31, 2018)

The Company's consolidated revenues stood at ₹ 807,802 Mn for the year ended March 31, 2019, as compared to ₹ 826,388 Mn in the previous year, decrease of 2.2% (an increase of 1.6% after normalising for impact of IUC rate cut in India and divested operating units of Africa). The revenues for India and South Asia (₹ 602,647 Mn for the year ended March 31, 2019) represented a de-growth of 6.5% compared to that of previous year (de-growth of 4.7% after normalising for impact of IUC rate cut). The revenues across 14 countries of Africa, in constant currency terms, grew by 11.7%.

The Company incurred operating expenditure (excluding access charges, cost of goods sold, license fees and CSR costs) of ₹ 373,976 Mn representing an increase of 7.3% over the previous year. Consolidated EBITDA at ₹ 262,937 Mn decreased by 13.6% (decrease of 10% after normalising for impact of IUC rate cut in India and divested operating units of Africa) over the previous year. The Company's EBITDA margin for the year decreased to 32.5% as compared to 36.8% in the previous year. Depreciation and amortization costs for the year were higher by 10.9% to ₹ 213,474 Mn. Consequently, EBIT for the year at ₹ 47,629 Mn decreased by 57% (decrease of 51.8% after normalising for impact of IUC in India and divested operating units of Africa) resulting in margin of 5.9% vis-à-vis 13.4% in the previous year. The cash profits from operations (before derivative and exchange fluctuations) for year ended March 31, 2019 was ₹ 167,777 Mn vis-à-vis ₹ 227,169 Mn in the previous year.

Net finance costs at ₹ 95,893 Mn were higher by ₹ 15,181 Mn compared to previous year mainly due to higher interest on borrowings by ₹ 22,731 Mn (FY'19 – ₹ 87,252 Mn, FY'18 – ₹ 64,521 Mn) partially off-set by lower finance charges (lower by ₹ 4,003 Mn) and higher investment income (higher by ₹ 3,533 Mn) in current year as compared to the previous year.

Consequently, the consolidated loss before taxes and exceptional items at ₹ 46,606 Mn compared to profit of ₹ 40,601 Mn for the previous year.

The consolidated income tax expense (after the impact on exceptional items) for the full year ending March 31, 2019 was (negative) ₹ 34,192 Mn, compared to ₹ 10,834 Mn for the previous year. The decline is primarily led by drop in profits in India and impact of creation of deferred tax asset in DTH and Nigeria. The underlying effective tax rate in India for the period was at 34.45% vs 24.45% for the full year ended March 31, 2018. The tax charge in Africa for the full year (excluding divested units) was at (negative) USD 59 Mn vs USD 130 Mn in the previous year on account of change in profit mix of the countries and impact of creation of deferred tax asset in Nigeria.

Exceptional items during the year accounted for impact of ₹ 29,288 Mn (gross). These included impact of gain/ losses pertaining to re-assessment of levies, based on a recent pronouncement related to the manner of determination of such levies, creation of deferred tax asset in DTH and Nigeria, gain on account of deconsolidation of Airtel Payments Bank, operating costs on network re-farming and up-gradation program and assessment of tax provision during the year.

After accounting for exceptional items, the resultant consolidated net income for the year ended March 31, 2019 came in at ₹ 4,095 Mn as compared to ₹ 10,990 Mn in the previous year.

The capital expenditure for the full year was ₹ 287,427 Mn (USD 4.1 Bn) as compared to ₹ 268,176 Mn in the previous year (an increase of 7%). Consolidated operating free cash burn for the year was at ₹ 24,490 Mn as compared to cash flow of ₹ 36,303 Mn in previous year.

Return on Capital Employed (ROCE) has improved to 5.1% from 4.6% in the previous year.

The following table shows a summary sector specific key ratios:

Key Ratios	Units	FY 2019	FY 2018	YoY%
Capex Productivity	%	40.6%	49.3%	-17%
Opex Productivity	%	46.3%	42.2%	10%
Interest Coverage Ratio[1]	Times	2.84	4.37	-35%
Net Debt to Shareholders' Equity	Times	1.52	1.37	11%
EBITDA Margin	%	32.5%	36.8%	-12%
Net Profit Margin[2]	%	0.5%	1.3%	-62%
Return on Shareholders' Equity[3]	%	0.6%	1.6%	-64%

1. Drop in Interest coverage ratio is driven by higher borrowing costs during the year
2. Drop in Net Profit Margin is attributable to lower Net Profits during the year
3. Drop in Return on Net worth is attributable to lower Net Profits during the year

Liquidity & Funding

As on March 31, 2019, the Company had cash and cash equivalents of ₹ 62,121 Mn and short-term investments of ₹ 46,232 Mn. During the year ended March 31, 2019, the Company generated operating free cash flow of (negative) ₹ 24,490 Mn. The Company's consolidated net debt as on March 31, 2019 increased by USD 1040 Mn to USD 15,651 Mn as compared to USD 14,611 Mn last year. The Net Debt - EBITDA ratio (USD terms LTM) as on March 31, 2019 stood at 4.32 times as compared to 3.19 times in the previous year, mainly on account of increased borrowings and reduced EBITDA. The Net Debt-Equity ratio stood at 1.52 times as on March 31, 2019, compared to 1.37 times in the previous year.

During the year, the Company undertook several initiatives to meet its liquidity and funding requirements. On 3rd May 2019, the Company launched a rights issue of 1.13 Bn fully paid up equity shares (face value ₹ 5 each) at a price of ₹ 220/- per share aggregating to ₹ 249.4 Bn with rights entitlement of 19 equity shares for every 67 equity shares held. The right issue will be closed on May 17th, 2019. The proceeds from the issue will be utilized towards its stated objective of deleveraging.

The Company also received investments of USD 1.25 billion from six leading global investors comprising Warburg Pincus, Temasek, Singtel, SoftBank Group International and others through a primary equity issuance in Q3'2019 and $200 Mn equity investment from Qatar Investment Authority' (QIA) in Q4'2019 in Airtel Africa Limited, a subsidiary of the Company and holding entity of Africa operations of the Group. Total pre-IPO private placement now stands at $ 1.45 Bn.

The Company has announced an intended IPO at London Stock Exchange along with a parallel listing on the Nigeria Stock Exchange during the year 2019-20 and activities relating to the IPO have been initiated.

The Company continues to have access to both domestic and international debt capital markets.

Awards and Recognition

- Airtel, in 2018 and 2017, emerged as the fastest network for download speeds according to independent industry leaders in speed and performance testing. These agencies published various reports and data related to Telecom industry, which showed some emerging trends informing the consumers about the quality and coverage of various telecom operators across India along with some industry-specific insights; according to these reports Airtel has bagged the top spots across many categories like PAN India download Speeds and LTE availability etc.
- Airtel's music streaming app Wynk Music has been rated as 'Most Entertaining app of 2018' on Google Play Store. Also, the OTT music streaming app from Airtel introduced 'Your Year in Music 2018', a new way for its 100 Mn users to look back on their musical journey on the app with just a single touch. This initiative was aimed to create a deeply personalized music experience for its users.
- Airtel's Carrier Digital Platform won the 9th edition of Aegis Graham Bell Award for Wholesale Voice business under 'Service Innovation' category. The Aegis Graham Bell Award recognizes innovation in the field of Telecom, Internet, Media & Edutainment (TIME), felicitating outstanding contributions in these fields in India. Airtel's carrier digital platform is a first-of-its-kind platform that enables global carriers to do wholesale voice business with Airtel at the click of a button.
- Airtel ranked amongst the top 10 companies (out of 100) in the Indian Corporate Governance Scorecard, an independent report jointly developed by Bombay Stock Exchange, International Finance Corporation an Institutional Investor Advisory Services (IIAS) with support from the Government of Japan. Bharti Airtel is the only telecom Company to make it to the top 10.
- Airtel Business has been chosen as the winner in two prestigious categories - Best Wholesale Carrier (Global) and Best Wholesale Business Transformation at the Carriers World Awards 2018, a benchmark for excellence in the global wholesale market. The winners were determined by votes of the industry, making these a unique 'Users Choice' award for the wholesale and networking industry.
- Airtel bagged top honors at CIO CHOICE awards. Airtel was declared as the winner in the Co-location, Public Cloud, Network Security and Information Security categories at the seventh edition of the CIO CHOICE awards. CIO recognition is conducted via an independent advisory panel of eminent CIOs and the winners in each category are selected by over 4000 CIOs from across the country.
- Airtel has been rated as the most admired Company in telecom, in a survey conducted by the Economic Times salary Survey 2017-18 among employees

across the telecom space. The survey showed 21% of the respondents opting for Airtel as the most admired Company.

- Airtel was ranked first within the information technology and telecommunication (ICT) category at the 15th Annual national awards for excellence in Cost Management. The event organized by the Institute of Cost Accountants of India, a premier statutory cost and management accounting body, aims to recognize and honor organizations which have succeeded through efficient and innovative approaches in Cost Management.
- Airtel team engineering stood at 2nd place among 14 contending teams, at Nullcon 2019, a globally recognized security event.
- Airtel Centre of Excellence (ACE) has bagged the runner's up award at the Business Partners Challenge for Shared Services held in New Delhi. The event was organized by the Chartered Institute of Management Accountants, (CIMA) UK.

Segment-wise Performance

B2C services

Mobile Services: India

Overview

The year witnessed culmination of **consolidation within the Indian Telecom market** into three large private players.

The Company completed the acquisition of Telenor (India) Communications Private Limited thus adding 43.4 MHz spectrum to its portfolio. In addition, DoT accorded an in-principle approval for the merger of consumer mobile business of Tata Teleservices (Maharashtra) Limited (TTML) and Tata Teleservices Limited (TTSL) with Bharti Airtel Limited and Bharti Hexacom Limited subject to fulfillment of certain conditions. In addition to strengthening the spectrum portfolio, the synergies from the above acquisitions will help the Company to increase the operational efficiencies, fortify revenues and reinforce its market share.

As on March 31, 2019, the Company had 282.6 Mn customers in India. During the year, the Company modified the prepaid customer base definition in order to represent only the customers who transact and generate revenue. This is a more stringent definition and better indicates the operating performance of the Company. The churn decreased to 3.3% for the current year, compared to 3.5% during the previous year. The proliferation of bundles with unlimited outgoing calls has led to the minutes on network increase by 44.4% to 2,811 Bn. The Company had 115.1 Mn data customers at the end of March 31, 2019, of which 86.8 Mn were mobile 4G customers. The proliferation of bundles with high inbuilt data has also led to the total MBs on the network grow by 201% to 11,733 Bn MBs.

The Company continues to expand its reach within the digital space. **Wynk Music** is today the #1 music app in the industry with the highest engagement metrics. It crossed 130 Mn installs in March, 2019 and won the Editor's Choice Award on Google Playstore. **Airtel TV**, the video and LIVE TV streaming app from Airtel, crossed 100 Mn installs in March, 2019, underlining its growing popularity amongst smartphone users as the go to destination for digital content. It features over 350 Live TV channels, and a rich assortment of VoD content across 15 languages. The Company in partnership with Juggernaut launched **Airtel Books** in January, 2019, a digital book service where the users can read thousands of books anytime, anywhere and offers a content library featuring a robust collection of books from leading publishing houses.

During the year, revenues decreased by 10.2% (a decrease of 7.8% after normalising for impact of IUC rate cut) to ₹ 415,541 Mn as compared to ₹ 462,639 Mn in the previous year. The segment witnessed decline in the EBITDA margin to 22.7% during the year, compared to 32.6% in the last year. EBIT margin for the year declined to (negative) 13.8%, compared to 4.5% in the previous year.

In the face of rapidly changing customer needs and consumption, the Company remained focused on digital innovations to remain the network of choice. The Company also launched a number of innovative offerings to maintain differentiation in a highly competitive market throughout the year. Some of the initiatives launched during the year are as follows:

- The Company was first to introduce **minimum commitment plans** which aimed to rapidly simplify its pricing portfolio and help focus on providing differential services to high value consumers.
- **#Airtelthanks** was launched as one of the biggest digital transformation programs aimed to delight valued customers with exclusive benefits like premium content, device upgrades, network experience and red carpet customer care.

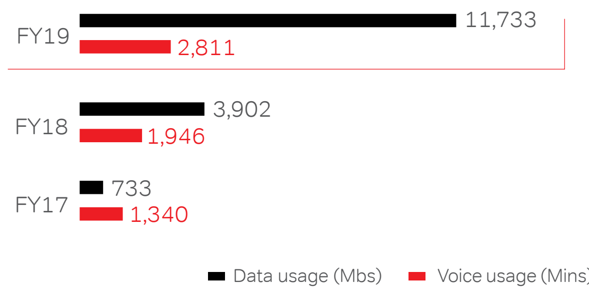
In order to remain ahead of the data demand curve, the Company continued to expand its “Project Leap” initiative with sustained investment targeted toward building data capacities and a superior 4G network across the country. The Company saw it’s highest ever single year capex deployment during the year. The Company took a number of initiatives to enhance its data capacities and network experience:

- It became the first operator to launch 4G services in the **Andaman and Nicobar Islands** in January, 2019.
- The Company deployed **LTE 900 technology** in 10 circles which offers significantly better indoor 4G coverage.
- The Company announced plans to deploy **Ciena’s software** platforms to build one of the world’s largest photonic control plane networks in India to enable super-fast broadband experiences over 4G/5G/FTTH architectures.
- Along with Ericsson, the Company conducted India’s **first Licensed Assisted Access (LAA) trial** over a live LTE network, which enables use of unlicensed spectrum in 5GHz band to enhance mobile broadband speed and experience.
- The Company deployed state-of-the-art Massive **MIMO technology** at the Kumbh mela this year and offered virtual reality based immersive experience to the visitors.

These investments and innovations helped reinforce the Company’s position as the fastest network for download speeds for the Q1-Q2 and Q3-Q4 of 2018-19, according to many independent industry leaders in speed and performance testing. The Company had 181,079 network towers, compared to 165,748 network towers in the last year. Mobile broadband (MBB) base stations were at 417,613 the end of the year, compared to 298,014 at the end of last year.

Particulars	FY 2018-19 ₹ Millions	FY 2017-18 ₹ Millions	Y-O-Y Growth %
Gross Revenues	415,541	462,639	-10%
EBIT	(57,511)	20,829	-376%

Data and Voice Usage (Bn)



Key Highlights

Strategic Alliances & Partnerships:

Airtel continues to forge business partnerships with an aim to provide seamless customer experience with greater value proposition to end users:

- Further strengthening its ‘**Mera Pehla Smartphone**’ initiative, Airtel entered into a **strategic partnership with Amazon India**, providing a cashback up to ₹ 2600 on over 65 Amazon.in exclusive 4G smartphones, including popular brands like Samsung, OnePlus and Xiaomi.
- **Airtel** and **Netflix** announced an **expansion** of their **partnership** in India through which subscribers of select Airtel Postpaid and V-Fiber Home Broadband plans would receive a **three month gift of a Netflix subscription**. Post these three months, these subscribers would be able to pay for their Netflix subscription seamlessly, using their Airtel postpaid or home broadband bill. The expanded partnership strengthens Airtel’s already vastly differentiated & digital content portfolio while giving Netflix access to a large pool of premium Airtel customers.
- As part of its **23rd anniversary celebrations during the year**, Airtel rolled out exciting gifts for its smartphone customers in **partnership with Amazon Pay**. All prepaid customers on a bundled pack of ₹ 100 or higher, and postpaid customers on any infinity plan became eligible for a ₹ 51 gift card, which got loaded as Amazon Pay balance and could be used for bill payments, recharges and / or online shopping.
- Airtel has been **building a strong partner ecosystem for devices** to enable customers to easily upgrade to a device of their choice and do more on the smartphone. As part of this, Airtel brought the all new **Samsung**

Galaxy S10+ and S10, to its Online Store at affordable down payments and convenient EMIs with built-in postpaid plans offering a host of benefits. Airtel also announced special offers with large data bundles and other exclusive benefits for users upgrading to any device from the new Xiaomi Redmi Note 7 series.

- **Airtel** and **ZEE Entertainment Enterprises Ltd**. ("ZEEL") announced a **strategic alliance** aimed at driving the growth of digital/OTT video content ecosystem in India. The alliance will leverage ZEE's popular content / LIVE TV portfolio and the reach of Airtel's digital platforms. As a lead content partner, ZEE will be making its curated digital originals available to Airtel customers over the next 3 years.

- Airtel announced a content **partnership with Hoichoi**, world's biggest Bengali **entertainment app** to offer exciting **Bengali digital content** to Airtel TV users. Hoichoi's exclusive Bangla content, including original shows and chartbuster movies is now available on the **Airtel TV app**, which now has one of the largest and most exciting digital content portfolios in India.

Mergers & Acquisitions:

Airtel concluded a host of M&A transactions as a part of its growth and diversification strategy and to harness economies of scale resulting from consolidations:

- Airtel completed the acquisition of **Telenor (India) Communications Private Limited** following all regulatory and statutory approvals. Airtel has integrated Telenor's operations across circles and has added 43.4 MHz spectrum to its portfolio. All the Telenor customers have been transitioned seamlessly and continue to enjoy uninterrupted services with the same SIM and same plan/pack benefits.

- On April 10, 2019 DoT accorded an In-principle approval for the merger of Consumer Mobile Business of **Tata Teleservices (Maharashtra) Limited and Tata Teleservices Limited** with **Bharti Airtel Limited and Bharti Hexacom Limited** subject to fulfillment of certain conditions.

Successful Divestment/Funding:

- Subsequent to the balance sheet date, on May 03, 2019, the Company launched a **rights issue of 1.13 Bn** fully paid up equity shares (face value ₹ 5 each) at a price of ₹ 220/- per share aggregating to ₹ 249.4 Bn with rights entitlement of 19 equity shares for every 67 equity shares held. The right issue will close on May 17, 2019. The proceeds from the issue will be utilized towards its stated objective of deleveraging.

- During the quarter ended December 31, 2018, due to the change in the shareholder rights of the Company in **Airtel Payment Bank Limited** ('APBL'), APBL ceased to be a subsidiary of the Group and has become an Associate under Ind-AS.

Network Expansion & Transformation:

Airtel took several initiatives to scale its network to meet the ever increasing needs of the customers for a world class network in a highly competitive industry scenario:

- **Airtel** and **Ericsson** conducted India's first Licensed Assisted Access (LAA) trial over a live LTE network. LAA enables the use of unlicensed spectrum in the 5 GHz band in combination with licensed spectrum. With this, customers can get a significantly enhanced mobile broadband experience and ultra-fast speeds, while operators make efficient use of unlicensed spectrum resources.

- **Airtel** unveiled '**Airtel 3.0**'- a range of futuristic digital technologies and exciting products at the India Mobile Congress (IMC) 2018. The showcase was part of the Company's vision under which it aims to build networks and services that enrich lives of customers by enabling a world-class digital experience.

- As part of **Project Leap**, Airtel's nationwide network transformation programme, Airtel continues to invest significantly towards upgrading and expanding its network.

  - With an aim to further enhance the indoor network coverage of its 4G services, Airtel has initiated refarming of its 900 MHz spectrum and has completed deployment of **LTE 900 technology** in 10 circles. Similarly, spectrum in 2100MHz band, which was being used for 3G, is being refarmed to 4G for providing additional capacity.

  - Airtel became the first operator to launch 4G services in the Andaman and Nicobar islands on January 15, 2019, thus enabling local residents to enjoy digital services like HD quality video streaming, superfast downloads and uploads, high speeds internet browsing on Airtel's state-of-the-art FDD 4G network. It will contribute to the Government's Digital India vision.

- Airtel launched '**Bandwidth on Demand**' for businesses to enable them to efficiently manage their bandwidth requirements in real-time. The **first-of-its-kind digital platform** gives enterprise customers the flexibility to opt for bandwidth on an hourly, daily or monthly basis based on their unique business needs. This offers greater operational efficiency and tighter control over costs.

- Airtel announced its plans to deploy Ciena's coherent optical and intelligent software platforms to build one of the **World's Largest Photonic Control Plane networks** in India. The new backbone network spanning 130,000 kms will use available fiber resources efficiently to enable super-fast broadband experiences over 4G/5G/FTTH architectures to serve the exploding demand for high-speed data services.

- Airtel announced a **host of initiatives** to offer a digital experience to its customers at the **Kumbh Mela** this year. Airtel customers were able to stream the Kumbh proceedings on the Airtel TV app from across the country. Airtel also deployed its state-of-the-art **Massive MIMO technology** at the venue to enhance its network capacity massively. In addition to this. Airtel also put up special kiosks at Kumbh to **offer Virtual Reality** based immersive experience to visitors.

Digital Innovations & Customer Delight:

In the face of rapidly changing customer demands, Airtel consistently remained on the path of digital innovations to nurture its customer journey across all touch points and to have a highly engaged customer force by providing exceptional customer experience.

- Continuing on its strategy of winning with quality customers, Airtel re-launched its flagship customer program - **#AirtelThanks**. The new program is tiered in its offering – Silver, Gold and Platinum with each tier having differentiated set of benefits for customers. Existing benefits have been expanded with more content, device & security services, financial services, differentiated customer care and surprise offers from top brands. In an industry first, Airtel launched **Amazon Prime benefits for Prepaid** as a part of its Thanks program.

- Airtel launched '**Foreign Pass**' - a range of **affordable international roaming voice packs** for prepaid customers in India. Starting at just ₹ 196, these voice call packs are available for 20 countries that are the most popular travel destinations amongst Indians today. The packs are aimed at offering travelers the convenience of keeping in touch with their friends and family instantly without worrying about running out of balance.

- **Airtel** has discontinued charges for activating international roaming services for both Postpaid and Prepaid users. Consequently, users will experience uninterrupted services while travelling internationally.

- **Airtel** launched the latest range of **Apple iPhones** - the iPhone Xs and iPhone Xs Max on its **Online Store**. Customer cash backs and reward points have also been rolled out to enable affordability for customers.

- **Airtel** launched **Google Assistant** based Digital Customer Care. In an industry first, **Airtel** has collaborated with **Google** to truly simplify its customer service experience by integrating its customer care with the Artificial Intelligence-powered Google Assistant.

- **Airtel** has introduced '**Smart Recharge**' plans that offer bundled offers for prepaid customers. These plans begin from ₹ 23, and extend up to ₹ 245. Each smart recharge plan from Airtel offers something unique, and comes with a minimum validity of 28 days.

- Airtel announced the launch of its **100th Next-Gen Airtel store** in India with the opening of the new format store at Park Street in Kolkata. Designed on the theme of creating excellence and wining customers for life, the Next-Gen Airtel stores set a new benchmark in customer engagement and experience. Conceptualized by UK based 8 Inc, the Next-Gen stores are wrapped in latest technologies, to serve customers with simple and transparent digitally enabled experiences.

- Airtel launched '**Wynk Tube**' as an extension of Wynk Music providing an integrated and intuitive vernacular interface which allows users to stream audio and video of popular tracks. The app is available to users in 12 Indian regional languages besides English and Hindi and enables a highly personalized digital entertainment experience. Regional content and personalization through AI will help Airtel to further expanded its fast growing content portfolio.

Homes Services

Overview

The Company provides fixed-line telephone and broadband services for homes in 93 cities across India. The Homes broadband segment continued to witness some topline stress on the back of increasing shift toward mobile broadband and thereby dropping ARPUs. Consequently, the year saw an 11.4% Y-o-Y decline in revenues. The Homes business had 2.3 Mn customers as on March 31, 2019, representing a growth of 4.5% as compared to 2.2 Mn at the end of previous year. The Company continues to remain bullish about this segment and plans to further expand its footprints through continued investments to provide high speed broadband which is also in sync with the New Digital Communications Policy of the government which aims to provide '**Broadband for All**' by 2022. Total Home passes deployment during the year has been highest ever.

Revenues from Homes services stood at ₹ 22,391 Mn for the year ended March 31, 2019, as compared to ₹ 25,265 Mn in the previous year, decrease of 11.4%. EBITDA margin improved during the year to 48.3% as compared to 46.7% in the previous year. During the year data traffic increased by 57.3% to 2,109.7 Bn MBs.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	22,391	25,265	-11%
EBIT	3,330	4,717	-29%

Homes Subscribers : (Mn)

Key Highlights

- **Airtel**, **in partnership** with DoT has begun piloting '**broadband experience centers**' riding on BharatNet infrastructure across the state of Uttar Pradesh. The partnership is aimed to enable citizens to experience high speed broadband connectivity and get access to e-governance, e-health, e-banking and e-commerce initiatives.
- Airtel launched **Airtel Home** – India's first-of-its-kind **digital quad-play platform** that simplifies the customer experience for homes that use multiple Airtel services. 'Airtel Home' allows customers to bundle multiple Airtel services – broadband, postpaid and DTH - as a single account with a unified interface. Customers also get one bill, premium customer support and enjoy up to 10% discount on their total bill.

Digital TV Services

Overview

Airtel Digital TV continues to expand its customer base, which crossed the 15 Mn mark during the year. The Company has witnessed a step up in customer additions on back of its premium HD content. Airtel Digital TV has 15.4 Mn customers on its Direct-To-Home (DTH) platform as of March 31, 2019. Airtel DTH is a pioneer in launching innovative products for its customer along with best in class customer service making it one of the fastest growing DTH operators with operations in 639 districts across the country.

The Company currently offers both standard and high definition (HD) digital TV services with 3D capabilities and Dolby surround sound. The Company currently offer 635 channels including 80 HD channels (including 1 HD SVOD service), 19 SVOD services, 5 international channels and 3 interactive services.

There was a key regulatory development in television broadcast industry wherein TRAI implemented the New Tariff Order (NTO) w.e.f. March 31, 2019. The NTO allows customers to select the channels and bouquets they want to subscribe to and pay accordingly. The Company has complied with the deadline set for implementation and has welcomed the move as it has the potential to usher in the next wave of digitized broadcasting across the country and is in line with its ethos of putting customer first.

Revenues for the year stood at ₹ 41,001 Mn for the year ended March 31, 2019, as compared to ₹ 37,570 Mn in the previous year, an increase of 9.1% with ARPU remaining almost flat at ₹ 231 as compared to previous year. The operating free cash flow on full year basis was at ₹ 6,931 Mn compared to ₹ 3,949 Mn during the previous year.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	41,001	37,570	9%
EBIT	7,410	5,306	40%

DTH Subscribers Base (Mn)

Key Highlights

- Airtel Digital TV in partnership with **Zee Theatre**, the theatre segment of Zee Entertainment, launched '**Spotlight**', a video on demand channel that will air the best of Indian plays by popular theatre groups from across the country. This will further strengthen our content portfolio and offer a wider genre of entertainment to our customers who will be able to watch over 100 plays in Hindi, Marathi, Gujarati, Bengali and English ranging from classic, to thriller, to comedy.

B2B Services

Airtel Business

Overview

Airtel Business is India's leading and most trusted ICT services provider and offers diverse portfolio of services to enterprises, governments, carriers, and small and medium businesses. Airtel Business constantly provides innovative integrated solutions, superior customer service and unmatched depth / reach to global markets. Along with voice, data and video, our services also include network integration, data centers, managed services, enterprise mobility applications and digital media. We also offer global services in both voice and data including VAS services like International Toll Free Services and SMS hubbing.

Revenues in this segment comprises of: a) Enterprise & Corporates Fixed Line, Data and Voice businesses; and b) Global Business which includes wholesale voice and data.

Global Business, the international arm of Airtel Business, offers an integrated suite of global and local connectivity solutions, spanning voice and data to the carriers, Telcos, OTTs, large multinationals and content owners globally.

Airtel's international infrastructure includes the ownership of i2i submarine cable system, connecting Chennai to Singapore and consortium ownership of submarine cable systems like South East Asia - Middle east - Western Europe – 4 (SWM4), Asia America Gateway (AAG), India - Middle East – Western Europe (IMEWE), Unity, Europe India Gateway (EIG) and East Africa Submarine System (EASSy). Along with these seven owned subsea cables; Airtel Business has a capacity on 22 other cables across various geographies. The Company also entered into partnerships during the year to further diversify its global network in emerging markets.

Its global network runs across 250,000 Rkms with over 1200 customers, covering 50 countries and five continents and 65 Global PoPs (Point of presence). This is further interconnected to its domestic network in India and direct terrestrial cables to SAARC countries, Myanmar and China helping accelerate India's emergence as a preferred transit hub.

Leveraging the direct presence of Airtel Mobile operations in 16 countries across Asia and Africa, Global Business also offers mobile solutions (ITFS, signalling hubs, messaging), along with managed services and SatCom solutions. Global Business is also providing advanced consumers solutions like IOT to global customers.

Airtel Business witnessed a year of good growth led by surge in global and domestic data revenues. Revenues for the year grew by 9.7% as compared to previous year. It maintained strong margins and positive cash flows with the operating free cash flow on full year basis being ₹ 26,176 Mn compared to ₹ 33,650 Mn during the previous year. The Company continued focus on winning in the core business while building upon new revenue streams and emerging businesses in the areas of IoT, Security and Data Centers.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	124,538	113,566	10%
EBIT	27,466	31,029	-11%

Key Highlights

Digital Transformation and Strategic Alliances

- In a global first, **Airtel launched** an **innovative carrier digital platform**, which enables carriers to do wholesale voice business with Airtel at the click of a button. The digital platform offers paperless sign-up, quick voice interconnects and real-time traffic analytics for global carriers across the world.

- **Airtel** and **Telecom Egypt (TE)**, Egypt's first integrated telecom operator, announced a **strategic partnership** for global submarine cable systems, wherein, Airtel will get an IRUs (Indefeasible Right of Use) on Middle East North Africa (MENA) submarine cable and TE North Cable Systems. The transaction is aimed to be concluded after the fulfillment of all conditions precedent. With this, Airtel has further diversified its global network to serve the massive growth in demand for data services, particularly in emerging markets across South Asia, Africa and Middle East.

- Airtel announced a **partnership with Zoom Video Communications Inc.**, to launch India's first high quality unified **communications service**. The offering provides an integrated and secure platform for High Definition (HD) audio, video and web conferencing. Unique features like, instant one click access, content sharing, recording, virtual backgrounds, Company branding, multi-layer security and more, will enable businesses to foster effective collaboration amongst its employees and teams globally.

- Airtel announced a **strategic alliance** with **CISCO** to bring advanced connectivity solutions to enterprise and SMB customers. As a part of the partnership, Airtel will offer Managed Software-Defined Wide Area Network (SD-WAN) and Cisco Webex solutions to bring best-in-class digitization and collaboration solutions to further consolidate its leadership position in the Indian B2B segment.

Mergers and Acquisitions

In May 2019, the Company announced an agreement to combine its VSAT (Very Small Aperture Terminal) satellite communications operations in India with Hughes Communications India Ltd (HCIL), a global leader in broadband satellite networks and services. The combined entity will benefit from enhanced scale, improved operational efficiencies and wider market reach and will be able to introduce new VSAT and related technologies to deliver a wide range of quality products and services. The combined entity will continue to serve existing Hughes and Airtel customers. The transaction is subject to approvals by relevant authorities.

Passive Infrastructure Services

Overview

Our subsidiary, Bharti Infratel Ltd (Infratel), is India's leading provider of tower and related infrastructure and it deploys, owns & manages telecom towers and communication structures, for various mobile operators. It holds 42% equity interest in Indus Towers, a joint venture with Vodafone India and Aditya Birla Telecom who hold 42% and 16% respectively. The Company's consolidated portfolio of 92,277 telecom towers, which includes 40,388 of its own towers and the balance from its 42% equity interest in Indus Towers, makes it one of the largest tower infrastructure providers in the country with presence in all 22 telecom circles. The Company has been the industry pioneer in adopting green energy initiatives for its operations. Bharti Infratel is listed on the Indian stock exchanges, NSE and BSE.

Key Highlights

Mergers and Acquisitions:

During the year ended March 31, 2019, **Bharti Infratel Limited** and **Indus Towers Limited** and their respective shareholders and creditors have entered into a scheme of amalgamation and arrangement (under section 230 to 232 and other applicable provisions of the Companies Act, 2013) ('Scheme') to create a pan-India tower company operating across all 22 telecom service areas. The combined company, which will fully own the respective businesses of Bharti Infratel and Indus Towers, will change its name to Indus Towers Limited and will continue to be listed on the Stock Exchanges. The merger has been approved by **Competition Commission of India (CCI), SEBI and NCLT**. The amalgamation would "become effective" when a certified copy of the NCLT order is filed with the Registrar of Companies "upon fulfilment/waiver of other conditions prescribed in the scheme."

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	68,185	66,284	3%
EBIT	21,257	20,452	4%

Africa

Overview

The year has been marked with significant events in African operations primarily related to the intended IPO.

The Company has announced an intended IPO at London Stock Exchange along with a parallel listing on the Nigeria Stock Exchange during the year 2019-20 and activities relating to the IPO have been initiated.

During the year, the Company has completed substantial network modernization to cater to data coverage and capacity requirements. With this modernization, Company now provides U 900 in 12 OPCOs and 4G services in 11 OPCOs.

In Africa, exchange rates have been largely stable except devaluation of CFA in Franco countries and Zambian Kwacha which have seen currency depreciation versus the US dollar. To enable comparison on an underlying basis, all financials and all operating metrics mentioned below are in constant currency rates as of March 1, 2018 and are adjusted for divestment of operating units for all the periods i.e. the comparison till PBT has been given below for 14 countries. PBT as mentioned below excludes any realized/unrealized derivatives and exchange gain or loss for the period.

As on March 31, 2019, the Company had 98.9 Mn customers in Africa across 14 countries as compared to 89.3 Mn customers in previous year, an increase of 10.7%.

Customer churn for the year is at 5% as compared to 4.4% in the previous year mainly due to introduction of stringent regulations around KYC. Total minutes on the network during the year increased by 29.9% to 207.3 Bn. Data customers increased by 5.1 Mn to 30 Mn accounting for 30.4% of the total customer base as compared to 27.9% in the previous year. The total MBs on the network has increased by 65.3% to 392.6 Bn MBs with usage per customer increasing from 954 MBs to 1,192 MBs. Overall ARPU in Africa marginally declined from USD 2.9 to USD 2.8.

Total sites in Africa as on March 31, 2019 were 21,059 of which 16,426 were mobile broadband towers, representing 78.0% of the total sites.

Airtel Africa revenues grew by 11.7% to USD 3,153 Mn as compared to USD 2,824 Mn in the previous year. The Company's continued focus on running the operations efficiently and cost effectively has resulted in EBITDA of USD 1,228 Mn for the year as compared to USD 995 Mn in the previous year, increase of 23.4%. Consequently EBITDA margin improved by 3.7% to 38.9% compared to 35.2% in the previous year. Depreciation and amortization charges were at USD 458 Mn as compared to USD 446 Mn in the previous year. EBIT for the year was at USD 766 Mn as compared to USD 545 Mn in the previous year. PBT for the full year was at USD 487 Mn as compared to USD 226 Mn in the previous year. After accounting for full year capex of USD 630 Mn (PY: USD 419 Mn), operating free cash flow was USD 598 Mn as compared to USD 576 Mn in the previous year.

In ₹ Reported Currency

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	215,026	191,074	13%
EBIT	52,107	35,600	46%

In USD Constant Currency – 14 Countries

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	3,153	2,824	12%
EBIT	766	545	41%

Note: During the financial year 2017-18, Bharti Airtel Limited divested 1 operating unit in Africa. Accordingly, the above table has been shown for remaining 14 countries only.

Wireless Subscribers: AFRICA (Mn) - 14 Countries

Key Highlights

Funding: Initial Public Offering (IPO)

- Seven leading global investors comprising **Warburg Pincus, Temasek, Singtel, SoftBank Group International, Qatar Investment Authority ('QIA') and others** have invested **USD 1.45 Bn** in Airtel Africa Limited, a subsidiary of the Company and holding entity of Africa operations of the Group, through a primary equity issuance.
- Airtel Africa Ltd. has appointed global banks comprising J.P. Morgan, Citigroup, BofA Merrill Lynch, Absa Group Limited, Barclays Bank PLC, BNP Paribas, Goldman Sachs International and Standard Bank Group for an intended IPO on International Stock Exchanges.

Mergers, Acquisitions & Licenses

- Airtel Kenya is in the process of seeking regulatory approvals from relevant authorities for merger with Telkom Kenya.
- Following the consolidation of **Airtel Rwanda** and Tigo Rwanda, Airtel Rwanda is in the process of applying for a combined **licence for Mobile Financial Services** from the Bank of Rwanda.
- On April 23, 2018, the Niger Government granted Airtel a 4G Licence at a price 24M USD which included additional spectrum on the 1800 MHz (8 MHz) and 800 MHz (10 MHz).
- Airtel Uganda Public service provider license has been renewed for 1 year on the same terms and conditions of the existing license that had expired on December 11, 2018.
- Central Bank of Nigeria issued guidelines for license of Payment Service Bank in Nigeria. An application for Payment Service Bank (PSB) license has been filed with Central Bank of Nigeria.
- In May 2018, the DRC regulator invited operators to apply for 4G license. Airtel has acquired 4G License along with 10 MHz spectrum in 800 MHz.

Network Transformation & Digital Innovations

- The Company has completed substantial **network modernization** to cater to data coverage and capacity requirements. With this modernization, Company now provides U 900 in 12 OPCOs and 4G services in 11 OPCOs.
- Airtel has achieved Network Leadership in Uganda with full 4G LTE Coverage across all its sites. Airtel is the first telco to achieve countrywide LTE coverage in Uganda.
- Airtel Chad has signed an agreement with the Ministry of National Education for payment of salaries to teachers through Airtel Money in Tchad.

Awards & Recognition

- **Airtel Touching Lives**, a corporate philanthropy initiative by **Airtel Nigeria** has been named **the Most Innovative CSR Leadership Initiative** by Marketing Edge, a leading publication focused on brands, media, advertising and communications.
- **Airtel Niger** has been awarded as **the best promoter of digital services** by the President.
- Airtel Uganda has been recognized by **Digital Impact Awards**, Africa as the Best Technology Brand on Social Media, Best Digital Customer Experience by Technology Brand, Best Saving and Lending Product (Digital driven), Best Professional, Legal and Regulatory brand.
- Airtel Tanzania won an Appreciation Award for its contributions and continued support in improvement of school environment in Tanzania by Tanga City Council and was also recognized for Mobile Health Support by Ministry of Health.
- Airtel Nigeria has been awarded with Smart recharge campaign of the year by Advertiser association of Nigeria.
- Airtel Nigeria was named 'Brand of the Year 2018' by the Board of Editors of "Leadership", one of foremost newspapers.

South Asia

Overview

Full year revenue of South Asia was at ₹ 4,436 Mn as compared to ₹ 4,045 Mn in the previous year. EBITDA for the year was at ₹ 126 Mn as compared to ₹ 8 Mn in the previous year. EBIT losses for the year reported at ₹ 1,069 Mn as compared to loss of ₹ 1,268 Mn in the previous year. Capex for the year was ₹ 1,185 Mn as compared to ₹ 1,235 Mn in the previous year.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	4,436	4,045	10%
EBIT	(1,069)	(1,268)	16%

Share of Associates / Joint Ventures

A) Robi Axiata Limited

Robi Axiata Limited is a joint venture between Axiata Group Berhad, of Malaysia, Bharti Airtel Limited, of India and NTT Docomo Inc. of Japan. Axiata holds 68.7% controlling stake in the entity, Bharti Airtel holds 25% while the remaining 6.3% is held by NTT Docomo.

Robi Axiata Limited is the second largest mobile phone operator of Bangladesh and the first operator to introduce GPRS and 3.5G services in the country.

Key operational and financial performance:

Bangladesh	Unit	Quarter Ended			
		Dec-18	Sep-18	Jun-18	Mar-18
Operational Performance					
Customer Base	'000	46,886	46,753	44,729	45,609
Data Customer as % of Customer Base	%	60.4%	60.6%	59.5%	57.8%
ARPU	BDT	118	122	117	118
Financial Highlights (proportionate share of Airtel)					
Total revenues	₹ Mn	3,707	3,648	3,299	3,153
EBITDA	₹ Mn	1,042	983	833	679
EBITDA / Total revenues	%	28.1%	27.0%	25.3%	21.5%
Net Income	₹ Mn	(202)	1,036	(89)	(200)

B) Bharti Airtel Ghana Limited

Bharti Airtel Ghana Limited is a joint venture between Bharti Airtel Africa B.V. and MIC Africa B.V. Both the entities effectively hold 49.95% share in the merged entity.

Key operational and financial performance:

Ghana	Unit	Quarter Ended				
		Mar-19	Dec-18	Sep-18	Jun-18	Mar-18
Operational Performance						
Customer Base	'000	4,804	4,847	5,389	5,784	6,113
Data Customer as % of Customer Base	%	58.7%	56.5%	61.4%	56.7%	58.2%
ARPU	GHS	13.0	12.0	12.4	12.8	13.2
Financial Highlights (proportionate share of Airtel)						
Total revenues	₹ Mn	1,284	1,358	1,519	1,674	1,767
EBITDA	₹ Mn	(3)	(64)	108	319	262
EBITDA / Total revenues	%	-0.2%	-4.7%	7.1%	19.1%	14.8%
Net Income	₹ Mn	(1,550)	(1,214)	(906)	(961)	(241)

C) Airtel Payment Bank Limited

Airtel Payment Bank Limited has become an associate of Bharti Airtel Limited w.e.f November 01st, 2018.

Key operational and financial performance:

Airtel Payments Bank Limited	Unit	Quarter Ended	2 months ended
		Mar-19	Dec-18
Operational Performance			
Active users	'000	7,767	5,724
Financial Highlights (proportionate share of Airtel)			
Total revenues	₹ Mn	919	410
EBITDA	₹ Mn	(872)	(477)
EBITDA / Total revenues	%	-94.8%	-116.4%
Net Income	₹ Mn	(921)	(497)

Risk & Mitigation Framework

Bharti Airtel (the Company), has thrived globally by building a culture of innovation and high performance. The Company explores new markets and business models across the world; evolves new ways of customer and stakeholder engagement; enters into new strategic partnerships; adopts new technologies; and builds exponential efficiencies in existing systems. While these initiatives unveil a universe of possibilities, potential risks and uncertainties arise in a volatile business environment. The distress signals need to be picked up and addressed with urgency for smooth operations. Therefore, the Company has created a robust risk management framework in its operating landscape that caters to strategic, legal, financial, operational and climate risks. The Company has a sound practice to identify key risks across the Group and prioritize relevant action plans for mitigation. The key risks that may impact the Company and mitigating actions undertaken by the Company comprise:

1. Regulatory and Political Uncertainties (Legal & Compliance)

Outlook from last year > Stable

Definition

The Company operates in India, Sri Lanka and 14 African countries. Some of these countries (or regions within countries) are affected by political instability, civil unrest and other social tensions. The political systems in a few countries are also fragile, resulting in regime uncertainties; hence, the risk of arbitrary action. Such conditions tend to affect the overall business scenario. In addition regulatory uncertainties and changes, like escalating spectrum prices, call drops penalties, EMF norms among others are potential risks being faced by the business.

Mitigating actions:

- As a responsible corporate citizen, the Company engages proactively with key stakeholders in the countries in which it operates; and continuously assess the impact of the changing political scenario. The Company contributes to the socio-economic growth of the countries in its area of operation through high-quality services to its customers, improved connectivity, providing direct and indirect employment, and contributing to the exchequer. These activities are covered in detail through its annual sustainability report. It also maintains cordial relationships with governments and other stakeholders. The Country MDs and Circle CEOs carry direct accountability for maintaining neutral Government relations. Through its CSR initiatives (Bharti Foundation etc.), it contributes to the social and economic development of community, especially in the field of education.
- The Company actively works with industry bodies like Cellular Operators Association of India (COAI), Confederation of Indian Industry (CII), and Federation of Indian Chambers of Commerce & Industry (FICCI) on espousing industry issues e.g. penalties, right of way, tower sealing amongst others.
- Regulatory team along with legal and network teams keeps a close watch on compliances with regulations and laws and ensures the operations of the Company are within the prescribed framework.

2. Economic Uncertainties (Operational)

Outlook from last year > Stable

Definition:

The Company's strategy is to focus on growth opportunities in the emerging and developing markets. These markets are characterised by low to medium mobile penetration, low internet penetration and relatively lower per capita incomes, thus offering more growth potential. However, these markets fall under countries which are more prone to economic uncertainties, such as capital controls, inflation, interest rates and currency fluctuations. Since the company has borrowed in foreign currencies, and many loans are carrying floating interest terms, it is exposed to market risks, which might impact its earnings and cash flow. These countries are also affected by economic downturns, primarily due to commodity price fluctuations, reduced financial aid, capital inflows and remittances. Slowing down of economic growth tends to affect consumer spending and might cause a slowdown in telecom sector.

Mitigating actions:

- As a global player with presence across 16 countries, the Company has diversified its risks and opportunities across markets. Its wide service portfolio including voice, data, Airtel Money, Digital Services and value added services helps widen its customer base.

- To mitigate currency risks, it follows a prudent risk management policy, including hedging mechanisms to protect the cash flows. No speculative positions are created; all foreign currency hedges are taken on the back of operational exposures. A prudent cash management policy ensures that surplus cash is up-streamed regularly to minimize the risks of blockages at times of capital controls. It has specifically renegotiated many operating expenditure / capex Fx contracts in Africa and converted them to local currency, thereby reducing Fx exposure.
- To mitigate interest rate risks, the Company is further spreading its debt profile across local and overseas sources of funds and to create natural hedges. It also enters in interest rate swaps to reduce the interest rate fluctuation risk.
- Finally, the Company adopts a pricing strategy that is based on principles of mark to market, profitability and affordability, which ensures that the margins are protected at times of inflation, and market shares at times of market contraction.

3. Poor quality of networks and information technology including redundancies and disaster recoveries (Operational)

Outlook from last year > Stable

Definition:

The Company's operations and assets are spread across wide geographies. The telecom networks are subject to risks of technical failures, partner failures, human errors, or wilful acts or natural disasters. Equipment delays and failures, spare shortages, energy or fuel shortages, software errors, fibre cuts, lack of redundancy paths, weak disaster recovery fall-back, and partner staff absenteeism, among others are few examples of how network failures happen.

The Company's IT systems are critical to run the customer-facing and market-facing operations, besides running internal systems. In many geographies or states, the quality of IT connectivity is sometimes erratic or unreliable, which affects the delivery of services e.g. recharges, customer query, distributor servicing, customer activation, billing, etc. In several developing countries, the quality of IT staff is rudimentary, leading to instances of failures of IT systems and / or delays in recoveries. The systems landscape is ever changing due to newer versions, upgrades and 'patches' for innovations, price changes, among others. Hence the dependence on IT staff for turnaround of such projects is huge.

Mitigating actions:

- The Company has state-of-the-art Network Operations Centre for both India as well as Africa to monitor real time network activity and to take proactive and immediate action to ensure maximum uptime of network.
- Network Planning is increasingly being done in-house, to ensure that intellectual control on architecture is retained within the Company. It continuously seeks to address issues (congestion, indoor coverage, call drops, modernisation and upgrade of data speeds, among others) to ensure better quality of network. Recent efforts also include transformation of the microwave transmission, fibre networks, secondary rings / links and submarine cable networks. The Company consistently eliminates systemic congestion in the network, and removes causes of technical failures through a quality improvement programme, as well as embedding redundancies. Tighter SLAs are reinforced upon network partners for their delivery. The Company's Network Team performance is measured, based on network stability, customer experience and competitor benchmarking. The Company follows a conservative insurance cover policy that provides a value cover, equal to the replacement values of assets against risks, such as fire, floods and other natural disasters.
- The Company's philosophy is to share infrastructure with other operators, and enter into SLA-based outsourcing arrangements. We have been proactively seeking sharing relationships on towers, fibre, VSAT, data centres and other infrastructure. The disposal of towers in Africa to independent and well-established tower companies and long-term lease arrangements with them will ensure high quality of assets and maintenance on the passive infrastructure. The Company has put in place redundancy plans for power outages, fibre cuts, VSAT breakdowns, and so on, through appropriate backups such as generators, secondary links, among others. Similar approaches are deployed for IT hardware and software capacities; and internal IT architecture teams continuously reassess the effectiveness of IT systems.
- Information Security is managed by dedicated IT professionals, given the huge dependency on automated systems, as well as to ensure that customer privacy is protected.

4. Inadequate Quality of Customer Lifecycle Management (Operational)

Outlook from last year > Stable

Definition:

Prepaid market continues to be highly competitive & price sensitive. With consolidation in the industry, several processes now have scope of building efficiencies that can help us in remaining competitive in the market, especially in respect of customer acquisitions. In the absence of such simplification, inefficiencies like high rotational churn, high acquisition costs, low lifetime value of new customers could increase, resulting in increased costs and lower quality of revenue.

- Customer mind-sets and habits are shifting rapidly, reflected in their ever-rising expectations in terms of quality, variety, features and pricing. The competitive landscape is also changing dramatically, as operators vie with one another to capture customer and revenue market shares which is accelerating customer migration from legacy 2G/3G networks to high speed 4G networks.
- The Company might see heightened competitive intensity in its non-wireless businesses on account of irrational pricing by potential new entrant leading to erosion of revenue & customers. In mobility business, the Company may face a risk of deeply discounted Volte feature phone pricing from new entrant. Content is becoming a major deciding factor for a customer to choose the operator.

Mitigating actions:

- In a major step towards simplification of customer journey, company had envisioned the task to streamline the product portfolio. Over the years, lot of redundancies which got created in the product portfolio were simplified by eliminating over 60% of unused products.
- The simplification drive was initiated with the introduction of Smart Combo recharges, starting at an affordable price point of 35. These all-in-one packs provide the benefits of Data, Tariff and talktime to the customers in a single denomination. Now customers don't need to purchase different packs rather one pack will provide all benefits.
- In order to derive higher extraction & enhance ARPUs from the dormant base that enjoyed free services, company introduced plans with minimum recharge commitment, which required customers to do a monthly recharge in order to use the services. The same was done keeping the affordability factor in mind at a minimum price of ₹ 23 every month.
- The acquisition processes were further strengthened by launching mandatory first recharge. Emphases was laid on acquiring customers on unlimited bundle packs. Continued monitoring customer acquisition process like new customer acquisition churn, high acquisition recharge denominations, direct distribution, trade margins structures have yielded good results.
- In our continued effort to build and anchor the digital-first approach and delivering a compelling user experience and benefits, we have made Airtel Thanks App as a Centre-piece of our customer experience and engagement.
- Introduction of platform like Airtel thanks helped cater to the growing customer needs of content consumption. Clubbing additional services like Aitrel TV, Wynk Music, Handset insurance, on regular bundle recharges integrated and end-to-end experience through sharp propositions for high-value customers.

5. Data Loss Prevention (Operational)

Outlook from last year > Stable

Definition

Personal data is any information relating to a customer, whether it relates to their private, professional, or public life. In the online environment, where vast amounts of personal data are shared and transferred around the globe instantaneously, it is increasingly difficult for people to maintain control of their personal information. This is where data protection comes in.

Data protection refers to the practices, safeguards, and binding rules put in place to protect your personal information and ensure that you remain in control of it. In short, you should be able to decide whether or not you want to share some information, who has access to it, for how long, for what reason, and be able to modify some of this information, and more. Data protection must strike a balance between individual privacy rights, while still allowing data to be used for business purposes, whilst adhering to data privacy norms and regulations.

Efforts to update regulations regarding privacy and personal data protection are underway in several countries and regions, most notably the European Union, which has introduced the General Data Protection Regulation (GDPR) package. Compliance requirements for operators are in flux, particularly as regulators seek to strike a balance between consumer protection and national security needs. India is also close to having its own data protection law.

Mitigating actions:

The customer base of Bharti Airtel limited has been expanding at a tremendous rate. We also collect and process a large amount of personal information belonging to employees, temporary staff and third party personnel. These facts, coupled with introduction of new innovative value added services, have led to increase in the personal information handled by Airtel. We are committed to ensure that privacy of personal information is maintained during its entire lifecycle, through the implementation of stringent processes and relevant technologies.

"Bharti Airtel Information Privacy Policy (BIPP)" is in alignment with the Information Technology (IT) Rules 2011 and best practices of industry and GDPR. Airtel's privacy policy provides management direction and support to ensure privacy of personal information collected by Airtel. In order to allow collection, processing, retention, dissemination and destruction of the personal information in accordance with the appropriate laws, regulations and contractual obligations.

Bharti Airtel Information Privacy Policy (BIPP) is applicable to all employees of Airtel and all third parties (including strategic partners) of Airtel who have access to personnel information of customers, employees and vendors. The BIPP is applicable across all business functions of Airtel and across all geographies of airtel in India including Airtel center office, 13 B2C circles and three airtel Business Regions.

Data leakage protection (DLP) is a strategy for making sure that those in possession of sensitive information do not advertently or inadvertently share that information outside the virtual boundaries of the corporate network. The term is also used to describe software products that help organizations control what data end users can transfer. The data leakage prevention strategy at airtel has been designed to protect information at their most vulnerable points i.e. at the endpoint, at the web layer, and at the email layer.

All airtel endpoints are equipped with specialized software. This helps monitor various channels for potential data leakage. Should a potential violation be detected, an alert is generated and/or the data transfer request is blocked in real time. Similar solutions are deployed on the central email gateway and web gateway, to monitor emails and internet bound traffic respectively. A centralized monitoring team reviews the alerts and raises an incident for investigation and resulting action.

All incidents are tracked to closure in a time bound manner. Additionally, a monthly review of all incidents and their closure is conducted, to enable the organization to regularly refine the existing policies.

6. Increase in cost structures ahead of revenues thereby impacting liquidity (Operational / Strategic)

Outlook from last year > Stable

Definition:

Across markets, costs structures have been increasing both from volumes (new sites rollouts, capacity) and/or rate increases (inflation, Fx impacts, wage hikes, energy etc.). With the entry of new operator, market pricing has been dampened putting pressure on margins and cash flows thereby leading to increased debt leverage. Increased investment in network to ensure quality of service, continued spends on distribution and maintaining world class customer service are expected to remain thereby heightening debt levels.

Mitigating actions:

- The Company has institutionalized the War on Waste (WOW) Programme, an enterprise-wide cost-reduction programme. This has been rolled out across all functions, business units and countries. All functions / business units / countries are targeting cost reductions and cost efficiencies. The Company continues to focus on capex optimization through various programmes like ICR, tower-sharing, fibre sharing through IRU or co-build.
- Digitization and automation with significant programmes on self-care, paper less acquisition, e-bill penetration, online recharges, Indoor to outdoor conversion, digital customer interactions are continuously monitored through our WoW initiative etc.
- The Company has been progressively maintaining to keep the debt levels at acceptable levels. To this end it has and continues to take decisions on inorganic sources of funding including rights issue of shares, divestment of Infratel and DTH stakes.

7. Inability to provide high quality network experience with exponential growth in data demand (Strategic)

Outlook from last year > Stable

Definition:

In order to keep pace with rising data demand of customers and to ensure competitive parity traffic, telecom companies will be required to invest heavily in building data capacities and broadband coverage expansion. Operators are adopting new strategies to provide unlimited voice and significant data benefits to customers. Additionally, today's customer is looking at seamless mobile internet experience and technology agnostic.

Mitigating actions:

- Airtel is expanding its broadband network footprint to fulfill customer experience and stay ahead of the of competition It is re-farming spectrum from legacy technologies like 2G & 3G to 4G, to get better coverage & capacity. Liberalized spectrum in 900MHz band has re-farmed to 4G to provide better in-building coverage. Similarly, spectrum in 2100MHz band (which was being used for 3G) is being re-farmed to 4G for providing additional capacity.
- Having deployed 4G FDD as coverage layer, Airtel is leveraging on the TDD layer for capacity expansion across the network. It is the first network in India which has up to five layers on 4G network, with capability to generate capacity in cells as per traffic requirement. Airtel has also deployed carrier aggregation across these layers to help its subscribers in getting best in class experience across these layers.
- For capacity expansion, innovative solutions are being deployed including mMIMO, split sectors and small cells in areas with hyper consumption. Airtel is the first operator to deploy wide scale mMIMO solutions (technology widely used in 5G networks), which is giving up to 4x capacity gains.
- Airtel is the first operator in India to deploy 4G in licensed and unlicensed band using LAA (Licensed assisted access) technology, which would help in tapping unlicensed band spectrum (over & above licensed band spectrum) for generating capacity.
- Pan India VoLTE footprint and roaming across circles on VoLTE has been established because of which 20% of the voice traffic has been offloaded from legacy core to 4G (HD) voice. Introduction to VoWifi technology, which would carry voice calls on indoor / outdoor WiFi networks as per the user location. This would help in improving indoor customer experience and offload voice traffic to WiFi networks.
- Airtel will continue to step up backhaul readiness on site with increased fiberization and expansion of transmission backbone to aggregate capacity to cater additional data load.
- Technological evolution in telecom has been quite rapid and next few years we will witness wide scale commercial deployment of 5G. We are future proof for such scenarios and are building up for 5G network deployment.
- Airtel is investing in digitization of its operations using automation and machine learning practices. This would help us in real time network orchestration and self-optimize to get the best of capacity and user experience on a deployed base.

8. Gaps in internal controls (financial and non-financial) (Operational)

Outlook from last year > Stable

Definition:

The Company serves over 403 Mn customers globally with a monthly average of 256 Bn minutes of voice on network and huge data carried on wireless networks located at more than 204,000 towers. Gaps in internal controls and / or process compliances not only lead to wastages, frauds and losses, but can also adversely impact the Airtel brand.

Mitigating actions:

- The Company's business philosophy is to ensure compliance with all accounting, legal and regulatory requirements proactively. Compliance is monitored meticulously at all stages of operation. Substantial investments in IT systems and automated workflow processes help minimize human errors.

- Besides internal audits, the Company also have a process of self-validation of several checklists and compliances as well as a 'maker-checker' division of duties to identify and rectify deviations early enough. The company has implemented a "Compliance Tool" which tracks provides a comprehensive list of all the external compliances that the company needs to abide, function-wise. The Compliance Tool's ownership lies with the head of the respective function with an oversight by the Legal team to ensure compliance.
- The Company has Internal Financial Controls and the Corporate Audit Group has tested such controls. The Audit Group has asserted that the Company has in place adequate tools, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records; and timely preparation of reliable financial information.

9. Lack of Digitization and Innovations (Strategic)

Outlook from last year > Emerging

Definition

Digitization is reshaping the telecom sector and will be a key driver for innovation within the Company as companies compete in a digital ecosystem away from pure connectivity based environment. Further evolving technologies result in change in customer value propositions. Digital content and apps have now become the favorites for mobile customers. Digital Mobile money technologies, innovative mobile apps, Cloud, M2M, SaaS and other technology-based SAS products are also evolving. Such rapid technology evolution may impact the functionality of existing assets and accelerate obsolescence. Keeping pace with changing customer expectations is a big agenda for the telecom sector. Lack of Digitization of internal business processes may render the company in-able or lethargic in turn to respond to customer needs. Rapidly evolving technologies like robotics, block chain, app automation for internal processes in Customer, Finance, Supply Chain and HR can render the company slow in decision making and reacting to new and emerging customer, vendor, and partner expectations.

Mitigating actions:

Digitization for the customers continues to be the prime area of focus, with several digital initiatives being undertaken.

- For digital growth, the Company has adopted a platform centric approach and created new digital platform for attracting millennials and digitally savvy customers. The homes platform will allow us to bring together services like DTH, Broadband and mobility through one install, one service and one bill. This convergence will lead a better customer experience and lower churn.
- The Company invested in building its own digital innovations such 'Wynk music', 'Airtel TV'. Wynk music and Airtel TV continues in the top 10 music and TV apps in the country. Airtel TV provides 300 live channels and 6000 movies & TV shows in 13 languages. These experiences provide a bonus layer of benefits which we can provide our customers which help reduce churn and improve ARPU.
- The company is investing in digital channels to create a great experience for our customers. Airtel Thanks app and 'Airtel.in' have seen tremendous growth in customer interaction over the course of the year. Moreover, Airtel Thanks app now comes with a loyalty program with Silver, Gold, Platinum tiers that provide our loyal customers with rewards. This reduces churn and provides additional opportunity for ARPU upgrade.
- The Company also invested in building its own digital innovations in offline distribution where the Mitra app enables new innovations like introducing assisted sales of life insurance offline.
- One of the key digital initiatives being run is creating a digital network. This covers network planning, deployment (including TOCOs and MS partners), operations and network quality. In addition the Company also partnered with SKT for creating network Data Lake and building deep analytics and intelligence on top of it. We are now using data science to aid efficient network planning.

10. Climate Change (Strategic)

Outlook from last year > Emerging

Definition

Over the last decade, climate change has emerged as a credible risk to almost every business sector, including the telecommunication sector. Telecom industry's carbon footprint is likely to increase as developing markets continue to grow, network traffic increases, and companies move towards 5G. In order to address this, GSMA (Global System for Mobile Communications) has recently constituted a taskforce to develop Climate Action Plan for the telecom industry, in support of the Paris Climate Agreement. This is driven by the objective to develop methodologies that will enable the industry members to set science based targets and achieve net zero carbon emissions by 2050 or sooner. This will facilitate the industry to take a leadership position in transcending towards a carbon positive economy.

Bharti Airtel Limited is a member of the taskforce created by GSMA, supporting the endeavor to move towards cleaner operations and more energy efficient networks. Consequently, there is an urgent need for us to identify potential risks posed by climate change and their impacts on the company, to be able to develop our own mitigation strategy. At Airtel, Climate change risks are considered an integral part of our centralized enterprise risk management.

We foresee climate change manifesting in the form of following risks to our business in the coming years:

- Policy and Legal Risk: Following the Green Telecom guidelines issued by the Department of Telecom (DoT), Government of India, calling for an increase in the use of green energy technologies in telecommunication sector, climate change is emerging as a potential factor that can interfere with the realization of our strategic, operational, financial and compliance objectives.
- Technology Risk: The need to transition to lower emission technologies, necessitated by regulatory or market environment, might lead to early retirement of existing assets. For instance, Green Telecom guidelines issued by DoT require all telecom products, equipment and services to be energy and performance assessed and certified 'Green Passport', utilizing the ECR ratings.
- Physical Risk: Because of increased frequency and severity of extreme weather events, there is a greater risk of damage to our network infrastructure and physical assets exposed to such weather.
- Market Risk: Adverse impacts of climate change might impact the livelihoods of some customers (for example, those in rural areas) thereby reducing their capacity to afford our services.
- Reputational Risks: Rising expectations of customers and other stakeholders from a business organization to contribute to a low-carbon economy, expose us to a certain degree of reputational risk.

Impact:

The above climate related risks have the potential to translate into the following impacts for Airtel:

- Higher operational expenses due to increased regulatory and compliance requirements, such as increased cost of GHG emissions and emission reporting obligations, as well as higher insurance premiums for assets exposed to climate risks.
- Increased capital investment in new technologies and green energy solutions.
- Impact on revenue from decreased operational capacity due to network failure or other interruptions.
- Increased frequency and intensity of extreme weather events interrupting our materials supply by disrupting modes of transport.
- Increased temperatures adversely impacting the health and safety of workers at our facilities, with the potential to disrupt operations and decrease revenue.

Mitigation:

We realize the considerable negative impact that climate change can have on our business and have identified 'Energy, Climate Change & Resource Optimization' as one of our high priority material issues. Following are some of the measures that we have taken to mitigate this emerging risk and build climate resilience:

- Adopting green energy solutions through installation of rooftop solar panels at Main Switching Centres (MSCs) and using advance VRLA batteries to reduce the running of Diesel Generator sets in our operating sites.
- Reducing our energy consumption through measures such as Solar-DG hybrid systems, energy efficient

lighting and equipment at our facilities and power purchase agreements, among other things.

- Working closely with network infrastructure and facility management to facilitate a shift to green mobile tower technologies that consume less power.
- Other initiatives aimed at creating green data centers, equipment optimization, outdoor BTS sites, minimizing e-waste and paper waste.
- Airtel is ISO 22301 (Business Continuity Management system) certified to reduce the likelihood of occurrence, prepare for, respond to, and recover from disruptive incidents when they arise.

For detailed information on our initiatives and measures to address climate change risks, please refer to the section on 'Natural Capital', Integrated Report 2019.

Internal Controls

The Company's philosophy towards internal control is based on the principle of healthy growth and proactive approach to risk management. Aligned to this philosophy, the Company has deployed a robust framework of internal controls that facilitates efficient conduct of business operations in compliance with the company policy; fair presentation of our financial results in a manner that is complete, reliable and understandable; ensure adherence to regulatory and statutory compliances; and safeguards investor interest by ensuring the highest level of governance. The Internal Control framework has been set up across the company and is followed at the circle and country level. This framework is assessed periodically and performance of circles and countries are measured via objective metrics and defined scorecards.

Accounting hygiene and audit scores are driven centrally through central financial reporting team and Airtel Centre of Excellence (ACE), both teams responsible for accuracy of books of accounts, preparation of financial statements and reporting the same as per the company's accounting policies. Regulatory and legal requirements, accounting standards, and other pronouncements are evaluated regularly to assess applicability and impact on financial reporting. The relevant financial reporting requirements, documented in the Group Accounting Manuals, are communicated to relevant units and enforced throughout the Group. This, together with the financial reporting calendar evidencing the tasks and timelines, forms the basis of the financial reporting process.

Deloitte Haskins & Sells LLP, the statutory auditors, have done an independent evaluation of key internal controls over financial reporting (ICOFR) and expressed an unqualified opinion stating that the company has, in all material respects, adequate internal control over financial reporting; and such internal controls over financial reporting were operating effectively as on March 31, 2019.

The Company has in place an Internal Assurance (IA) function with Head - Internal Assurance / Chief Internal auditor as its head. EY and ANB & Co (ANB) are the Assurance Partners of the Company who conduct financial, compliance and process improvement audits each year. Legal & Regulatory audits are conducted by ANB while audits of the remaining areas are executed by EY. The internal assurance plan for the year is derived from a bottoms-up risk assessment and directional inputs from the Audit Committee. The Audit Committee oversees the scope and coverage of the IA plan, and evaluates the overall results of these audits during the quarterly Audit Committee meetings. Additionally, separate quarterly Audit Committee meeting are also held to review the progress made on previous gaps identified by Internal Assurance. During these meetings, functional Directors are invited from time-to-time, to provide updates on improvements on controls and compliance within their respective functions and update on the progress of any transformational projects undertaken. Internal Assurance also assesses the effectiveness of Internal Financial Controls (IFC) and no reportable material weaknesses in the design or operation were observed for the current financial year.

A CEO and CFO Certificate forming part of the Corporate Governance Report, confirm the existence and effectiveness of internal Controls and reiterate their responsibilities to report deficiencies to the Audit Committee and rectify the same. The Company's code of conduct requires compliance with law and Company policies, and also covers matters such as financial integrity, avoiding conflicts of interest, workplace behavior, dealings with external parties and responsibilities to the community.

The Airtel Centre of Excellence (ACE) based in Gurugram and Bengaluru, with its global footprint in 16 countries, is the captive shared service for financial accounting, Revenue Assurance, SCM and HR processes. Digitization of ACE is being aimed as a part of the transformation agenda and includes initiatives like system based reconciliation, reporting processes with vividly defined segregation of duties. ERP integration in Africa into an Oracle Single Instance across all African countries ensures uniformity and standardization in ERP configurations, chart of accounts, finance and SCM processes across countries. Quality of financial reporting and controls continues to show improvement. We continuously examine our governance practices to enhance investor trust and improve the Board's overall effectiveness. Initiatives such as virtual desktop interface for ultimate data security, self-validation checks, desktop reviews and regular physical verification are producing measurable outcomes through substantial improvement in control scores across India and Africa. Oracle Governance Risk & Compliance (GRC) module has been implemented for India and Africa to strengthen existing controls pertaining to access rights for various ERPs, ensuring segregation of duties and preventing possibilities of access conflicts.

Material Developments in Human Resources

Human Resources has been a key enabler for Airtel, as it works towards creating a digitally empowered and future-ready organisation.

Airtel continues to have a strong people agenda built around the three pillars – Learn, Lead and Grow. Each pillar consists of various focused programmes, supported by state-of-art tech platforms. These initiatives have been created under the tutelage of experienced HR leaders and tech practitioners.

The first pillar – **Learn** ensures consistent upskilling and empowerment of talent to make them ready for a highly dynamic market. Airtel continues to invest significantly in its digital learning and development capabilities.

In addition to the ongoing learning at one's job & classroom programs, delivered in partnership with leading training organizations & institutes, Airtel also has 4 prominent digital learning platforms for employees.

The organization continues to partner **Coursera**, a global leader in online education and learning, to provide high level certifications from Ivy League universities. The tie up with **Pluralsight**, a leading technology learning platform, ensures our digital talent is equipped with the latest from the world of data and technology. **Linkedin Learning** continues to be a success story at Airtel and has been enabling employees to enhance leadership, functional and behaviourial skills.

Airtel 101, the mobile learning platform, provides micro learning modules based on content developed by in-house teams. Airtel 101 continues to be one of the most frequented digital learning destinations at Airtel.

Overall, the learning agenda fortified with, more than **14,860 employees** across functions, completing nearly **10,000 courses,** clocking a combined total of more than **2,50,000** man hours.

The second pillar – **Lead,** continues to focus on growing leaders & aims to groom them for leadership roles within the organization. Airtel launched **Airtel Leadership Academy,** a common framework for leadership development of top talent across all levels. Under the initiative, Airtel currently runs **Future Leaders Program (FLP)** to groom talent for middle management roles and **Advanced Leaders Program (ALP)** to groom talent for senior management roles.

The development journey also has a built-in component of self-awareness in the form of an Individual Development Center & creation of the customized Development Plan for each of the participants. Each of these programs have flagship development modules, conducted in partnership with faculties from the world's leading universities.

The participants also get the opportunity of getting mentored by Senior Leaders and having Connect Sessions with the Airtel Leadership Team.

The third pillar – **Grow,** focuses on empowering employees to take absolute ownership of their careers within the organization. Under this pillar, career development programmes catering to different business functions, has helped employees to take up larger cross-functional roles with ease. This has also resulted in strong internal succession pipelines, providing better growth opportunities. The flexibility offered under the programme in addition to employee readiness through developmental interventions, has helped the organization to fill over 80% of the leadership roles internally itself. Today, over 15% of the employees are getting promoted regularly annually – another testament to the success of the programme.

Airtel also continued to establish itself as a viable and promising career brand on B-school and engineering campuses. As part of its **Young Leader Program,** Airtel hired 50 budding management leaders from top B schools across the country and 90 engineers as part of its **Young Technical Leader Program**. Airtel's flagship B-school case competition - **iCreate** witnessed an overwhelming response from MBA students across the country with over 10,000 participants. The top 12 teams from across the country visited the Airtel headquarters in Gurugram and competed in a hotly contested finale.

Airtel is also running focused programmes to drive a cultural change within the organization. The company has relaunched various initiatives to promote diversity as well. **'WE' – Women Empowered,** the flagship programme to drive diversity, was revived last year. One of the popular initiatives, 'She For Change', a compendium of stories documenting personal narratives of transformation by Airtel's women was launched internally and promoted well across all digital touchpoints. The company also announced the launch of WeSecure, a safety app, developed by Airtel's in-house engineering team, was announced as well. Besides, a series of initiatives were announced for women employees including empanelment of health specialists.

Outlook

India's economy is growing at a healthy rate and has been progressing on a journey of becoming a digital first nation, powered by digital highways i.e. the mobile broadband infrastructure created by the telecommunications sector. India can create over $1 trillion of economic value from the digital economy in 2025, which is a potential of five-fold increase with mobile network playing a vital role. The Telecom industry in India is the second largest in the world and has witnessed exponential growth over the last few years primarily driven by affordable tariffs, wider availability, roll out of Mobile Number Portability (MNP), expanding 4G coverage, evolving consumption patterns of subscribers and a conducive regulatory environment. The growth is expected to continue with increased tele-density in rural areas and higher adoption and shipments of affordable smartphones. As per IDC, the smartphone market in India grew 14.5% in 2018 with shipment of 142.3 Mn units vs. 124.3 Mn units last year. This will also open up opportunities for growth in digital mobile banking, content streaming and e-commerce.

With increased economic activity, rapid urbanization, rising middle class and focus on infrastructure investment, the outlook for the Africa's telecom sector continues to remain positive. Availability of low-cost smartphones and enhanced 3G/4G connectivity in the region has paved the way for substantial growth in the mobile broadband segment. Also, the need for financial inclusion in Africa is creating opportunities for mobile money services.

With the explosion of data and the rising interest in digital services, Bharti Airtel stands to gain by being an integrated player to offer as per customer requirements. With strong network investments, unique brand and an unflinching focus on serving the customer, the company is truly well poised to capitalize on the growth opportunities that the future heralds.

Independent **Auditor's Report**

TO
THE MEMBERS OF BHARTI AIRTEL LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Bharti Airtel Limited** ("the Company"), which comprise the Standalone Balance Sheet as at March 31 2019, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 2019, and its loss, total comprehensive loss, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Emphasis of Matter

We draw attention to Note 23(I)(f)(vi) of the Standalone Financial Statements, which describes the uncertainties related to the legal outcome of Department of Telecommunications demand with respect to one-time spectrum charges.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	Audit Procedures to address Key Audit Matter
Revenue recognition: There is an inherent risk around accuracy of revenue recorded in respect of Mobile Services and Airtel Business segments because of the complexity of the IT systems and other support systems, significance of volumes of data processed by the systems and the impact of changing pricing models (tariff structures, incentive arrangements and discounts, etc.). In addition, for Airtel Business, we considered occurrence of revenue as a risk due to the	We involved our IT specialists to evaluate the design and test the operating effectiveness of the general IT controls and application specific controls within the IT system, including testing of system generated reports used in our audit of revenues. We also tested the controls within the billing systems, prepaid charging systems, capturing and recording of revenue, authorisation and input of changes to the IT systems and over reconciliations performed between the active customers base with billing system.

Key audit matter	Audit Procedures to address Key Audit Matter
possibility that revenue may be recorded without active service links being provided to customers or for contracts that are cancelled/not renewed. Refer note 2.19 "Revenue recognition" for accounting policies and note 24 on disclosures related to Revenue in the standalone financial statements.	We performed substantive procedures, which included verifying the accuracy of customer invoices and tracing receipts to customer invoices, comparing the number of links/connection as per the active customer base to the billing system, testing reconciliations between billing system and the general ledger (including validation of relevant journal entries), making test calls and testing whether they are rated correctly and analytical procedures for relevant segment revenue. We verified the appropriateness of the accounting policies and the disclosures related to Revenue in notes 2.19 and 24 respectively in the standalone financial statements.
Recoverability of deferred tax assets (DTA) recognized on tax loss carry-forwards and Minimum Alternate Tax (MAT) credit DTA on tax loss carry forwards and MAT credit recognised as at March 31, 2019 amounts to ₹ 126,085 million. Significant judgement is required in assessing the recoverability of DTA on tax loss carry forwards and MAT credit. Recoverability of DTA on tax loss and MAT credit is sensitive to the assumptions used by management in projecting the ten year business plan and tax plan and to expiry of losses and restriction on utilization of MAT credit after the period specified in the Income-tax Act, 1961. Refer note 2.12 "Taxes" for accounting policies, note 3.1.b in "Critical accounting estimates and assumptions" related to taxes and note 12 "Income taxes" for disclosures related to taxes in the standalone financial statements.	We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of recoverability of DTA on carry forward tax losses and MAT credit. We benchmarked and challenged the key business assumptions like revenue growth rates, amount of future capital expenditure and EBIDTA margins in the ten year business plans against historical data and trends and with market data and external sources, where available, to assess their reasonableness. We verified the tax computation for the ten year forecast period and considered whether the tax losses and MAT credit would expire in accordance with the provisions of Income tax Act, 1961. We also performed sensitivity assessment to evaluate whether it is probable that the tax losses and MAT credit would expire within the period specified in the provisions of Income tax Act, 1961 and tested the mathematical accuracy of the business plans and tax computation for the forecast period. We verified that recognition of DTA is consistent with company's accounting guidelines for recognition of deferred tax on tax loss carry forward and MAT credit. We verified the appropriateness of accounting policies, critical accounting estimates and assumptions and disclosures related to Income tax in notes 2.12, 3.1.b and 12 respectively in the standalone financial statements.
Evaluation of impairment assessment for investments in subsidiaries Investments in subsidiaries as at March 31, 2019 amounts to ₹ 357,533 million. The management assessed that there are impairment indicators in respect of its investment in Bharti Infratel	We evaluated the design and tested the operating effectiveness of internal controls related to evaluation of impairment assessment of investment in Bharti Infratel Limited. We evaluated the management's valuation method used and the accuracy of the inputs used in the model to

Key audit matter	Audit Procedures to address Key Audit Matter
limited (BIL). Accordingly, the management estimated the recoverable value of its investment in BIL, the carrying value of which as at March 31, 2019 is ₹ 227,516 million. The evaluation of the recoverable amount involves determination of the most appropriate valuation method and the inputs used in the valuation model. Refer note 2.10(a) for policy on "Recognition, classification and presentation" of financial instruments and note 8 "Investments" for disclosures related to details of Investments in the standalone financial statements.	determine the recoverable value. We challenged the inputs used to assess their reasonableness, tested the sensitivityof the recoverable value to the change in the inputs used and tested the arithmetical accuracy of the model. We verified the appropriateness of the accounting policies and disclosures related to Investments in notes 2.10(a) and 8 respectively in the standalone financial statements.
Evaluation of uncertain positions related to tax and regulatory matters The Company has material uncertain positions related to regulatory matters and direct and indirect tax matters under dispute that involves significant judgment to determine the possible outcome of these disputes, provisions required, if any, and/or write back of provision in respect of such matters. Refer Note 2.18 "Contingencies" for accounting policies, Note 20 "Provisions" for disclosure related to provisions for subjudice matters and Note 23(I) in respect of details of Contingent liabilities in the standalone financial statements.	We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of the likely outcome of uncertain positions related to the regulatory and tax matters, the provision made, if any, and/or write back of the provision. We discussed significant open matters and developments with the Company's regulatory and tax team. We involved our internal tax experts to understand and evaluate the status of tax matters, review legal precedence and external expert opinions, if any, obtained by the management to evaluate whether the tax and regulatory position is appropriate and has taken into account recent developments, if any. We challenged management's underlying assumptions in estimating tax and regulatory provisions and/or write back of provisions and assessed management evaluations and conclusions by understanding precedence, if any, set in similar matters and performed substantive procedures on the underlying calculation supporting the provisions required and/or write back of provisions. We verified the appropriateness of the accounting policies, disclosures related to provisions for subjudice matters and details of contingent liabilities in notes 2.18, 20 and 23(I) respectively in the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Integrated Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 SAs 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 Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 Standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to explanation given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Million vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto as the Company does not have profits. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Shyamak R Tata
Place: New Delhi
Partner
Date: May 06, 2019
(Membership No. 38320)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharti Airtel Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Bharti Airtel Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Shyamak R Tata
Place: New Delhi
Partner
Date: May 06, 2019
(Membership No. 38320)

ANNEXURE "B" TO THE **INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharti Airtel Limited of even date)

i. In respect of Company's fixed assets:

a) The Company has maintained proper records showing full particulars with respect to most of its fixed assets, and is in the process of updating quantitative and situation details with respect to certain fixed assets in the records maintained by the Company

b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us, the records examined by us and based on examination of property tax receipts, utility bills, lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed or court orders approving schemes of arrangements / amalgamations provided to us, we report that, the title in respect of self-constructed buildings and the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties that have been taken on lease and disclosed as property, plant and equipment in the financial statements, based on our examination of the lease agreements or court orders approving the schemes of arrangement or amalgamations, we report that the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

ii. As explained to us, the inventories, except for those lying with the third parties, were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

iii. According to information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable.

v. According to the information and explanations given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable.

vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax and Goods and Service Tax which have not been deposited as on March 31, 2019 on account of disputes are given below:

Name of the Statutes	Nature of the Dues	Amount Disputed (in ₹ Million)	Period to Which the amount Relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	128	1999-05, 2002-08	Supreme Court
Income Tax Act, 1961	Income Tax	10,519	1996-08, 2001-10	High Court
Income Tax Act, 1961	Income Tax	25,816	1995-13, 2003-15	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	604	1999-00, 2004-18	Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	638	2000-06, 1996-14	Assessing Officer
Sub Total (A)		**37,705**		
Andhra Pradesh VAT Act, 2005	Sales Tax	87	2004-13	Tribunal
Andhra Pradesh VAT Act, 2005	Sales Tax	33	2013-15	Deputy Commissioner (Appeals)
Andhra Pradesh VAT Act, 2005	Sales Tax	39	2015-18	Assistant Commissioner
Bihar VAT Act, 2005	Sales Tax	0*	2015-16	Assistant Commissioner
Bihar VAT Act, 2005	Sales Tax	2	2006-07	Commercial Tax Officer
Bihar VAT Act, 2005	Sales Tax	1	2016-17	Deputy Commissioner
Bihar VAT Act, 2005	Sales Tax	22	2015-17	Joint Commissioner (Appeal)
Bihar VAT Act, 2005	Sales Tax	139	2005-15	Tribunal
Chhattisgarh VAT Act, 2003	Sales Tax	0*	2006-07	Assistant Commissioner
Delhi VAT Act, 2004	Sales Tax	0*	2012-13	Add. Commissioner
Delhi VAT Act, 2004	Sales Tax	6	2011-14	Add. Commissioner
The Gujarat VAT Act, 2003	Sales Tax	1	2005-07	Assistant/Deputy Commissioner
The Karnataka VAT Act, 2003	Sales Tax	291	2005-06	Supreme Court
The Karnataka VAT Act, 2003	Sales Tax	0*	2012-13	Deputy Commissioner
The Karnataka VAT Act, 2003	Sales Tax	2	2016-17	Karnataka Appellate Tribunal
The Kerala VAT Act, 2003	Sales Tax	1	2005-17	Commercial Tax Officer
The Kerala VAT Act, 2003	Sales Tax	0*	2016-17	Intelligence Officer Ernakulam
Kerala Sales Tax Act	Sales Tax	16	2005-10	Deputy Commissioner, Appeal
Kerala Sales Tax Act	Sales Tax	0*	2008-10	Intelligence Officer Squad
Kerala Sales Tax Act	Sales Tax	1	2002-05	Tribunal
The Kerala VAT Act, 2003	Sales Tax	71	2006-07	High Court of Kerala
The Kerala VAT Act, 2003	Sales Tax	44	2007-12	Asst. Commissioner, Spl Circle III, Ernakulam

Name of the Statutes	Nature of the Dues	Amount Disputed (in ₹ Million)	Period to Which the amount Relates	Forum where the dispute is pending
The Kerala VAT Act, 2003	Sales Tax	0*	2015-16	Intelligence Inspector, Squad No. I, Tellichery
The Kerala VAT Act, 2003	Sales Tax	0*	2015-16	Intelligence Inspector, Squad No. 3, Ernakulam
The Madhya Pradesh VAT Act, 2002	Sales Tax	7	2008-13	Tribunal
The Madhya Pradesh VAT Act, 2002	Sales Tax	0*	2004-08	Commercial Tax Officer
The Madhya Pradesh VAT Act, 2002	Sales Tax	1	2008-10	Deputy Commissioner
The Madhya Pradesh VAT Act, 2002	Sales Tax	22	1997-04	Deputy Commissioner, Appeal
The Maharashtra VAT Act, 2002	Sales Tax	0*	2003-04	Joint Commissioner, Appeal
Punjab VAT Act, 2005	Sales Tax	1	2009-17	Deputy Commissioner (Appeal)
Punjab VAT Act, 2005	Sales Tax	30	2003-04	High Court
Punjab VAT Act, 2005	Sales Tax	1	2002-03	Tribunal
Rajasthan VAT Act	Sales Tax	2	2015-16	Commercial Tax Officer
Rajasthan VAT Act	Sales Tax	0*	2015-16	Assistant Commissioner
The TN VAT Act	Sales Tax	0*	2010-11	Deputy Commercial tax Officer
The UP VAT Act	Sales Tax	11	2005-13	Assessing officer
The UP VAT Act	Sales Tax	1	2002-19	Assistant Commissioner
The UP VAT Act	Sales Tax	1	2009-10	Joint Commissioner
The UP VAT Act	Sales Tax	6	2008-10	High court
The UP VAT Act	Sales Tax	3	2003-08	Joint Commissioner, Appeal
The UP VAT Act	Sales Tax	9	2005-10	Tribunal
The UP VAT Act	Sales Tax	1	2015-16	Commissioner (Appeals)
The UP VAT Act	Sales Tax	26	2003-17	Deputy Commissioner
The West Bengal VAT Act, 2003	Sales Tax	0*	1996-97	The Deputy Commissioner of Commercial Taxes
The West Bengal VAT Act, 2003	Sales Tax	0*	1995-98	Commercial Tax Officer
The West Bengal VAT Act, 2003	Sales Tax	9	2005-06	Commissioner
The West Bengal VAT Act, 2003	Sales Tax	3	1997-12	Tribunal
Sub Total (B)		**890**		
Finance Act, 1994 (Service tax provisions)	Service Tax	278	1995-08	Supreme Court
Finance Act, 1994 (Service tax provisions)	Service Tax	51	2002-07	High court
Finance Act, 1994 (Service tax provisions)	Service Tax	6,083	1995-16	Tribunal

Name of the Statutes	Nature of the Dues	Amount Disputed (in ₹ Million)	Period to Which the amount Relates	Forum where the dispute is pending
Finance Act, 1994 (Service tax provisions)	Service Tax	821	1999-13	Commissioner/Deputy Commissioner of Service Tax
Finance Act, 1994 (Service tax provisions)	Service Tax	1	2003-04	Deputy Commissioner
Sub Total (C)		**7,234**		
Goods and Services Tax Act, 2017	UPGST	14	2017-19	Assistant Commissioner
Sub Total (D)		**14**		
Custom Act, 1962	Custom Act	4,128	2001-05	Supreme Court
Custom Act, 1962	Custom Act	755	2003-15	Tribunal
Sub Total (E)		**4,883**		
Grand Total (A+B+C+D+E):		**50,728**		

The above mentioned figures represent the total disputed cases without any assessment of Probable, Possible and Remote, as done in case of Contingent Liabilities. Of the above cases, total amount deposited in respect of Sales Tax is 341 Mn, Service Tax is 497 Mn, Goods & Services Tax Act, 2017 is 0* Mn, Custom Duty is 2,142 Mn and Income Tax is 16,774 Mn.

*Amount less than million are appearing as '0'.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.

ix. During the current year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and to the best of our information and according to explanation given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Million vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto as the Company does not have profits. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Shyamak R Tata
Place: New Delhi
Partner
Date: May 06, 2019
(Membership No. 38320)

Independent **Auditor's Report**

TO
THE MEMBERS OF **BHARTI AIRTEL LIMITED**

Report on the Abridged Standalone Financial Statements

The accompanying Abridged Standalone Financial Statements of **BHARTI AIRTEL LIMITED** ("the Company"), which comprise Abridged Standalone Balance Sheet as at March 31, 2019, Abridged Standalone Statement of Profit and Loss (including Other Comprehensive Income), Abridged Standalone Statement of Changes in Equity and Abridged Standalone Statement of Cash Flows for the year then ended, and related notes, are derived from the audited Standalone Financial Statements of the Company for the year ended March 31, 2019. We expressed an unmodified audit opinion on those Standalone Financial Statements in our report dated May 06, 2019.

The Abridged Standalone Financial Statements do not contain all the disclosures required by the Companies Act, 2013 ("the Act") and Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and accounting principles generally accepted in India which were applied in the preparation of the audited Standalone Financial Statements of the Company. Reading the Abridged Standalone Financial Statements, therefore, is not a substitute for reading the audited Standalone Financial Statements of the Company.

Management's Responsibility for the Abridged Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation of these Abridged Standalone Financial Statements in accordance with the requirements specified under Section 136(1) read with Rule 10 of the Companies (Accounts) Rules, 2014, as amended, based on the audited Standalone Financial Statements of the Company for the year ended March 31 2019, prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Act and accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Abridged Standalone Financial Statements.

Auditor's responsibility

Our responsibility is to express an opinion on the Abridged Standalone Financial Statements based on our procedures conducted in accordance with Standard on Auditing (SA) 810 "Engagements to Report on Summary Financial Statements" specified under Section 143(10) of the Act. In performing those procedures, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Abridged Standalone Financial Statements 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.

Opinion

In our opinion and to the best of our information and explanations given to us, the accompanying Abridged Standalone Financial Statements prepared in accordance with Rule 10 of the Companies (Accounts) Rules, 2014, as amended, derived from the audited Standalone Financial Statements of the Company for the year ended March 31, 2019 prepared in accordance with the Ind AS prescribed under Section 133 of the Act and accounting principles generally accepted in India, are a fair summary of those audited Standalone Financial Statements.

The Audited Standalone Financial Statements and Our Report Thereon:

We expressed an unmodified audit opinion on Standalone Financial Statements in our report dated May 06, 2019. That report also includes:

- An Emphasis of Matter section that draws attention to Note 9(i)(f)(vi) of the Abridged Standalone Financial Statements which describes the uncertainties related to the legal outcome of Department of Telecommunications demand with respect to one time spectrum charges. Our opinion is not modified in respect of this matter
- The communication of Key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

Shyamak R Tata
Partner
(Membership No. 38320)

Place: New Delhi
Date: May 06, 2019

Abridged Standalone **Balance Sheet**

(All amounts are in millions of Indian Rupee)

	As of March 31, 2019	As of March 31, 2018
Assets		
Non-current assets		
Property, plant and equipment	565,455	476,911
Capital work-in-progress	52,970	27,387
Intangible assets	751,885	749,183
Intangible assets under development	2,703	28,040
Investment in subsidiaries, associates and joint ventures	368,009	481,219
Financial assets		
- Investments	63	63
- Derivative instruments	4	80
- Loans and security deposits	151,032	66,947
- Others	70	260
Income tax assets (net)	10,059	19,595
Deferred tax assets (net)	51,512	14,244
Other non-current assets	67,887	27,142
	2,021,649	**1,891,071**
Current assets		
Inventories	10	63
Financial assets		
- Investments	16,696	-
- Derivative Instruments	68	195
- Trade receivables	38,490	43,196
- Cash and cash equivalents	1,876	4,626
- Other bank balances	320	825
- Loans	21,244	15,839
- Others	12,671	11,837
Other current assets	113,831	81,721
	205,206	**158,302**
Total assets	**2,226,855**	**2,049,373**
Equity and liabilities		
Equity		
Share capital	19,987	19,987
Other equity	963,606	1,008,622
	983,593	**1,028,609**
Non-current liabilities		
Financial liabilities		
- Borrowings	586,494	544,681
- Derivative Instruments	320	124
- Others	32,920	19,354
Deferred revenue	16,970	18,371
Provisions	1,927	1,830
	638,631	**584,360**
Current liabilities		
Financial liabilities		
- Borrowings	229,183	80,680
- Current maturities of long-term borrowings	22,222	28,797
- Derivative instruments	1,455	228
- Trade payables		
-total outstanding dues of micro enterprises and small enterprises	31	16
-total outstanding dues of creditors other than micro enterprises and small enterprises	191,657	176,974
- Others	107,950	92,529
Deferred revenue	26,802	30,242
Provisions	1,088	1,262
Current tax liabilities (net)	2,248	2,447
Other current liabilities	21,995	23,229
	604,631	**436,404**
Total liabilities	**1,243,262**	**1,020,764**
Total equity and liabilities	**2,226,855**	**2,049,373**

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

As per our report of even date

For and on behalf of the Board of Directors of Bharti Airtel Limited

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

Shyamak R Tata
Partner
Membership No: 38320

Sunil Bharti Mittal
Chairman
DIN: 00042491

Gopal Vittal
Managing Director & CEO
(India and South Asia)
DIN: 02291778

Place: **New Delhi**
Date: **May 6, 2019**

Badal Bagri
Chief Financial Officer

Pankaj Tewari
Company Secretary

Abridged Standalone **Statement of Profit and Loss**

(All amounts are in millions of Indian Rupee; except per share data)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Income		
Revenue from operations	496,080	536,630
Other income	2,507	2,356
	498,587	**538,986**
Expenses		
Network operating expenses	161,247	139,512
Access charges	81,739	78,944
License fee / spectrum charges	49,465	55,630
Employee benefits expense	14,710	17,209
Sales and marketing expenses	25,619	30,519
Other expenses	38,394	36,171
	371,174	**357,985**
Profit from operating activities before depreciation, amortisation and exceptional items	**127,413**	**181,001**
Depreciation and amortisation	150,876	130,486
Finance costs	78,437	59,107
Finance income	(23,704)	(8,417)
Non-operating expenses	1,890	596
Loss before exceptional items and tax	**(80,086)**	**(771)**
Exceptional items (net)	(28,049)	6,041
Loss before tax	**(52,037)**	**(6,812)**
Tax expense / (credit)		
Current tax	15	(2,204)
Deferred tax	(33,762)	(5,400)
(Loss) / profit for the year	**(18,290)**	**792**
Other comprehensive income		
Items not to be reclassified to profit or loss:		
- Re-measurement gains / (losses) on defined benefit plans	148	87
- Tax charge	(52)	(30)
Other comprehensive income for the year	**96**	**57**
Total comprehensive (loss) / income for the year	**(18,194)**	**849**
Earnings per share (Face value: ₹ 5/- each)		
Basic and diluted (loss) / earnings per share	(4.58)	0.20

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

As per our report of even date

For and on behalf of the Board of Directors of Bharti Airtel Limited

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

Shyamak R Tata
Partner
Membership No: 38320

Sunil Bharti Mittal
Chairman
DIN: 00042491

Gopal Vittal
Managing Director & CEO
(India and South Asia)
DIN: 02291778

Place: **New Delhi**
Date: **May 6, 2019**

Badal Bagri
Chief Financial Officer

Pankaj Tewari
Company Secretary

Abridged Standalone **Statement of Changes in Equity**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	Share capital		Other equity - Reserves and Surplus								
	No of shares (in '000)	Amount	Securities premium account	Retained earnings	General reserve	Business restructuring reserve	Debenture redemption reserve	Share-based payment reserve	Capital reserve	Total	Total equity
As of April 1, 2017	**3,997,400**	**19,987**	**107,180**	**829,278**	**26,585**	**16,313**	**-**	**3,979**	**8,751**	**992,086**	**1,012,073**
Profit for the year	-	-	-	792	-	-	-	-	-	792	792
Other comprehensive income	-	-	-	57	-	-	-	-	-	57	57
Total comprehensive income	**-**	**-**	**-**	**849**	**-**	**-**	**-**	**-**	**-**	**849**	**849**
Transaction with owners of equity											
Employee share-based payment expense	-	-	-	-	-	-	-	337	-	337	337
Exercise of share options	-	-	-	-	3,510	-	-	(3,646)	-	(136)	(136)
Creation of debenture redemption reserve	-	-	-	-	(7,500)	-	7,500	-	-	-	-
Dividend paid (including tax)	-	-	-	(15,350)	-	-	-	-	-	(15,350)	(15,350)
Common control transactions	-	-	-	30,836	-	-	-	-	-	30,836	30,836
As of March 31, 2018	**3,997,400**	**19,987**	**107,180**	**845,613**	**22,595**	**16,313**	**7,500**	**670**	**8,751**	**1,008,622**	**1,028,609**
Loss for the year	-	-	-	(18,290)	-	-	-	-	-	(18,290)	(18,290)
Other comprehensive income	-	-	-	96	-	-	-	-	-	96	96
Total comprehensive profit	**-**	**-**	**-**	**(18,194)**	**-**	**-**	**-**	**-**	**-**	**(18,194)**	**(18,194)**
Transaction with owners of equity											
Issue of equity shares	0	0	0	-	-	-	-	-	-	0	0
Employee share-based payment expense	-	-	-	-	-	-	-	333	-	333	333
Exercise of share options	-	-	-	-	16	-	-	(347)	-	(331)	(331)
Dividend paid (including tax)	-	-	-	(19,988)	-	-	-	-	-	(19,988)	(19,988)
Business combination	-	-	-	-	-	-	-	-	5,315	5,315	5,315
Common control transactions	-	-	-	(12,151)	-	-	-	-	-	(12,151)	(12,151)
As of March 31, 2019	**3,997,400**	**19,987**	**107,180**	**795,280**	**22,611**	**16,313**	**7,500**	**656**	**14,066**	**963,606**	**983,593**

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

As per our report of even date

For and on behalf of the Board of Directors of Bharti Airtel Limited

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

Shyamak R Tata
Partner
Membership No: 38320

Sunil Bharti Mittal
Chairman
DIN: 00042491

Gopal Vittal
Managing Director & CEO
(India and South Asia)
DIN: 02291778

Place: **New Delhi**
Date: **May 6, 2019**

Badal Bagri
Chief Financial Officer

Pankaj Tewari
Company Secretary

Abridged Standalone **Statement of Cash Flows**

(All amounts are in millions of Indian Rupee)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flow generated from operating activities	102,368	159,543
Cash flow used in investing activities	(199,288)	(172,108)
Cash flow generated from financing activities	94,016	16,369
Net increase in cash and cash equivalents	**(2,904)**	**3,804**
Cash and cash equivalents at beginning of the year	4,626	822
Cash and cash equivalents at end of the year	**1,722**	**4,626**

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

As per our report of even date

For and on behalf of the Board of Directors of Bharti Airtel Limited

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

Shyamak R Tata
Partner
Membership No: 38320

Sunil Bharti Mittal
Chairman
DIN: 00042491

Gopal Vittal
Managing Director & CEO
(India and South Asia)
DIN: 02291778

Place: **New Delhi**
Date: **May 6, 2019**

Badal Bagri
Chief Financial Officer

Pankaj Tewari
Company Secretary

Notes to Abridged Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

1. Corporate information

Bharti Airtel Limited ('the Company') is domiciled and incorporated in India as a limited liability Company with its shares being listed on the National Stock Exchange and the Bombay Stock Exchange. The registered office of the Company is situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110070.

The Company is principally engaged in provision of telecommunication services in India. The details as to the services provided by the Company are further provided in Note 16. For details as to the group entities, refer Note 17.

2. Basis of preparation

These abridged standalone financial statements have been prepared, on the basis of the complete set of audited annual standalone financial statements for the year ended March 31, 2019 ('annual standalone financial statements') prepared to comply in all material respects with the Indian Accounting Standard ('Ind AS') as notified under section 133 of the Companies Act, 2013 ('Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act. The contents of the said abridged financial statements are in accordance with the requirement of Clause 36 of Security Exchange Board of India (Listing obligations and disclosure requirements) Regulation 2015 and Rule 10 of the Companies (Accounts) Rules, 2014.

The annual standalone financial statements are available at the Company's website htpp://www.airtel.com. The copy of financial statements is also available for inspection at the registered office of the Company during working hours for a period of 21 days before the date of AGM and at the venue of the AGM.

The annual and abridged standalone financial statements are approved for issue by the Company's Board of Directors on May 6, 2019.

All the amounts included in these abridged standalone financial statements are reported in millions of Indian Rupees ('Rupees' or '₹') and are rounded to the nearest million, except per share data and unless stated otherwise. Further, amounts which are less than a million are appearing as '0'.

The preparation of the said annual standalone financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said financial statements, except in case of adoption of any new standards during the year.

(Note 2.1 of the annual standalone financial statements)

2.1 Basis of measurement

The annual standalone financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss and liability for cash-settled awards - which are measured at fair value.

(Note 2.2 of the annual standalone financial statements)

3. Summary of significant accounting policies / critical accounting estimates, assumptions and judgements

The significant accounting policies and critical accounting estimates, assumptions and judgements, used in preparing the annual standalone financial statements are set out in Note 2 and 3 of the annual standalone financial statements respectively. The critical accounting estimates and assumptions relating to impairment reviews and taxes are set out below:

a. Impairment reviews

PPE (including CWIP) and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Similarly, intangible assets under development is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired. For details as to the impairment policy. Accordingly the Company has performed impairment reviews for the above assets. However, the said reviews did not result in any impairment charge.

In calculating the value in use, the Company is required to make significant judgements, estimates and assumptions inter-alia concerning the earnings before interest, taxes, depreciation and amortization ('EBITDA') margins, capital expenditure, long-term growth rates and discount rates to reflect the risks involved.

The Company operates in developing market and in such market, the plan for shorter duration is not indicative of the long-term future performance. Considering this and the consistent use of such robust ten year information for management reporting purpose, the Company uses ten year plans for the purpose of impairment testing.

The Company conducts impairment reviews of investments in subsidiaries / associates/ joint arrangements whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which base on future cash flows, after taking into account past experience management's best estimate about future developments. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

b. Taxes

Deferred tax assets are recognised for the unused tax losses and minimum alternate tax credits for which there is probability of utilisation against the future taxable profit. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments.

(Note 3 of the annual standalone financial statements)

4. Standards issued but not effective until the date of authorisation for issuance of the said financial statements

The new significant standards, amendments to Standards that are issued but not yet effective until the date of authorisation for issuance of the said financial statements are discussed below. The Company has not early adopted these amendments and intends to adopt when they become effective.

Ind AS 116, 'Leases'

In March 2019, MCA has notified the Ind AS 116, Leases. It will replace the existing leases Standard, Ind AS 17 'Leases', and related interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. A lease is required to recognise a right-of-use asset representing its right to use and the underlying leased assets and a lease liability representing its obligation to make lease payments.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company is in the process of evaluating its impact on the financial statements.

Notes to Abridged Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The following pronouncements, which are potentially relevant to the Company, have been issued and are effective for annual periods beginning on or after April 1, 2019.

- Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The Company does not expect that the adoption of the said amendment will have any significant impact on the financial Statements.

Amendment to Ind AS 12 – Income taxes : The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity accordingly to where the entity originally recognised those past transactions or events whereas hitherto it was being recognised in equity.

5. Significant transactions / new developments

(i) Subsequent to the balance sheet date, on May 03, 2019, the Company has launched a rights issue of approximately 1,134 Mn fully paid up equity shares (face value ₹ 5 each) at a price of ₹ 220/- per share aggregating to ₹ 249,390. The right issue will close on May 17, 2019. The rights entitlement is determined as 19 equity shares for every 67 equity shares held.

(ii) During the year ended March 31, 2019, the Company has transferred its 16.76% equity stake of Bharti Infratel Limited to Nettle Infrastructure Investments Limited, against a consideration of ₹ 100,526. Accordingly the deficit of cost of investments over the proceeds amounting to ₹ 13,069 has been recognised in other equity.

(iii) During the year ended March 31, 2017, the Company had entered into a scheme of amalgamation for the merger of Telenor (India) Communications Private Limited with the Company. Further, during the year ended March 31, 2019, as the closing conditions for the said merger have been fulfilled, the said transaction is consummated. The difference of 5,315 between the purchase consideration (issuance of five equity shares and working capital adjustments) and fair value of net assets has been recognised as capital reserve, a component of equity.

The fair values of the assets and liabilities recognised at the date of acquisition are as follows:

Non-current assets	
Property, plant and equipment (including capital-work-in-progress of ₹ 94)	4,264
Other intangible assets (including intangible assets under development of ₹ 655)	17,684
Indemnification assets	8,835
Others	6,309
Current assets	
Cash and cash equivalents	6,931
Others	7,661
Non-current liabilities	
Borrowings	14,842
Others	955
Current liabilities	
Borrowings	1,229
Trade payables	17,301
Others	12,592
Net assets acquired	**4,765**

(iv) During the year ended March 31, 2019, the Company's Board of Directors at its meeting held on October 25, 2018, has paid interim dividend for the financial year 2018-19 of ₹ 2.50/- per equity share (face value : ₹ 5/- each).

(v) During the year ended March 31, 2019, the Company has invested ₹ 2,382 in non-cumulative 0.0001% Compulsorily Convertible Preference Shares ('CCPS') of Airtel Payment Bank Limited ('APBL', a subsidiary of the Company) having face value of ₹ 10 each at par. The said CCPS carries discretionary dividend and each CCPS is convertible into one equity share any time after April 1, 2021 but no later than March 31, 2022. The CCPS being equity instrument is considered as addition to Company's existing investments in APBL and hence will be carried at cost.

Notes to Abridged Standalone **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

(vi) During the year ended March 31, 2019, the Company has transferred its 100% equity stake in Bharti Airtel (USA) Limited to Bharti International (Singapore) Pte. Limited ('BISPL'), an indirect subsidiary of the Company against a consideration of ₹ 2,726. Accordingly, the excess of cost of investments over the proceeds amounting to ₹ 729 has been recognised in other equity.

(vii) During the year ended March 31, 2019, the Company has transferred its operations pertaining to passive infrastructure at the core locations to Nxtra Data Limited, a wholly owned subsidiary, against a consideration of ₹ 3,245. Accordingly, the excess of cost of net assets over the proceeds amounting to ₹ 189 has been recognised in retained earnings.

(viii) During the year ended March 31, 2018, the Company had transferred its 100% equity stake in Bharti Airtel (Hong Kong) Limited and 37.03% equity stake in Bharti Airtel (UK) Limited to Bharti International (Singapore) Pte. Limited ('BISPL'), an indirect subsidiary of the Company against a consideration of ₹ 429 and ₹ 1,806 respectively and 44% stake in Bharti Telemedia Limited, a subsidiary of the Company to Nettle Infrastructure Investments Limited, another subsidiary of the Company, against a consideration of ₹ 47,632. Accordingly the excess of cost of investments over the proceeds amounting to ₹ 28,498 has been recognised in other equity.

(ix) During the year ended March 31, 2018, the Company had increased its equity investment in Indo Teleports Limited from 95% to 100% for a consideration of ₹ 23.

(x) During the year ended March 31, 2018, an understanding for demerger of consumer mobile businesses of Tata Teleservices Limited and Tata Teleservices Maharashtra Limited into the Company was entered into. Further, the board of directors have approved the scheme(s) of arrangement under section 230 to section 232 of the Companies Act, 2013 for the said demerger. The said transaction is subject to requisite regulatory approvals.

(xi) During the year ended March 31, 2018, the Board of Directors approved a scheme of arrangement, under section 230 to section 232 of the Companies Act, 2013, for the transfer of the optical fiber cable business to the Telesonic Networks Limited, a wholly owned subsidiary of the Company. The said transaction is subject to requisite regulatory approvals.

(xii) During the year ended March 31, 2018, the Company had completed the acquisition of 100% equity stake and compulsorily convertible debentures of Tikona Digital Networks Private Limited ('TDNPL') as all necessary closing conditions have been fulfilled and filed an application under section 230 to section 232 of the Companies Act, 2013 before the Delhi bench of the National Company Law Tribunal for the merger of TDNPL with the Company.

(xiii) During the year ended March 31, 2017, the Company had entered into an agreement to sell the investment in subsidiary BISPL and to its wholly owned subsidiary Network i2i Limited. Further, during the year ended March 31, 2018, as the closing conditions for consummation of the transaction have been fulfilled, the said transaction is consummated.

Notes to Abridged Standalone **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

6. Cash and bank balances

	As of March 31, 2019	As of March 31, 2018
Cash and cash equivalents ('C&CE')		
Balances with banks		
- On current accounts	1,439	2,491
- Bank deposits with original maturity of 3 months or less	360	2,000
Cheques on hand	43	66
Cash on hand	34	69
	1,876	**4,626**
Other bank balances		
Earmarked bank balances - unpaid dividend	110	70
Term deposits with bank	126	105
Margin money deposits*	97	675
	333	**850**
Interest accured but not due	(13)	(25)
	320	**825**

For the purpose of statement of cash flows, C&CE comprise of following:

	As of March 31, 2019	As of March 31, 2018
C & CE as per balance sheet	1,876	4,626
Bank overdraft	(154)	-
	1,722	**4,626**

*Margin money deposits represents amount given as collateral for legal cases and / or bank guarantees for disputed matters.

7. Dividend paid and proposed

	For the year ended March 31, 2019	For the year ended March 31, 2018
A Declared and paid during the year		
Interim dividend for 2018-19 : ₹ 2.50 per share (2017-18 : ₹ 2.84 per share) ((including dividend distribution tax 2018-19 @ 20.56% of ₹ 2,054) (2017-18 @ 20.36% of ₹ 2,311))*	12,048	13,664
Final dividend for 2017-18 : ₹ 2.50 per share (2016-17 : ₹ 1.00 per share) ((including dividend distribution tax @ 20.56% of ₹ 2,054 (2016-17 @20.36% of ₹ 814))	12,048	4,811
	24,096	**18,475**
B Proposed dividend		
Final dividend 2017-18 : ₹ 2.50 per share	-	9,993
Dividend distribution tax (2017-18 @ 20.56%)	-	2,055
	-	**12,048**

The proposed dividend being subject to approval at respective annual general meetings, accordingly no corresponding liability has been recognised in the respective financial years.

*However, against this the Company has availed credit of ₹ 4,108 and ₹ 3,125 during the year ended March 31, 2019 and March 31, 2018 respectively, on account of dividend distribution tax on dividend received from subsidiary companies.

(Note 16. of the annual standalone financial statements)

Notes to Abridged Standalone **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

8. Borrowings

During the year ended March 31, 2018, the Company has issued 30,000 listed, unsecured, rated, redeemable, Non - Convertible Debentures ('NCDs'), Series I and series II of face value of ₹ 10 Lakhs each, at par aggregating to ₹ 30,000 on private placement basis, carrying interest rates 8.25% p.a. and 8.35% p.a. (payable annually) and principal repayable in year 2020 and 2021 respectively.

(Note 18 of the annual standalone financial statements)

9. Contingent liabilities and commitments

(i) Contingent liabilities

Claims against the Company not acknowledged as debt:

	As of March 31, 2019	As of March 31, 2018
(i) Taxes, duties and other demands (under adjudication / appeal / dispute)		
-Sales Tax and Service Tax	8,032	8,738
-Income Tax	9,950	9,951
-Customs Duty	4,883	4,883
-Entry Tax	6,169	6,010
-Stamp Duty	404	404
-Municipal Taxes	121	121
-Department of Telecom ('DoT') demands	93,522	40,344
-Other miscellaneous demands	1,047	1,385
(ii) Claims under legal cases including arbitration matters		
-Access charges / Port charges	11,839	10,021
-Others	719	599
	136,686	**82,456**

Further, refer note f(v), f(vi) and f(vii) below for other DoT matter

The category wise detail of the contingent liability has been given below:-

a) Sales tax, Service tax and GST

The claims for sales tax comprised of cases relating to the appropriateness of declarations made by the Company under relevant sales tax legislations which were primarily procedural in nature and the applicable sales tax on disposals of certain property and equipment items. Pending final decisions, the Company has deposited amounts under protest with statutory authorities for certain cases.

The service tax demands relate to cenvat claimed on tower and related material, levy of service tax on SIM cards and employee talk time, cenvat credit disallowed for procedural lapses and usage in excess of 20% limit.

The Goods and Service Tax (GST) demand relates to procedural compliance in regard to ewaybills.

b) Income Tax demand

Income tax demands mainly include the appeals filed by the Company before various appellate authorities against the disallowance by income tax authorities of certain expenses being claimed and non-deduction of tax at source with respect to pre-paid dealers / distributor's margin.

c) Access charges / Port charges

i. Despite the interconnect usage charges ('IUC') rates being governed by the Regulations issued by Telecom Regulatory Authority of India ('TRAI'); BSNL had raised a demand for IUC at the rates contrary to the

Notes to Abridged Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

regulations issued by TRAI in 2009. Accordingly, the Company filed a petition against the demand with the TDSAT which allowed payments by the Company based on the existing regulations. The matter was then challenged by BSNL and is currently pending with the Hon'ble Supreme Court.

ii. The Hon'ble TDSAT allowed BSNL to recover distance based carriage charges. The private telecom operators have jointly filed an appeal against the said order and the matter is currently pending before the Hon'ble Supreme Court.

iii. BSNL challenged before TDSAT the port charges reduction contemplated by the regulations issued by TRAI in 2007 which passed its judgment in favour of BSNL. The said judgment has been challenged by the private operators in Hon'ble Supreme Court. Pending disposal of the said appeal, in the interim, private operators were allowed to continue paying BSNL as per the revised rates i.e. TRAI regulation issued in 2007, subject to the bank guarantee being provided for the disputed amount. The rates were further reduced by TRAI in 2012 which was challenged by BSNL before the Hon'ble Delhi High Court. The Hon'ble Delhi High Court, in the interim, without staying the rate revision, directed the private operators to secure the difference between TRAI regulation of 2007 and 2012 rates by way of bank guarantee pending final disposal of appeal.

d) Customs Duty

The custom authorities, in some states, demanded custom duty for the imports of special software on the ground that this would form part of the hardware on which it was pre-loaded at the time of import. The view of the Company is that such imports should not be subject to any custom duty as it is operating software exempt from any custom duty. In response to the application filed by the Company, the Hon'ble Central Excise and Service Tax Appellate Tribunal ('CESTAT') has passed an order in favour of the custom authorities. The Company has filed an appeal with Hon'ble Supreme Court against the CESTAT order.

e) Entry Tax

In certain states, an entry tax is levied on receipt of import from outside the state. This position has been challenged by the Company in the respective states, on the grounds that the specific entry tax is ultra vires the Constitution. Classification issues has also been raised, whereby, in view of the Company, the material proposed to be taxed is not covered under the specific category.

During the year ended March 31, 2017, the Hon'ble Supreme Court of India upheld the constitutional validity of entry tax levied by few States. However, Supreme Court did not conclude certain aspects such as present levies in each State is discriminatory in nature or not, leaving them open to be decided by regular benches of the Courts. Pending disposition by the regular benches, the Company has decided to maintain status-quo on its position and hence continues to disclose it as contingent liability.

f) DoT demands

i. Demand for license fees pertaining to computation of Adjusted Gross Revenue ('AGR') and the interest thereon, due to difference in its interpretation. The definition of AGR is sub-judice and under dispute since 2005 before the TDSAT. TDSAT had pronounced its judgment in 2015, quashed all demands raised by DoT and directed DoT to rework the demands basis the principles enunciated in its judgment. Subsequently, the Union of India ('UOI') and the Company along with various other operators have filed appeals / cross appeals before the Hon'ble Supreme Court of India against the TDSAT judgment. In 2016, all the appeals were tagged together and Hon'ble Supreme Court has permitted DOT to raise demands with a direction not to enforce any demand till the final adjudication of the matter by Hon'ble Supreme Court. Accordingly, DoT has raised the demand basis special audit done by DoT and Comptroller and Auditor General of India. The contingent liability includes such demand and interest thereto (excluding certain contentious matters, penalty and interest thereto) for the financial year for which demands have been received by the Company.

ii. DoT had enhanced the microwave rates by introducing slab-wise rates based on the number of carriers vide circulars issued in 2006 and 2008 from erstwhile basis being allocated frequency. The Company had challenged the matter in TDSAT wherein TDSAT set aside the circular. In 2010, DOT had challenged the order of TDSAT before the Hon'ble Supreme Court which is yet to be listed for hearing. Further, TDSAT pronounced its judgment in March 2019 in relation to Unified Licenses which provides for manner of determination of such levies and dates from which such levies can be made applicable.

The Company had made a provision of ₹ 20,522 until December 2018 for the period from FY 2007-08 to FY 2018-19 (refer note 31). Subsequently, basis the recent judgment and external legal opinion the matter has now been assessed to be a contingent liability.

iii. Demands for the contentious matters in respect of subscriber verification norms and regulations including validity of certain documents allowed as proof of address / identity.

iv. Penalty for alleged failure to meet certain procedural requirements for EMF radiation self-certification compliance.

The matters stated above are being contested by the Company and based on legal advice, the Company believes that it has complied with all license related regulations and does not expect any financial impact due to these matters.

In addition to the amounts disclosed in the table above, the contingent liability on DoT matters includes the following:

v. Post the Hon'ble Supreme Court judgment in 2011, on components of AGR for computation of license fee, based on the legal advice, the Company believes that the foreign exchange gain should not be included in AGR for computation of license fee thereon. Further as per TDSAT judgement in 2015, foreign exchange fluctuation does not have any bearing on the license fees. Accordingly, the license fee on foreign exchange gain has not been provided in the financial statements. Also, due to ambiguity of interpretation of 'foreign exchange differences', the license fee impact on such exchange differences is not quantifiable. The matter is currently pending adjudication by Hon'ble Kerala High Court and Hon'ble Supreme Court.

vi. On January 8, 2013, DoT issued a demand on the Company for ₹ 51,353 towards levy of one time spectrum charge, which was further revised on June 27, 2018 to ₹ 79,403. The revised demand includes a retrospective charge of ₹ 8,940 for holding GSM spectrum beyond 6.2 MHz for the period from July 1, 2008 to December 31, 2012 and also a prospective charge of ₹ 70,463 for GSM spectrum held beyond 4.4 MHz for the period from January 1, 2013, till the expiry of the initial terms of the respective licenses.

In the opinion of the Company, inter-alia, the above demand amounts to alteration of financial terms of the licenses issued in the past. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, vide its order dated January 28, 2013, has directed the DoT to respond and not to take any coercive action until the next date of hearing. The DoT has filed its reply and the matter is currently pending with Hon'ble High Court of Bombay. The Company, based on independent legal opinions, till date has not given any effect to the above demand.

vii. DoT had issued notices to the Company (as well as other telecom service providers) to stop provision of services (under 3G Intra Circle Roaming ('ICR') arrangements) in the service areas where such service providers had not been allocated 3G spectrum and levied a financial penalty of ₹ 3,500 on the Company. The Company contested the notices in response to which TDSAT in 2014 held 3G ICR arrangements to be competent and compliant with the licensing conditions and quashed the notice imposing penalty. The DoT has challenged the order of TDSAT before the Hon'ble Supreme Court which is yet to be listed for hearing.

Notes to Abridged Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Guarantees:

Guarantees outstanding as of March 31, 2019 and March 31, 2018 amounting to ₹ 103,610 and ₹ 123,796 respectively have been issued by banks and financial institutions on behalf of the Company. These guarantees includes certain financial bank guarantees which have been given for subjudice matters / compliance with licensing requirements, the amount with respect to these have been disclosed under capital commitments, contingencies and liabilities, as applicable, in compliance with the applicable accounting standards.

(ii) Commitments

Capital commitments

The Company has contractual commitments towards capital expenditure (net of related advances) of ₹ 56,840 and ₹ 105,618 as of March 31, 2019 and March 31, 2018 respectively.

Lease commitments

(i) The Company's future minimum lease payments obligation as a lessee under the operating leases as of March 31, 2019 and March 31, 2018 is ₹ 449,636 and ₹ 410,198 respectively.

(ii) The Company's future minimum lease payments obligation as a lessee under the finance lease as of March 31, 2019 and March 31, 2018 is ₹ 247 and ₹ 430 respectively.

(Note 23 of the annual standalone financial statements)

10. Revenue from operations

	For the year ended March 31, 2019	For the year ended March 31, 2018
Service Revenue	495,895	536,287
Sale of products	185	343
	496,080	**536,630**

(Note 24 of the annual standalone financial statements)

11. Network operating expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Passive infrastructure charges	72,565	64,410
Power and fuel	46,847	45,647
Repair and maintenance	18,691	16,227
Internet bandwidth and leasedline charges	10,326	7,061
Others*	12,818	6,167
	161,247	**139,512**

*It includes charges towards managed services, installation, insurance and security.

12. Sales and marketing expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Sales commission and distribution	17,615	22,211
Advertisement and marketing	5,609	5,787
Business promotion	1,407	1,516
Other ancillary expenses	988	1,005
	25,619	**30,519**

Notes to Abridged Standalone **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

13. Other expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Content costs	7,492	5,698
Customer care expenses	3,566	4,668
IT expenses	1,992	3,764
Collection and recovery expenses	2,778	3,690
Legal and professional fees^	3,433	2,653
Provision for doubtful debts	(14,758)	8,060
Travelling and conveyance	927	888
Bad debts written off	23,226	713
Cost of good sold	141	277
Charity and donation*	496	278
Others#	9,101	5,432
	38,394	**36,171**

* As per the requirements of section 135 of the Companies Act, 2013, the Company was required to spend an amount of ₹ 1,118 and ₹ 2,146 for the year ended March 31, 2019 and 2018 on corporate social responsibility expenditure. During the year ended March 31, 2019 and 2018, the Company has spent in cash an amount of ₹ 458 and ₹ 245 towards education and sanitation respectively.

It includes rent, printing and stationary, security, repairs and maintenance expenses etc. Further, it includes political contributions amounting to ₹ 412 and ₹ 250 made under Section 182 of the Companies Act, 2013 during the year ended March 31, 2019 and 2018 respectively.

^Details of Auditor's remuneration included in legal and professional fees:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Audit fee*	66	66
Reimbursement of expenses	5	5
Other services*	23	13
	94	**84**

*Excluding goods and service tax

14. Depreciation and amortisation

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation	95,317	80,063
Amortisation	55,559	50,423
	150,876	**130,486**

Notes to Abridged Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

15. Exceptional items

Exceptional items comprise of the following:

(i) For the year ended March 31, 2019:

a. Charge of ₹ 3,422 towards operating costs on network re-farming and up-gradation program

b. Credit of ₹ 32,955 pertaining to re-assessment of levies, based on a recent pronouncement related to the manner of determination of such levies.

c. Charge of ₹ 1,368 mainly due to levies and taxes pertaining to internal restructuring

(ii) For the year ended March 31, 2018:

a. Charge of ₹ 1,572 towards operating costs on network re-farming and up-gradation program

b. Provision of ₹ 720 towards one major delinquent receivable balance

c. Charge of ₹ 3,749 mainly due to levies and taxes pertaining to internal restructuring

Tax expense include:

Net charge of ₹ 9,842 and benefit of ₹ 2,129 for the year ended March 31, 2019 and 2018 respectively, on the said exceptional items.

16. Segment reporting

The Company's operating segments are organised and managed separately through the respective business managers, according to the nature of products and services provided with each segment representing a strategic business unit. These business units are reviewed by the Chairman of the Company (Chief Operating Decision Maker - 'CODM').

The amounts reported to CODM are based on the accounting principles used in the preparation of financial statements as per Ind AS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before exceptional items and tax. Accordingly, finance costs / income, non-operating income / expenses and exceptional items are not allocated to individual segment.

Inter-segment pricing and terms are reviewed and changed by the management to reflect changes in market conditions and changes to such terms are reflected in the period in which the changes occur. Inter-segment revenues are eliminated upon consolidation of segments and reflected in the 'Eliminations' column.

Segment assets / liabilities comprise assets / liabilities directly managed by each segment. Segment assets primarily includes receivables, property, plant and equipment, capital work-in-progress, intangibles assets, intangible assets under development, non-current investments, inventories and cash and cash equivalents. Segment liabilities primarily includes operating liabilities. Segment capital expenditure comprises of additions to PPE, CWIP, intangible assets, intangible assets under development, and capital advances.

The reporting segments of the Company are as below:

Mobile Services: These services cover voice and data telecom services provided through wireless technology (2G / 3G / 4G) in India. This includes the captive national long distance networks which primarily provide connectivity to the mobile services business in India. This also includes intra-city fibre networks.

Airtel Business: These services cover end-to-end telecom solutions being provided to large Indian and global corporations by serving as a single point of contact for all telecommunication needs across data and voice (domestic as well as international long distance), network integration and managed services.

Homes Services: These services cover voice and data communications through fixed-line network and broadband technology for homes.

Unallocated: It includes expenses / results, assets and liabilities of corporate headquarters of the Company, non-current investments, current taxes, deferred taxes, borrowings and certain financial assets and liabilities, not allocated to the operating segments.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Summary of the segmental information for the year ended and as of March 31, 2019 is as follows:

	Mobile Services	Airtel Business	Homes Services	Unallocated	Eliminations	Total
Revenue from external customers	378,826	95,496	21,758	-	-	496,080
Inter-segment revenue	20,422	8,572	161	-	(29,155)	-
Total revenues	**399,248**	**104,068**	**21,919**	**-**	**(29,155)**	**496,080**
Segment results	(47,525)	22,553	3,207	(1,698)	-	(23,463)
Less:						
Finance costs						78,437
Finance income						(23,704)
Non-operating expenses						1,890
Exceptional items (net) (refer note 15)						(28,049)
Loss before tax						**(52,037)**
Other segment items						
Capital expenditure	217,217	7,841	8,493	-	(5,464)	228,087
Depreciation and amortisation	141,384	10,481	7,366	12	(8,367)	150,876
As of March 31, 2019						
Segment assets	1,535,629	100,851	44,692	612,581	(66,898)	2,226,855
Segment liabilities	383,481	39,236	21,458	865,985	(66,898)	1,243,262

Notes to Abridged Standalone **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Summary of the segmental information for the year ended and as of March 31, 2018 is as follows:

	Mobile Services	Airtel Business	Homes Services	Unallocated	Eliminations	Total
Revenue from external customers	420,208	91,899	24,523	-	-	536,630
Inter-segment revenue	20,947	8,655	177	-	(29,779)	-
Total revenues	**441,155**	**100,554**	**24,700**	**-**	**(29,779)**	**536,630**
Segment results	21,563	26,193	4,398	(1,639)	-	50,515
Less:						
Finance costs						59,107
Finance income						(8,417)
Non-operating expenses						596
Exceptional items (net) (refer note 15)						6,041
Loss before tax						**(6,812)**
Other segment items						
Capital expenditure	188,011	7,474	10,210	6,481	(7,457)	204,719
Depreciation and amortisation	121,385	10,041	6,939	12	(7,891)	130,486
As of March 31, 2018						
Segment assets	1,356,580	101,826	43,059	617,272	(69,364)	2,049,373
Segment liabilities	303,670	38,625	20,276	727,557	(69,364)	1,020,764

Notes to Abridged Standalone **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Geographical information*:

(a) Revenue from external customers:

	For the year ended March 31, 2019	For the year ended March 31, 2018
India	450,300	492,486
Others	45,780	44,144
	496,080	**536,630**

(b) Non-current assets:

	As of March 31, 2019	As of March 31, 2018
India	1,361,810	1,269,732
Others	11,317	12,389
	1,373,127	**1,282,121**

*Basis location of the customers / assets

#Non-current assets for this purpose consist of PPE, CWIP, intangible assets, intangible assets under development and capital advances.

17. Related party disclosures

Subsidiaries

- Indian

Bharti Airtel Services Limited
Bharti Hexacom Limited
Bharti Infratel Limited
Bharti Telemedia Limited
Bharti Digital Networks Private Limited
Indo Teleports Limited
Nxtra Data Limited
Nettle Infrastructure Investments Limited
Smartx Services Limited
Telesonic Networks Limited
Wynk Limited
Airtel Payments Bank Limited (ceased to be subsidiary w.e.f October 25, 2018)

- Foreign

Africa Towers N.V.
Airtel Africa Limited (incorporated on July 12, 2018)
Airtel Africa Mauritius Limited (incorporated on June 28, 2018)
Airtel (Seychelles) Limited
Airtel Congo (RDC) S.A.
Airtel Congo S.A.
Airtel Gabon S.A.#
Airtel Madagascar S.A.
Airtel Malawi Limited
Airtel Mobile Commerce (Kenya) Limited
Airtel Mobile Commerce (Seychelles) Limited
Airtel Mobile Commerce (Tanzania) Limited
Airtel Mobile Commerce B.V.
Airtel Mobile Commerce Holdings B.V.
Airtel Mobile Commerce Limited, Malawi
Airtel Mobile Commerce Madagascar S.A.
Airtel Mobile Commerce Rwanda Limited
Airtel Mobile Commerce Tchad S.a.r.l.
Airtel Mobile Commerce Uganda Limited
Airtel Mobile Commerce Zambia Limited
Airtel Money (RDC) S.A.
Airtel Money Niger S.A.
Airtel Money S.A.
Airtel Money Transfer Limited
Airtel Money Tanzania Limited
Airtel Mobile Commerce Congo B.V. (incorporated on January 29, 2019)
Airtel Mobile Commerce (Seychelles) B.V. (incorporated on January 29, 2019)
Airtel Mobile Commerce Madagascar B.V. (incorporated on January 29, 2019)
Airtel Mobile Commerce Kenya B.V. (incorporated on January 29, 2019)
Airtel Mobile Commerce Rwanda B.V. (incorporated on January 29, 2019)

Notes to Abridged Standalone **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Airtel Mobile Commerce Malawi B.V. (incorporated on January 29, 2019)
Airtel Mobile Commerce Uganda B.V. (incorporated on January 29, 2019)
Airtel Mobile Commerce Tchad B.V. (incorporated on January 29, 2019)
Airtel Mobile Commerce Zambia B.V. (incorporated on January 29, 2019)
Airtel Mobile Commerce Nigeria Limited
Airtel Mobile Commerce Nigeria B.V. (incorporated on December 5, 2018)
Airtel Networks Kenya Limited
Airtel Networks Limited
Airtel Networks Zambia Plc
Airtel Rwanda Limited
Airtel Tanzania Public Limited Company (formerly known as Airtel Tanzania Limited)
Airtel Tchad S.A.
Airtel Uganda Limited
Bharti Airtel (France) SAS
Bharti Airtel (Hong Kong) Limited
Bharti Airtel (Japan) Private Limited
Bharti Airtel (UK) Limited
Bharti Airtel (USA) Limited
Bharti Airtel Africa B.V.
Bharti Airtel Chad Holdings B.V.
Bharti Airtel Congo Holdings B.V.
Bharti Airtel Developers Forum Limited
Bharti Airtel Gabon Holdings B.V.
Bharti Airtel International (Mauritius) Limited
Bharti Airtel International (Mauritius) Investments Limited
Bharti Airtel International (Netherlands) B.V.
Airtel International LLP
Bharti Airtel Kenya B.V.
Bharti Airtel Kenya Holdings B.V.
Bharti Airtel Lanka (Private) Limited
Bharti Airtel Madagascar Holdings B.V.
Bharti Airtel Malawi Holdings B.V.
Bharti Airtel Mali Holdings B.V.
Bharti Airtel Niger Holdings B.V.
Bharti Airtel Nigeria B.V.
Bharti Airtel Nigeria Holdings II B.V.
Bharti Airtel RDC Holdings B.V.
Bharti Airtel Rwanda Holdings Limited
Bharti Airtel Services B.V.
Bharti Airtel Tanzania B.V.
Bharti Airtel Uganda Holdings B.V.
Bharti Airtel Zambia Holdings B.V.
Bharti International (Singapore) Pte. Limited
Bharti Airtel Overseas (Mauritius) Limited (incorporated on June 28, 2018)
Bharti Airtel Holding (Mauritius) Limited (incorporated on June 27, 2018)
Celtel (Mauritius) Holdings Limited
Celtel Niger S.A.
Channel Sea Management Company (Mauritius) Limited
Congo RDC Towers S.A.
Indian Ocean Telecom Limited
Madagascar Towers S.A.
Malawi Towers Limited
Mobile Commerce Congo S.A.
Montana International
Network i2i Limited
Partnership Investments S.a.r.l.
Société Malgache de Téléphone Cellulaire S.A.
Tanzania Towers Limited

Ultimate controlling entity (w.e.f. November 3, 2017)

Bharti Enterprises (Holding) Private Limited. It is held by private trusts of Bharti family, with Mr. Sunil Bharti Mittal's family trust effectively controlling the said company.

Entity having control over the Company (w.e.f. November 3, 2017)*

-Indian

Bharti Telecom Limited
*Significant influence until November 2, 2017

Entities having significant influence over the Company

- Foreign

Singapore Telecommunications Limited
Pastel Limited

Associates

- Indian

Airtel Payments Bank Limited (w.e.f October 25, 2018)
Seynse Technologies Private Limited
Juggernaut Books Private Limited

- Foreign

Seychelles Cable Systems Company Limited
Robi Axiata Limited

Joint Ventures

- Indian

Indus Towers Limited
FireFly Networks Limited

- Foreign

Bridge Mobile Pte Limited
Bharti Airtel Ghana Holdings B.V
Airtel Ghana Limited
Airtel Mobile Commerce (Ghana) Limited
Millicom Ghana Company Limited
Mobile Financial Services Limited

Other entities with whom transactions have taken place during the reporting periods

a. Fellow companies (subsidiaries / joint ventures / associates other than that of the Company)

Subsidiaries

- Indian

Bharti Enterprises Limited
Bharti Axa General Insurance Company Limited
Bharti Axa Life Insurance Company Limited

Associates

- Indian

Bharti Life Ventures Private Limited
Bharti General Private Limited

Others related parties *

Entities where Key Management Personnel and their relatives exercise significant influence

- Indian

Bharti Foundation
Bharti Airtel Employees Welfare Trust
Hike Private Limited

Others

- Indian

Brightstar Telecommunication India Limited
Bharti Realty Holdings Limited
Bharti Realty Limited
Deber Technologies Private Limited
Hike Messenger Limited
Centum Learning Limited
Fieldfresh Foods Private Limited
Jersey Airtel Limited
Nile Tech Limited
Centum Work skills India Limited
Oak Infrastructure Developers Limited
Gourmet Investments Private Limited
Indian School of Business
Century Metal Recycling Private Limited
Bharti Enterprises Limited (formerly known as Bharti Ventures Limited)
Guernsey Airtel Limited

*** 'Other related parties'** though not 'Related Parties' as per the definition under Ind AS 24, 'Related party disclosures', have been included by way of a voluntary disclosure, following the best corporate governance practices.

i. Key Management Personnel ('KMP')

Sunil Bharti Mittal
Gopal Vittal

Under liquidation

Notes to Abridged Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The summary of transactions with the above mentioned parties is as follows:

	For the year ended March 31, 2019					For the year ended March 31, 2018				
	Subsidiaries	Joint ventures	Associates	Entities having significant influence	ORP / FC#	Subsidiaries	Joint ventures	Associates	Entities having significant influence	ORP / FC#
Purchase of fixed assets / bandwidth	7,192	294	-	-	817	4,951	-	-	-	2,476
Sale of fixed assets / IRU given	7,081	-	-	-	-	1,237	-	-	-	-
Investments	2,382	-	-	-	-	42,912	-	-	-	-
Sale of investments	115,591	-	-	-	-	47,632	-	-	-	-
Rendering of services	36,185	79	102	940	132	30,643	37	2	993	296
Receiving of services	70,711	41,247	263	212	2,844	56,019	38,142	50	-	3,263
Fund transferred / expenses incurred on behalf of others	2,106	4	148	0	3	2,451	8	-	-	-
Donation	-	-	-	-	92	-	-	-	-	202
Security deposit given/Advances paid	26	154	-	-	139	14	74	-	-	14
Refund of security deposit taken	520	-	-	-	-	-	-	-	-	-
Advance received/ Refund of Security deposit given	731	-	-	-	-	10	44	-	-	-
Loans given	124,791	-	-	-	248	71,993	3	-	-	273
Repayment of loans given	36,105	-	-	-	335	71,512	-	-	-	-
Reimbursement of energy expenses	16,601	23,075	-	-	1	13,680	25,317	-	-	-
Guarantees and collaterals given	135,293	-	-	-	-	24,767	-	-	-	-
Dividend paid	-	-	-	13,013	414	-	-	-	9,809	501
Dividend income	20,014	-	-	-	-	4,200	-	-	-	-

Other related parties / fellow companies

Given the imminent merger of the Company and its wholly owned subsidiary Bharti Digital Networks Private Limited ('Tikona'); no cross-charge has been applied for the use of spectrum and assets.

Notes to Abridged Standalone **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The significant related party transactions are summarised below:

	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Rendering of services		
Subsidiaries		
Bharti Hexacom Limited	18,042	17,414
Bharti Airtel (UK) Ltd.	13,714	9,559
(ii) Receiving of services		
Subsidiaries		
Bharti Hexacom Limited	6,628	8,709
Bharti Infratel Limited	23,151	20,404
Bharti Airtel (UK) Limited	16,134	11,481
Telesonic Networks Limited	4,685	3,781
Nxtra Data Limited	7,833	1,959
Wynk Limited	6,348	2,897
Joint venture		
Indus Towers Limited	41,133	38,046
(iii) Reimbursement of energy expenses		
Subsidiary		
Bharti Infratel Limited	16,601	13,680
Joint Venture		
Indus Towers Limited	23,075	25,317
(iv) Fund transferred / expenses incurred on behalf of others		
Subsidiary		
Bharti Hexacom Limited	841	1,292
(v) Loans given		
Subsidiaries		
Nettle Infrastructure Investments Limited	100,828	50,604
Bharti Digital Networks Private Limited	4,201	10,538
Bharti Airtel (Services) Limited	6,398	5,658
Nxtra Data Limited	6,731	2,966
Wynk Limited	6,089	1,948
(vi) Repayment of loans given		
Subsidiaries		
Bharti Airtel (Services) Limited	6,054	4,883
Nettel Infrastructure Investments Limited	17,504	62,087
Nxtra Data Limited	2,403	2,185
Wynk Limited	5,447	2,146
Bharti Digital Networks Private Limited	4,310	-
(vii) Purchase of investments		
Subsidiaries		
Network i2i Limited	-	29,159
(viii) Sale of investment		
Subsidiaries		
Bharti Infratel Limited	113,594	-
Bharti Telemedia Ltd.	-	47,632
Bharti Airtel (USA) Limited	1,997	-

Notes to Abridged Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	For the year ended March 31, 2019	For the year ended March 31, 2018
(ix) Dividend income		
Subsidiaries		
Bharti Hexacom Limited	-	476
Bharti Infratel Limited	20,014	3,724
(x) Dividend paid		
Entities having control over the Company / entities having significant influence over the Company		
Bharti Telecom Limited	10,014	7,506
Pastel Limited	2,957	2,271
(xi) Guarantees and collaterals given		
Subsidiary		
Network i2i Limited	135,163	24,767

The outstanding balances of the above mentioned related parties are as follows:

	Subsidiaries	Joint ventures	Associates	Entities having significant influence	ORP / FC#
As of March 31, 2019					
Trade payables	(12,430)	(19,466)	(52)	(33)	(190)
Trade receivables	8,026	0	358	0	43
Loans (including accrued interest)	161,866	8	0	0	538
Security deposit	1,932	4,388	0	0	1,083
Guarantees and collaterals given (including performance guarantees)	712,286	0	0	0	0
Unutilised facilities	109,914	-	-	-	-
As of March 31, 2018					
Trade payables	(10,108)	(10,353)	(22)	0	(194)
Trade receivables	1,592	0	0	31	77
Loans (including accrued interest)	73,180	8	0	0	625
Security deposit	2,606	3,746	0	0	944
Guarantees and collaterals given (including performance guarantees)	729,881	0	0	0	0
Unutilised facilities	123,600	-	-	-	-

Other related parties / fellow companies

Outstanding balances at period end are un-secured and settlement occurs in cash.

The Company has agreed to ensure appropriate financial support only if and to the extent required by its subsidiaries (namely, Bharti Hexacom Limited, Bharti Airtel Services Limited, Bharti Teleports Limited, Nxtra Data Limited, Wynk Limited, Nettle Infrastructure Investments Limited, Bharti Airtel Lanka (Private) Limited, Network i2i Limited, Bharti International (Singapore) Pte Limited, Airtel Africa Limited and associate Airtel Payment Bank Limited.

Notes to Abridged Standalone **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director, whether executive or otherwise. Remuneration to key management personnel were as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-Term employee benefits	273	263
Performance linked Incentive ('PLI')#	144	150
Post-employment benefit	28	28
Share-based payment	56	62
	501	**503**

Value of PLI considered above represents incentive at 100% performance level. However, same will be paid on the basis of actual performance parameters in next year. Additional provision of Nil and ₹ 21 has been recorded in the books towards PLI for the year ended March 31, 2019 and March 31, 2018 respectively. During the year ended March 31, 2019 and 2018, PLI of ₹ 150 and ₹ 143 respectively, pertaining to previous year has been paid.

The remuneration accrued / paid by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Mn. vis-à-vis the limits specified in Section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto, as the Company does not have profits. The Company is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary. Until then, the said excess amount is held in trust by the Chairman and Managing Director & CEO (India and South Asia).

As the liabilities for the gratuity and compensated absences are provided on an actuarial basis and calculated for the Company as a whole rather than each of the individual employees the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

In addition to above, ₹ 1,888 thousand and ₹ 1,122 thousand have been paid as dividend to key management personnel during the year ended March 31, 2019 and March 31, 2018 respectively.

The details of loans and advances as required by schedule V of SEBI (listing obligation and disclosure requirement Regulation, 2015 are given in the table below.

Name of the Company	March 31, 2019		March 31, 2018	
	Outstanding balance	Maximum amount outstanding during the year	Outstanding balance	Maximum amount outstanding during the year
Subsidiaries				
Bharti Telemedia Limited	200	200	-	-
Indo Teleports Limited	649	736	692	730
Nxtra Data Limited	8,268	8,451	3,941	4,323
Bharti Airtel Services limited	1,664	2,052	1,320	1,717
Wynk Limited	675	898	33	525

Notes to Abridged Standalone **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Name of the Company	March 31, 2019		March 31, 2018	
	Outstanding balance	Maximum amount outstanding during the year	Outstanding balance	Maximum amount outstanding during the year
Nettle Infrastructure Investment Limited	139,981	139,981	56,657	68,140
Bharti Digital Networks Private Limited	10,429	10,538	10,538	10,538
Joint Venture				
FireFly Networks Limited	8	8	8	8
	161,874	**162,864**	**73,189**	**85,981**

18. Other matters

i. In 1996, the Company had obtained the permission from DoT to operate its Punjab license through one of its wholly owned subsidiary. However DoT cancelled the permission to operate in April, 1996 and subsequently reinstated in March, 1998. Accordingly, for the period from April 1996 to March, 1998 ('blackout period') the license fee was disputed and not paid by the Company.

Subsequently, basis the demand from DoT in 2001, the Company paid the disputed license fee of ₹ 4,856 for blackout period under protest. Consequently, the license was restored subject to arbitrator's adjudication on the dispute. The arbitrator adjudicated the matter in favour of DoT, which was challenged by the Company before Hon'ble Delhi High Court. In 2012, Hon'ble Delhi High Court passed an order setting aside the arbitrator's award, which was challenged by DoT and is pending before its division bench. Meanwhile, the Company had filed a writ petition for recovery of the disputed license fee and interest thereto. However, the single bench, despite taking the view that the Company is entitled to refund, dismissed the writ petition on the ground that the case is still pending with the larger bench. The Company therefore has filed appeal against the said order with division bench and is currently pending. DoT had also filed an appeal against the single judge order. Both these appeals are tagged together and are listed for final hearing. The Hon'ble court has directed both the parties to file comprehensive written submission.

ii. TRAI vide Telecom Interconnect Usages Charges Regulation (Eleventh Amendment) 2015 has reduced the IUC charges for mobile termination charges to 14 paisa from 20 paisa and abolished the fixed-line termination charges. The Company has challenged the said Regulation before the Hon'ble Delhi High Court and the matter is currently pending.

Consolidated **Financial Statements**

Independent **Auditor's Report**

TO
THE MEMBERS OF **BHARTI AIRTEL LIMITED**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Bharti Airtel Limited** ("the Company") and its subsidiaries, (the Company and its subsidiaries together referred to as "the Group") which includes the Group's share of profit / loss in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31 2019, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the joint ventures referred to in Other Matters section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31 2019, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

We draw attention to Note 24(i)(f)(vi) of the Consolidated Financial Statements, which describes the uncertainties related to the outcome of Department of Telecommunications demand with respect to one-time spectrum charges.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter (CFS)	Audit Procedures to address Key Audit Matter
Revenue recognition There is an inherent risk around accuracy of revenue recorded in respect of Mobile Services, Airtel Business, Digital TV Services and Tower Infrastructure Services segments because of the complexity of the IT systems and other support systems, significance of volumes of data processed by the systems and the impact of changing pricing models (tariff structures, incentive arrangements and discounts, etc.). In addition, for Airtel Business, we considered occurrence of revenue as a risk due to the possibility that revenue may be recorded without active service links being provided to customers or for contracts that are cancelled/not renewed.	We involved our IT specialists to evaluate the design and test the operating effectiveness of the general IT controls and application specific controls within the IT system, including testing of system generated reports used in our audit of revenues. We also tested the controls within the billing systems, prepaid charging systems, capturing and recording of revenue, authorisation and input of changes to the IT systems and over reconciliations performed between the active customers base with billing system.
In addition, the Group has applied Ind AS 115 'Revenue from contracts with customers' which was effective from April 1, 2018. An adjustment on presentation of revenue for the year ended March 31, 2019 is required on transition to Ind-AS 115 from Ind-AS 18. The Group has applied full retrospective method. Refer note 2.19 "Revenue recognition" for accounting policies and notes related to implementation of Ind AS-115 and note 25 on disclosures related to Revenue in the consolidated financial statements.	We performed substantive procedures, which included verifying the accuracy of customer invoices and tracing receipts to customer invoices, comparing the number of links/connection as per the active customer base to the billing system, testing reconciliations between billing system and the general ledger (including validation of relevant journal entries), making test calls and testing whether they are rated correctly and analytical procedures for relevant segment revenue. With regard to the estimated impact of the initial adoption of Ind AS 115, we assessed the impact analysis and the accounting estimates and judgements made in respect of the revenue transactions of the Group and the appropriateness of the methods used in such analysis. We also evaluated and verified the retrospective application of Ind AS 115. We verified the appropriateness of the accounting policies, notes related to implementation of Ind AS-115 and the disclosure related to Revenue in notes 2.19 and 25 respectively in the consolidated financial statements and the consistency of the recorded revenue with the Group's accounting policies.
Evaluation of Impairment Assessment of Goodwill At least once a year, Management ensures that the net carrying amount of goodwill recognised as an asset, amounting to ₹ 332,562 million at March 31, 2019, does not exceed its recoverable amount. The impairment assessment is performed at the level of each cash generating unit ('CGU') or group of CGUs, which generally corresponds to the operating segment. The recoverable amount is determined based on value in use, which represents the present value of the estimated future cash	We evaluated the design and tested the operating effectiveness of internal controls related to evaluation of impairment assessment of goodwill. We involved our internal valuation specialists to test the reasonableness of key valuation assumptions like long-term growth rates and discount rates used in determining value in use. We benchmarked and challenged the key business assumptions like revenue growth rates, amount of future capital expenditure and EBIDTA margins against historical

Key Audit Matter (CFS)	Audit Procedures to address Key Audit Matter
flows expected to arise from the use of the asset group comprising each CGU or group of CGUs. The determination of recoverable amount of goodwill based on value-in-use is complex and subjective as estimates of future cash flows and determination of value in use involves management's estimates and judgement in determining the variables such as the revenue growth rates, EBITDA margins, amount of future capital expenditure, discount rates applied to estimated cash flows and long-term growth rate. The carrying amount of goodwill reported in the consolidated financial statements is significant and is sensitive to the assumptions made by the Management. In March 2019, for internal management purposes, the Group has reorganised its reporting structure basis which goodwill in respect of 'Mobile Services Africa' is monitored at three group of CGUs, which is lower than the Mobile Services Africa segment level, and which requires further allocation of goodwill to the three group of CGUs. Allocation of goodwill to three group of CGUs necessitated fresh assessment of whether goodwill at the three CGUs level is impaired. This involves judgement with respect to identifying the most appropriate relative fair value approach or any other appropriate method for allocation of goodwill and the valuation assumptions like discount rates and long term growth rates that need to be applied to the future cash flows to determine the fair value of three group of CGUs. Refer note 2.9(a) for policy on "Impairment of non-financial assets"- Goodwill, note 3.1(a) on "Critical accounting estimates and assumptions" related to impairment reviews and note 7 "Intangible assets" for disclosures related to Impairment review of goodwill in the consolidated financial statements.	data and trends and with market data and external sources, where available, to assess their reasonableness. We tested the sensitivity assessment of value in use to a change in the valuation assumptions and tested the mathematical accuracy of the cash flow models. We verified management's assessment of alternatives approaches to allocate Mobile services Africa goodwill based on relative fair value, the rationale for the selected option to allocate goodwill to the three group of CGUs and the appropriateness thereof, the related workings for allocation of goodwill to three group of CGUs and the impairment assessment at the revised three group of CGUs post allocation of goodwill. We verified the appropriateness of the accounting policies, critical accounting estimates and assumptions and disclosures related to impairment review of goodwill in notes 2.9(a), 3.1(a) and 7 respectively in the consolidated financial statements.
Recoverability of deferred tax assets (DTA) recognized on tax loss carry-forwards and Minimum Alternate Tax (MAT) credit DTA on tax loss carry forwards and MAT credit recognised as at March 31, 2019 amounts to ₹ 152,447 million. Significant judgement is required in assessing the recoverability of DTA and MAT credit, particularly in respect of tax losses and MAT credit in India and tax losses in Nigeria amounting to ₹ 126,085 million and ₹ 20,148 million respectively. Recoverability of DTA on tax losses and MAT credit is sensitive to the assumptions used by management in projecting the ten year business plan and to expiry of losses and restriction on utilization of MAT credit after the period specified in tax statute of respective countries.	We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of recoverability of DTA on carry forward tax losses and MAT credit. We benchmarked and challenged the key business assumptions like revenue growth rates, amount of future capital expenditure and EBIDTA margins in the ten year business plans against historical data and trends and with market data and external sources, where available, to assess their reasonableness. We verified the tax computation for the ten year forecast period and considered whether the tax losses and MAT credit would expire in accordance with the tax statute of respective countries. We also performed sensitivity assessment to evaluate whether it is probable that the

Key Audit Matter (CFS)	Audit Procedures to address Key Audit Matter
Refer notes 2.12" Taxes" for accounting policies, 3.1.b on "Critical accounting estimates and assumptions" related to taxes and note 14" Income tax" for disclosures related to taxes in the consolidated financial statements.	tax losses and MAT credit would expire within the period specified in the tax statute of respective countries and tested the mathematical accuracy of the business plans and tax computation for the forecast period. We verified that recognition of DTA is consistent with Group's accounting guidelines for recognition of deferred tax on loss carry forward and MAT credit. We verified the appropriateness of disclosures in accounting policies, critical accounting estimates and assumptions and disclosures related to Income tax in notes 2.12, 3.1.b and 14 respectively in the consolidated financial statements.
Evaluation of uncertain positions related to tax and regulatory matters The Group has material uncertain positions related to regulatory matters and direct and indirect tax matters under dispute that involves significant judgment to determine the possible outcome of these disputes, provisions required, if any, and/or write back of provision in respect of such matters. Refer notes 2.18 "Contingencies" for accounting policies, note 22 "Provisions" for disclosure related to provisions for subjudice matters and notes 24(i) in respect of details of Contingent liabilities in the consolidated financial statements.	We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of the likely outcome of uncertain positions related to the regulatory and tax matters, the provision made, if any, and/or write back of provision. We discussed significant open matters and developments with the Group's regulatory and tax team. We involved our internal tax experts to understand and evaluate the status of tax matters, review legal precedence and external expert opinions, if any, obtained by the management to evaluate whether the tax position is appropriate and has taken into account recent developments, if any. We challenged management's underlying assumptions in estimating tax and regulatory provisions and/or write back of provisions and assessed management evaluations and conclusions by understanding precedence, if any, set in similar matters and performed substantive procedures on the underlying calculation supporting the provisions required and/or write back of provisions. We verified the appropriateness of the accounting policies, disclosures related to provisions for subjudice matters and details of contingent liabilities in notes 2.18, 22 and 24(i) respectively in the consolidated financial statements.

Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Integrated Report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, compare with the financial statements of joint ventures audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the

Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the joint ventures, is traced from their financial statements audited by the other auditors.

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.

Management's responsibility for the consolidated financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's responsibility for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 SAs 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 Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated 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 financial control relevant to the audit in order to design audit

procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's 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 ability of the Group and its associates and joint ventures 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 Consolidated 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 Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Conmsolidated Financial Statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

The Consolidated Financial Statements include the Group's share of net profit of ₹ 3625 Million and total comprehensive income of ₹ 3623 Million for the year ended March 31, 2019, as considered in the Consolidated Financial Statements, in respect of two joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint ventures is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on other legal and regulatory requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on the separate financial statements of the joint ventures referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

   d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"** which is based on the auditors' reports of the Company, subsidiary companies, associate companies and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

      In our opinion and to the best of our information and according to explanation given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Million vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto as the Company does not have profits. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures.

ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies, associate companies and joint venture companies incorporated in India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Shyamak R Tata
Place: New Delhi
Partner
Date: May 06, 2019
(Membership No. 38320)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharti Airtel Limited of even date)

Report on the internal financial controls over financialreportingunderclause(i)ofsub-section 3 of section 143 of the companies act, 2013 ("the act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Bharti Airtel Limited ("the Company") and its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, as of that date.

Management's responsibility for internal financial controls

The respective Board of Directors of the Company, its subsidiary companies, its associate companies and joint venture Companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company, its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the auditor of the joint venture company which is incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of Company, its subsidiary companies, its associate companies and its joint venture companies, which are companies incorporated in India.

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor referred to in the Other Matters paragraph below, the Company, its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to a joint venture, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matter.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Shyamak R Tata
Place: New Delhi
Partner
Date: May 06, 2019
(Membership No. 38320)

Independent **Auditor's Report**

TO
THE MEMBERS OF **BHARTI AIRTEL LIMITED**

Report on the Abridged Consolidated Financial Statements

The accompanying Abridged Consolidated Financial Statements of **BHARTI AIRTEL LIMITED** (hereinafter referred to as "the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which includes the Group's share of profit/ loss in its associates and its joint ventures, which comprise the Abridged Consolidated Balance Sheet as at March 31, 2019, the Abridged Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Abridged Consolidated Statement of Changes in Equity and the Abridged Consolidated Statement of Cash Flows for the year then ended, and related notes, are derived from the audited Consolidated Financial Statements of the Group for the year ended March 31, 2019. We expressed an unmodified audit opinion on those Consolidated Financial Statements in our report dated May 06, 2019.

The Abridged Consolidated Financial Statements do not contain all the disclosures required by the Companies Act, 2013 ("the Act") and Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and accounting principles generally accepted in India, which were applied in the preparation of the audited Consolidated Financial Statements of the Group. Reading the Abridged Consolidated Financial Statements, therefore, is not a substitute for reading the audited Consolidated Financial Statements of the Group.

Management's Responsibility for the Abridged Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these Abridged Consolidated Financial Statements in accordance with the requirements specified under Section 136(1) read with Rule 10 of Companies (Accounts) Rules, 2014, as amended, based on the audited Consolidated Financial Statements of the Company for the year ended March 31 2019, prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Act and accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Abridged Consolidated Financial Statements.

Auditor's Responsibility

Our responsibility is to express an opinion on the Abridged Consolidated Financial Statements based on our procedures conducted in accordance with Standard on Auditing (SA) 810 "Engagements to Report on Summary Financial Statements" specified under Section 143(10) of the Act. In performing those procedures, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Abridged Consolidated Financial Statements 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.

Opinion

In our opinion and to the best of our information and explanations given to us, the accompanying Abridged Consolidated Financial Statements prepared in accordance with Rule 10 of the of Companies (Accounts) Rules, 2014, as amended, derived from the audited Consolidated Financial Statements of the Group for the year ended March 31, 2019, prepared in accordance with the Ind AS prescribed under Section 133 of the Act and accounting principles generally accepted in India, are a fair summary of those audited Consolidated Financial Statements.

The Audited Consolidated Financial Statements and Our Report Thereon:

The Abridged Consolidated Financial Statements have the same limitations as the audited Consolidated Financial Statements on which we have issued an unmodified audit opinion. That report also includes:

- An Emphasis of Matter section that draws attention to Note 12(i)(f)(vi) of the Abridged Consolidated Financial Statements which describes the uncertainties related to legal outcome of Department of Telecommunications demand with respect to one time spectrum charges. Our opinion is not modified in respect of this matter.

- The communication of Key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current period.

- Other Matters section that draws attention that the Consolidated Financial Statements include the Group's share of net profit of ₹ 3625 Million and total comprehensive income of ₹ 3623 Million for the year ended March 31, 2019, as considered in the Consolidated Financial Statements, in respect of two joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint ventures is based solely on the reports of the other auditors. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

Shyamak R Tata
Partner
(Membership No. 38320)

Place: New Delhi
Date: May 06, 2019

Abridged Consolidated **Balance Sheet**

(All amounts are in millions of Indian Rupee)

	As of March 31, 2019	As of March 31, 2018
Assets		
Non-current assets		
Property, plant and equipment	815,228	706,079
Capital work-in-progress	88,433	52,089
Goodwill	332,562	328,070
Other intangible assets	860,525	837,855
Intangible assets under development	7,909	45,423
Investment in joint ventures and associates	88,937	86,839
Financial assets		
- Investments	21,941	5,769
- Derivative instruments	3,105	2,031
- Security deposits	16,452	9,703
- Others	3,227	5,814
Income tax assets (net)	17,694	25,505
Deferred tax assets (net)	89,379	29,330
Other non-current assets	77,526	36,319
	2,422,918	**2,170,826**
Current assets		
Inventories	884	693
Financial assets		
- Investments	46,232	68,978
- Derivative instruments	426	8,941
- Trade receivables	43,006	58,830
- Cash and cash equivalents	62,121	49,552
- Other bank balances	18,934	17,154
- Others	20,343	27,462
Other current assets	137,111	103,380
	329,057	**334,990**
Total assets	**2,751,975**	**2,505,816**
Equity and Liabilities		
Equity		
Share capital	19,987	19,987
Other equity	694,235	675,357
Equity attributable to owners of the Parent	**714,222**	**695,344**
Non-controlling interests	135,258	88,139
	849,480	**783,483**
Non-current liabilities		
Financial liabilities		
- Borrowings	872,454	849,420
- Derivative instruments	826	5,409
- Others	62,131	44,547
Deferred revenue	17,986	22,117
Provisions	6,823	7,212
Deferred tax liabilities (net)	11,297	10,606
Other non-current liabilities	429	623
	971,946	**939,934**
Current liabilities		
Financial liabilities		
- Borrowings	310,097	129,569
- Current maturities of long-term borrowings	71,732	134,346
- Derivative instruments	12,742	283
- Trade payables	280,031	268,536
- Others	159,806	140,605
Deferred revenue	43,993	48,666
Provisions	2,197	2,384
Current tax liabilities (net)	8,228	11,058
Other current liabilities	41,723	46,952
	930,549	**782,399**
Total liabilities	**1,902,495**	**1,722,333**
Total equity and liabilities	**2,751,975**	**2,505,816**

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

As per our report of even date

For and on behalf of the Board of Directors of Bharti Airtel Limited

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

Shyamak R Tata
Partner
Membership No: 38320

Sunil Bharti Mittal
Chairman
DIN: 00042491

Gopal Vittal
Managing Director & CEO
(India and South Asia)
DIN: 02291778

Place: **New Delhi**
Date: **May 6, 2019**

Badal Bagri
Chief Financial Officer

Pankaj Tewari
Company Secretary

Abridged Consolidated **Statement of Profit and Loss**

(All amounts are in millions of Indian Rupee; except per share data)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Income		
Revenue	807,802	826,388
Other income	2,912	2,488
	810,714	**828,876**
Expenses		
Network operating expenses	223,900	197,520
Access charges	93,521	90,446
License fee / spectrum charges	69,426	75,558
Employee benefits expense	37,975	39,771
Sales and marketing expenses	41,277	45,275
Other expenses	83,514	77,027
	549,613	**525,597**
Profit from operating activities before depreciation, amortisation and exceptional items	**261,101**	**303,279**
Depreciation and amortisation	213,475	192,431
Finance costs	110,134	93,255
Finance income	(14,240)	(12,540)
Non-operating expenses (net)	1,894	141
Share of profit of associates and joint ventures (net)	(3,556)	(10,609)
(Loss) / profit before exceptional items and tax	**(46,606)**	**40,601**
Exceptional items (net)	(29,288)	7,931
(Loss)/ profit before tax	**(17,318)**	**32,670**
Tax expense / (credit)		
Current tax	19,391	18,230
Deferred tax	(53,584)	(7,395)
Profit for the year	**16,875**	**21,835**
Other comprehensive income ('OCI')		
Items to be reclassified subsequently to profit or loss :		
Net losses due to foreign currency translation differences	(15,739)	(7,181)
Net losses on net investment hedge	(1,754)	(8,024)
Net (losses) / gains on cash flow hedge	(833)	809
Net (losses) / gains on fair value through OCI investments	(45)	129
Tax credit / (charge)	5,428	(122)
	(12,943)	**(14,389)**
Items not to be reclassified to profit or loss :		
Re-measurement gains on defined benefit plans	47	205
Tax charge	(62)	(29)
Share of OCI of associates and joint ventures	(12)	18
	(27)	**194**
Other comprehensive loss for the year	**(12,970)**	**(14,195)**
Total comprehensive income for the year	**3,905**	**7,640**
Profit for the year attributable to :	**16,875**	**21,835**
Owners of the Parent	4,095	10,990
Non-controlling interests	12,780	10,845
Other comprehensive loss for the year attributable to :	**(12,970)**	**(14,195)**
Owners of the Parent	(10,216)	(13,445)
Non-controlling interests	(2,754)	(750)
Total comprehensive income for the year attributable to :	**3,905**	**7,640**
Owners of the Parent	(6,121)	(2,455)
Non-controlling interests	10,026	10,095
Earnings per share (Face value: ₹ 5/- each)		
Basic	1.02	2.75
Diluted	1.02	2.75

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

As per our report of even date

For and on behalf of the Board of Directors of Bharti Airtel Limited

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

Shyamak R Tata
Partner
Membership No: 38320

Sunil Bharti Mittal
Chairman
DIN: 00042491

Gopal Vittal
Managing Director & CEO
(India and South Asia)
DIN: 02291778

Place: **New Delhi**
Date: **May 6, 2019**

Badal Bagri
Chief Financial Officer

Pankaj Tewari
Company Secretary

Abridged Consolidated **Statement of Changes in Equity**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	Equity attributable to owners of the Parent											Non-controlling interests ('NCI')	Total equity
	Share capital		Other equity										
			Reserves and surplus										
	No of shares (in '000)	Amount	Securities premium	Retained earnings	General reserves	Debenture redemption reserve	Capital reserve	Share-based payment reserve	NCI reserve	Other components of equity	Total		
As of April 01, 2017	**3,997,400**	**19,987**	**123,456**	**483,638**	**27,030**	**-**	**-**	**4,065**	**77,216**	**(60,829)**	**654,576**	**68,750**	**743,313**
Profit for the Year	-	-	-	10,990	-	-	-	-	-	-	10,990	10,845	21,835
Other comprehensive income / (loss)	-	-	-	194	-	-	-	-	-	(13,639)	(13,445)	(750)	(14,195)
Total comprehensive income / (loss)	**-**	**-**	**-**	**11,184**	**-**	**-**	**-**	**-**	**-**	**(13,639)**	**(2,455)**	**10,095**	**7,640**
Transaction with owners of equity													
Employee share-based payment expense	-	-	-	-	-	-	-	392	-	-	392	21	413
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	(424)	(424)	-	(424)
Exercise of share options	-	-	-	-	3,510	-	-	(3,675)	-	149	(16)	(13)	(29)
Transaction with NCI	-	-	-	-	-	-	-	-	42,625	-	42,625	13,812	56,437
Creation of debenture redemption reserve	-	-	-	-	(7,500)	7,500	-	-	-	-	-	-	-
Dividend (including tax) to Company's shareholders	-	-	-	(18,475)	-	-	-	-	-	-	(18,475)	-	(18,475)
Dividend (including tax) to NCI	-	-	-	-	-	-	-	-	-	-	-	(3,933)	(3,933)
Movement on account of court approved schemes	-	-	-	(866)	-	-	-	-	-	-	(866)	(593)	(1,459)
As of March 31, 2018	**3,997,400**	**19,987**	**123,456**	**475,481**	**23,040**	**7,500**	**-**	**782**	**119,841**	**(74,743)**	**675,357**	**88,139**	**783,483**
Profit for the year	-	-	-	4,095	-	-	-	-	-	-	4,095	12,780	16,875
Other comprehensive income / (loss)	-	-	-	(29)	-	-	-	-	-	(10,187)	(10,216)	(2,754)	(12,970)
Total comprehensive income / (loss)	**-**	**-**	**-**	**4,066**	**-**	**-**	**-**	**-**	**-**	**(10,187)**	**(6,121)**	**10,026**	**3,905**
Transaction with owners of equity													
Issue of equity shares	0	0	0	-	-	-	-	-	-	-	0	-	0
Employee share-based payment expense	-	-	-	-	-	-	-	333	-	-	333	12	345
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	(248)	(248)	-	(248)
Exercise of share options	-	-	-	-	12	-	-	(371)	-	336	(23)	(20)	(43)
Transaction with NCI	-	-	-	-	-	-	-	-	44,439	-	44,439	60,365	104,804
Business combination	-	-	-	-			5,315	-	-	-	5,315	-	5,315
Dividend (including tax) to Company's shareholders	-	-	-	(24,096)	-	-	-	-	-	-	(24,096)	-	(24,096)
Dividend (including tax) to NCI	-	-	-	-	-	-	-	-	-	-	-	(22,638)	(22,638)
Movement on account of court approved schemes	-	-	-	(721)	-	-	-	-	-	-	(721)	(626)	(1,347)
As of March 31, 2019	**3,997,400**	**19,987**	**123,456**	**454,730**	**23,052**	**7,500**	**5,315**	**744**	**164,280**	**(84,842)**	**694,235**	**135,258**	**849,480**

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

As per our report of even date

For and on behalf of the Board of Directors of Bharti Airtel Limited

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

Shyamak R Tata
Partner
Membership No: 38320

Sunil Bharti Mittal
Chairman
DIN: 00042491

Gopal Vittal
Managing Director & CEO
(India and South Asia)
DIN: 02291778

Place: **New Delhi**
Date: **May 6, 2019**

Badal Bagri
Chief Financial Officer

Pankaj Tewari
Company Secretary

Abridged Consolidated **Statement of Cash Flows**

(All amounts are in millions of Indian Rupee)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flow generated from operating activities	197,880	298,538
Cash flow used in investing activities	(285,009)	(279,676)
Cash flow generated from financing activities	94,638	19,205
Net increase in cash and cash equivalents	**7,509**	**38,067**
Effect of exchange rate on cash and cash equivalents	1,338	281
Cash and cash equivalents as at beginning of the year	28,468	(9,880)
Cash and cash equivalents as at end of the year	**37,315**	**28,468**

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

As per our report of even date

For and on behalf of the Board of Directors of Bharti Airtel Limited

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

Shyamak R Tata
Partner
Membership No: 38320

Sunil Bharti Mittal
Chairman
DIN: 00042491

Gopal Vittal
Managing Director & CEO
(India and South Asia)
DIN: 02291778

Place: **New Delhi**
Date: **May 6, 2019**

Badal Bagri
Chief Financial Officer

Pankaj Tewari
Company Secretary

Notes to Abridged Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

1. Corporate information

Bharti Airtel Limited ('the Company' or 'the Parent') is domiciled and incorporated in India as a limited liability company with its shares being listed on the National Stock Exchange and the Bombay Stock Exchange. The registered office of the Company is situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110070.

The Company together with its subsidiaries (hereinafter referred to as 'the Group') has presence in India, Africa and South Asia. The principal activities of the Group, its joint ventures and associates consist of provision of telecommunication services, tower infrastructure services and direct-to-home digital television services. The details as to the services provided by the Group are further provided in note 19. For details as to the Group structure, refer note 20.

2. Basis of preparation

These abridged consolidated financial statements have been prepared, on the basis of the complete set of audited annual consolidated financial statements for the year ended March 31, 2019 ('annual consolidated financial statements') prepared to comply in all material respects with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ('Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act. The contents of the said abridged financial statements are in accordance with the requirement of Clause 36 of Security Exchange Board of India (Listing obligations and disclosure requirements) Regulation 2015 and Rule 10 of the Companies (Accounts) Rules, 2014.

The annual consolidated financial statements are available at the Company's website http://www.airtel.com. The financial statement is also available for inspection at the registered office of the company during working hours for a period of 21 days before the date of AGM.

The annual and abridged consolidated financial statements are approved for issue by the Company's Board of Directors on May 06, 2019.

All the amounts included in the financial statements are reported in millions of Indian Rupees ('Rupees' or '₹') and are rounded to the nearest million, except per share data and unless stated otherwise. Further, amounts which are less than a million are appearing as '0'.

The preparation of the said abridged financial statements requires the use of certain critical accounting estimates and judgments. It also requires the management to exercise judgement in the process of applying the Group's accounting policies.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by all the group entities, to all the periods presented in the said financial statements.

2.1 Basis of measurement

The abridged consolidated financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss or through other comprehensive income, liability for cash-settled awards, the component of carrying values of recognised liabilities that are designated in fair value hedges - which are measured at fair value.

(Note 2.2 of the annual consolidated financial statements)

3. Summary of significant accounting policies

The significant accounting policies used in preparing the annual consolidated financial statements are set out in Note 2 of the annual consolidated financial statements.

3.1. Basis of consolidation

Subsidiaries are fully consolidated from the date on which control is transferred to the Group, and they are de-consolidated from the date that control ceases. Non-controlling interests is the equity in a subsidiary not attributable to a parent and presented separately from the Group's equity.

Non-controlling interests consist of the amount at the date of the business combination and its share of changes in equity since that date. Profit or loss and other comprehensive income are attributed to the controlling and non-controlling interests in proportion to their ownership interests, even if this results in the non-controlling interests having a deficit balance. However, in case where there are binding contractual arrangements that determine the attribution of the earnings, the attribution specified by such arrangement is considered.

Accounting policies of the respective individual subsidiary, joint venture and associate are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

The standalone financial statements of subsidiaries are fully consolidated on a line-by-line basis, after adjusting for business combination adjustments (refer note 2.4). Intra-group balances and transactions, and income and expenses arising from intra-group transactions, are eliminated while preparing the said financial statements. The un-realised gains resulting from intra-group transactions are also eliminated. Similarly, the un-realised losses are eliminated, unless the transaction provides evidence as to impairment of the asset transferred.

The Group's investments in its joint ventures and associates are accounted for using the equity method. Accordingly, the investments are carried at cost less any impairment losses, as adjusted for post-acquisition changes in the Group's share of the net assets of investees. Any excess of the cost over the Group's share of net assets in its joint ventures / associates at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment. The un-realised gains / losses resulting from transactions with joint ventures and associates are eliminated against the investment to the extent of the Group's interest in the investee. However, un-realised losses are eliminated only to the extent that there is no evidence of impairment.

(Note 2.3 of the annual consolidated financial statements)

4. Critical accounting estimates, assumptions and judgements

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are set out in Note 3 of the annual consolidated financial statements. The critical accounting estimates and assumptions relating to impairment reviews and taxes are as below:

4.1 Impairment reviews

PPE (including CWIP) and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Similarly, goodwill and intangible assets under development is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired. For details as to the impairment policy, refer note 2.9. Accordingly the Group has performed impairment reviews for the above assets. However, the said reviews did not result in any impairment charge.

In calculating the value in use, the Group is required to make significant judgements, estimates and assumptions inter-alia concerning the growth in earnings before interest, taxes, depreciation and amortization ('EBITDA') margins, capital expenditure, long-term growth rates and discount rates to reflect the risks involved. Also, judgement is involved in determining the CGU /grouping of CGUs for allocation of the goodwill.

The Group mainly operates in developing markets and in such markets, the plan for shorter duration is not indicative of the long-term future performance. Considering this and the consistent use of such robust ten year information for management reporting purpose, the Group uses ten year plans for the purpose of impairment testing.

Notes to Abridged Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

(Note 2.9 of the annual consolidated financial statements)

4.2 Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority.

Deferred tax assets are recognised for the unused tax losses and minimum alternate tax credits for which there is probability of utilisation against the future taxable profit. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments.

(Note 2.12 of the annual consolidated financial statements)

5. Standards issued but not effective until the date of authorisation for issuance of the said financial statements

The new significant standards, amendments to Standards that are issued but not yet effective until the date of authorisation for issuance of the said financial statements are discussed below. The Group has not early adopted these amendments and intends to adopt when they become effective.

Ind AS 116 'Leases'

In March 2019, MCA has notified the Ind AS 116, Leases. It will replace the existing leases Standard, Ind AS 17 'Leases', and related interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. A lease is required to recognise a right-of-use asset representing its right to use and the underlying leased assets and a lease liability representing its obligation to make lease payments.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Group is in the process of evaluating its impact on the financial statements.

The following pronouncements, which are potentially relevant to the Group, have been issued and are effective for annual periods beginning on or after April 1, 2019.

- Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : According to the appendix, Group need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the group have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The Group does not expect that the adoption of the said amendment will have any significant impact on the financial statements.
- Amendment to Ind AS 12 – Income taxes: The amendment clarifies that an Group shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity accordingly to where the Group originally recognised those past transactions or events whereas hitherto it was being recognised in equity.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

6. Significant transactions / new developments

a) Subsequent to the balance sheet date, on May 03, 2019, the Company has launched a rights issue of approximately 1,134 Mn fully paid up equity shares (face value ₹ 5 each) at a price of ₹ 220/- per share aggregating to ₹ 249,390. The right issue will close on May 17, 2019. The rights entitlement is determined as 19 equity shares for every 67 equity shares held.

b) In February 2019, Airtel Kenya, the Group's operating subsidiary in Kenya, entered into an agreement with Telkom Kenya Limited, the third largest mobile network operator in Kenya, to merge their respective mobile, enterprise and carrier services businesses to operate as 'Airtel-Telkom'. As at the date of this financial statements, the transaction remains subject to approval by the relevant authorities.

c) During the year ended March 31, 2017, the Group had entered into a scheme of amalgamation for the merger of Telenor (India) Communications Private Limited with the Company. Further, during the year ended March 31, 2019, as the closing conditions for the said merger have been fulfilled, the said transaction is consummated. The difference of ₹ 5,315 between the purchase consideration (issuance of five equity shares and working capital adjustments) and fair value of net assets has been recognised as capital reserve, a component of equity.

The fair values of the assets and liabilities recognised at the date of acquisition are as follows:

Non-current assets	
Property, plant and equipment (including capital-work-in-progress of ₹94)	4,264
Other intangible assets (including intangible assets under development of ₹ 655)	17,684
Indemnification assets	8,835
Others	6,309
Current assets	
Cash and cash equivalents	6,931
Others	7,661
Non-current liabilities	
Borrowings	14,842
Others	955
Current liabilities	
Borrowings	1,229
Trade payables	17,301
Others	12,592
Net assets acquired	**4,765**

d) During the year ended March 31, 2019, Airtel Africa Limited issued to global investors 976,635,762 equity shares for an aggregate investment of USD 1,450 together with certain indemnities. These indemnities represent an obligation for adjustment of subscription amounts triggered on payouts for the indemnified contingencies. These have been recorded as derivatives measured at fair value through profit and loss and other financial liabilities initially measured at fair value and subsequently re-measured at amortised cost. The key assumptions taken into measurement of these liabilities are around the probability of the outcome on which the indemnities are based and expected settlement amount.

e) During the year ended March 31, 2019, Bharti Airtel International (Netherlands) B.V., a subsidiary of the Group, early redeemed an amount of USD 995 from its USD 1,500 5.125% Guaranteed Senior Notes due in March 2023 at a consideration equivalent to 98.5% of the par amount of each bond plus interest accrued.

f) During the year ended March 31, 2019, consequent to the change in shareholder rights in Airtel Payment Bank Limited ('APBL'), APBL ceased to be a subsidiary (under Ind AS, '110 Consolidated Financial Statements'). APBL has since been considered as an associate (under Ind AS 28, 'Investments in Associates and Joint Ventures'). Hence, in accordance with Ind AS 110, the difference between the fair value of retained interest and the previous carrying amount of the Group's share in the net assets of APBL, of ₹ 8,735 has been recognized as gain within exceptional items.

g) In January 2019, the Government of Tanzania ('GoT') and the Group, on a composite basis, agreed (i) to the GoT's withdrawal of certain tax claims and regulatory fines (ii) the entry into an agreement between the GoT and Airtel Tanzania ('AT') for the provision of support services to AT on a 'best efforts' basis in order to support its development; (iii) to approve the sale of towers owned by AT; (iv) to allow a defined portion of the net sale proceeds of the tower sale towards

Notes to Abridged Consolidated **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

repayment of the outstanding shareholder loan granted to AT by Bharti Airtel Tanzania B.V. ('BATBV') which shall be treated as full repayment of said loan; (iv) to either exempt AT from the listing obligations or to ensure that the Group's beneficial ownership of AT will not decrease below 51% at any time; and (v) to an increase in the GoT's shareholding in AT, to 49% at zero effective cost. The said document also provided for execution of detailed agreements between GoT, AT and the Group, wherever required, to give effect to the above.

Pursuant to the above arrangement, the Group believes that the above-mentioned settlement amongst the shareholders of AT should be accounted for as an equity transaction on the consummation of the said agreements.

h) During the year ended March 31, 2019, the Company's Board of Directors at its meeting held on October 25, 2018, has paid interim dividend for the financial year 2018-19 of ₹ 2.50/- per equity share (face value : ₹ 5/- each).

i) During the year ended March 31, 2019, Bharti Airtel International (Netherlands) B.V., a subsidiary of the Company, has redeemed Euro 1,000 Mn 4% senior notes due in December 2018 ('Notes').

j) During the year ended March 31, 2019, the Group has acquired 7.95% equity stake in Airtel Gabon S.A. thereby, increasing its shareholding to 97.95%. The excess of consideration paid to NCI over the carrying value of the interest acquired ₹ 1,112 has been recognised in the transaction with NCI reserve, a component of equity.

k) During the year ended March 31, 2019, the Group has acquired 8.52% equity stake in Airtel Networks Limited thereby, increasing its shareholding to 91.77%. The excess of consideration paid to NCI over the carrying value of the interest acquired ₹ 4,684 has been recognised in the transaction with NCI reserve, a component of equity.

l) During the year ended March 31, 2018, the Group had entered into an agreement to sell 15% equity stake in Bharti Telemedia Limited, a subsidiary of the Company. Further, during the year ended March 31, 2019, as the closing conditions for the said transaction have been fulfilled, the said transaction is consummated. Accordingly, the excess of proceeds over the NCI amounting to ₹ 19,064 has been recognised directly in NCI reserve, a component of equity.

m) During the year ended March 31, 2018, the Group had entered into a share purchase agreement with Millicom International Cellular S.A. to acquire 100% equity interest in Tigo Rwanda Limited. The acquisition will make the Group the second largest mobile operator in Rwanda. The difference of ₹ 362 between the fair value of purchase consideration (including contingent consideration) aggregating to ₹ 3,200 and provisional fair value of net assets of ₹ 2,838 had been recognised as goodwill. The said goodwill is mainly attributable to the acquired customer base, assembled workforce and economies of scale expected from combining the operations of the Group. The initial accounting for the acquisition had only provisionally determined at the year ended March 31, 2018.

Further during the year ended March 31, 2019, the provisional accounting has been finalized and accordingly, the revised difference of ₹ 873 between the fair value of the purchase consideration aggregating to ₹ 3,377 and fair value of net assets of ₹ 2,504 has been recognised as goodwill.

Further, with effect from July 1, 2018, Tigo Rwanda Limited had merged with Airtel Rwanda Limited. Accordingly Tigo Rwanda Limited has ceased to exist.

n) During the year ended March 31, 2018, the Group had entered into a share purchase agreement with seller of Tikona Digital Networks Private Limited ('TDNPL') to acquire 100% equity interest in TDNPL. The difference of ₹ 739 Mn between the purchase consideration and fair value of net assets has been recognised as goodwill. The said goodwill is mainly attributable to synergies expected from the combined operation of the Group and TDNPL.

o) During the year ended March 31, 2017, the Group signed a definitive agreement to enter into 50-50 joint venture between Bharti Airtel Ghana Holdings B.V. and MIC Africa B.V. against consideration of their respective ownership interest of operations in Ghana. Further during the year ended March 31, 2018, as the closing conditions for consummation of the transaction have been fulfilled, the Group and Millicom International Cellular had formed a joint venture to combine their telecommunication operations in Ghana.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

p) During the year ended March 31, 2018, an understanding for demerger of consumer mobile businesses of Tata Teleservices Limited and Tata Teleservices Maharashtra Limited into the Company / Bharti Hexacom Limited (subsidiary of the Company) was entered into. Further, the boards of directors have approved the scheme(s) of arrangement under section 230 to section 232 of the Companies Act, 2013 for the said demerger. The said transaction is subject to requisite regulatory approvals.

q) During the year ended March 31, 2018, the Group has sold approx. 150.5 Mn equity shares of Bharti Infratel Limited. The excess of proceeds (net of associated transaction costs, taxes and regulatory levies) over the change in NCI amounting to ₹ 42,598 has been recognized directly in NCI reserve, a component of equity.

7. Impairment review of goodwill

The Group tests goodwill for impairment annually on December 31. During the year ended March 31, 2019, the testing did not result in any impairment in the carrying amount of goodwill.

The carrying amount of goodwill is attributable to the following CGU / group of CGUs:

	As of March 31, 2019	As of March 31, 2018
Mobile Services - Africa	285,327	281,182
Mobile Services - India	40,413	40,413
Airtel business	6,478	6,131
Homes Services	344	344
	332,562	**328,070**

The recoverable amount of the above CGUs are based on value-in-use, which is determined based on ten year business plans that have been approved by management for internal purposes. The said planning horizon reflects the assumptions for short-to-mid term market developments. The cash flows beyond the planning period are extrapolated using appropriate terminal growth rates. The terminal growth rates used do not exceed the long term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal / external sources of information.

The key assumptions used in value-in-use calculations are as follows:

- EBITDA margins
- Discount rate
- Growth rates
- Capital expenditures

EBITDA margins: The margins have been estimated based on past experience after considering incremental revenue arising out of adoption of valued added and data services from the existing and new customers, though these benefits are partially offset by decline in tariffs in competitive scenario. Margins will be positively impacted from the efficiencies and cost rationalisation / others initiatives driven by the Group; whereas, factors like higher churn, increased cost of operations may impact the margins negatively.

Discount rate: Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs and estimated based on the weighted average cost of capital for respective CGU / group of CGUs. Pre-tax discount rates used are 21.61% / 13.39% for Mobile Services – Africa / other CGUs respectively, for the year ended March 31, 2019 and 24.15% / 12.75% for Mobile Services – Africa / other CGUs respectively, for the year ended March 31, 2018.

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Growth rates: The growth rates used are in line with the long-term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal / external sources of information. The average growth rates used in extrapolating cash flows beyond the planning period ranged from 3.5% to 4.0% for March 31, 2019 and ranged from 3.5% to 4.0% for March 31, 2018.

Capital expenditures: The cash flow forecasts of capital expenditure are based on past experience after considering the additional capital expenditure required for roll out of incremental coverage and capacity requirements and to provide enhanced voice and data services.

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use for Homes Services and Airtel Business, no reasonably possible change in any of the above key assumptions would have caused the carrying amount of these units to exceed their recoverable amount.

In case of Mobile Services - India CGU group, the recoverable amount exceeds the carrying amount by ₹ 3,38,681 (22.99%) as of December 31, 2018 and ₹3,49,671 (25.53%) as of December 31, 2017 . An increase of 1.76% (December 31, 2017: 1.78%) in pre-tax discount rate shall equate the recoverable amount with the carrying amount of the Mobile Services – India CGU group as of December 31, 2018. Further, no reasonably possible change in the terminal growth rate beyond the planning horizon would cause the carrying amount to exceed the recoverable amount.

In case of Mobile Services - Africa CGU group, the recoverable amount exceeds the carrying amount by ₹ 1,53,714 (39.39%) as of December 31, 2018 and ₹ 54,087 (15.20%) as of December 31, 2017. An increase of 5.67% (December 31, 2017: 2.37%) in pre-tax discount rate shall equate the recoverable amount with the carrying amount of the Mobile Services – Africa CGU group as of December 31, 2018. Further, no reasonably possible change in the terminal growth rate beyond the planning horizon would cause the carrying amount to exceed the recoverable amount.

Mobile Services Africa Segment

During March 2019, due to revision in organisational structure of Mobile Services Africa segment, goodwill has been re-allocated to the following clusters based on implicit goodwill approach as an alternative to the relative fair value method. Implicit goodwill has been determined as the difference between value in use and carrying value of each segment relative to the total implicit goodwill. This is similar to the approach used for deriving goodwill using a purchase price allocation method in the case of a business combination. At the date of implementation of the new organisational structure; goodwill allocated to the three clusters is given in the table below:

Nigeria	104,063
East Africa	135,536
Rest of Africa	50,414
	290,013

On reallocation of goodwill, impairment tests by Mobile Services Africa Segment for the above clusters did not result in any impairment.

(Note 7 of the annual consolidated financial statements)

8. Cash and bank balances

Cash and cash equivalents ('C&CE')

	As of March 31, 2019	As of March 31, 2018
Balances with banks		
- On current accounts	7,064	9,884
- Bank deposits with original maturity of 3 months or less	53,848	37,862
Cheques on hand	125	986
Cash on hand	1,084	820
	62,121	**49,552**

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

8. Cash and bank balances (contd..)

Other bank balances

	As of March 31, 2019	As of March 31, 2018
Restricted cash*	16,893	13,623
Earmarked bank balances - unpaid dividend	110	70
Term deposits with bank	273	2,119
Margin money deposits#	1,658	1,342
	18,934	**17,154**

*It represents cash received from subscriber of mobile commerce services.

#Margin money deposits represents amount given as collateral for legal cases and / or bank guarantees for disputed matters.

(Note 17 of the annual consolidated financial statements)

9. Dividend paid and proposed

	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Declared and paid during the year:		
Interim dividend for 2018-19 : ₹ 2.50 per share (2017-18 : ₹ 2.84 per share)*	12,044	13,658
Dividend on treasury shares*	4	6
*((including dividend distribution tax 2018-19 @ 20.56% of ₹ 2,054) (2017-18 @ 20.36% of ₹ 2,311))		
Final dividend for 2017-18 : ₹ 2.50 per share (2016-17 : ₹ 1.00 per share)#	12,044	4,810
Dividend on treasury shares#	4	1
#((including dividend distribution tax @ 20.56% of ₹ 2,054 (2016-17 @20.36% of ₹814))		
	24,096	**18,475**
B. Proposed dividend		
Final dividend 2017-18 : ₹ 2.50 per share	-	9,993
Dividend distribution tax for 2018-19 @ 20.56% (2017-18 @ 20.56%)	-	2,055
	-	**12,048**

The proposed dividend being subject to approval at respective annual general meetings, no related corresponding liability has been recognised in the respective financial years.

(Note 18 of the annual consolidated financial statements)

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10. Other equity

Other components of equity

	Foreign currency translation reserve	Cash flow hedge reserve	Fair value through OCI reserve	Treasury shares	Total
As of April 1, 2017	**(60,685)**	**133**	**90**	**(367)**	**(60,829)**
Net losses due to foreign currency translation differences	(7,056)	-	-	-	(7,056)
Net losses on net investment hedge	(7,508)	-	-	-	(7,508)
Net losses on cash flow hedge	-	810	-	-	810
Net gains on fair value through OCI investments	-	-	115	-	115
Purchase of treasury shares	-	-	-	(424)	(424)
Exercise of share options	-	-	-	149	149
As of March 31, 2018	**(75,249)**	**943**	**205**	**(642)**	**(74,743)**
Net losses due to foreign currency translation differences*	(11,544)	-	-	-	(11,544)
Net gains on net investment hedge	2,264	-	-	-	2,264
Net losses on cash flow hedge	-	(881)	-	-	(881)
Net losses on fair value through OCI investments	-	-	(26)	-	(26)
Purchase of treasury shares	-	-	-	(248)	(248)
Exercise of share options	-	-	-	336	336
As of March 31, 2019	**(84,529)**	**62**	**179**	**(554)**	**(84,842)**

*During the year ended March 31, 2019 and 2018, the Group has reclassified gain of ₹ Nil and gain ₹ 60 respectively, from FCTR to statement of profit and loss on sale of foreign subsidiaries.

(Note 19 of the annual consolidated financial statements)

11. Borrowings

11.1 During the year ended March 31, 2018, the Group had issued 30,000 listed, unsecured, rated, redeemable, Non - Convertible Debentures ('NCDs'), Series I and series II of face value of ₹ 10 Lakhs each, at par aggregating to ₹ 30,000 on private placement basis, carrying interest rates 8.25% p.a. and 8.35% p.a. (payable annually) and principal repayable in year 2020 and 2021 respectively.

11.2 Security details

The Group has taken borrowings in various countries mainly for working capital, capital expenditure and refinancing of existing borrowings. The details of security provided by the Group in various countries are as follows:

Entity	Outstanding loan amount		Security detail
	As of March 31, 2019	As of March 31, 2018	
Bharti Airtel Ltd.	10	29	Hypothecation of vehicles
Bharti Airtel Africa BV and its subsidiaries	3,061	21,838	Pledge of all fixed and floating assets - Kenya, Nigeria, Tanzania, Uganda and DRC.
	3,071	**21,867**	

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11. Borrowings (contd..)

Africa operations acquisition related borrowing:

Borrowings include certain loans which have been taken to refinance the Africa acquisition related borrowing. These loan agreements prevents the Group (excluding Bharti Airtel Africa B.V, Bharti Infratel Limited, and their respective subsidiaries) to pledge any of its assets without prior written consent of the majority lenders except in certain agreed circumstances.

The USD bonds due in 2023 contains certain covenants relating to limitation on indebtedness. All bonds carry restriction on incurrence of any lien on its assets other than as permitted under the agreement, unless the bonds and guarantee are ranked pari- pasu with such indebtedness. The limitation on indebtedness covenant on the USD bonds due in 2023 is suspended as the agreed criteria for such covenants to be in force, has not been met. The debt covenants remained suspended as of the date of the authorisation of the financial statements.

These bonds along with the CHF bonds due in 2020, the Euro bonds due in 2021 and the USD bonds due in 2024 are guaranteed by Bharti Airtel Limited (intermediate parent entity). Such guarantee is considered an integral part of the bonds and therefore accounted for as part of the same unit of account.

(Note 20 of the annual consolidated financial statements)

12. Contingent liabilities and commitments

(i) Contingent liabilities

Claims against the Company not acknowledged as debt:

	As of March 31, 2019	As of March 31, 2018
(i) Taxes, duties and other demands (under adjudication / appeal / dispute)		
- Sales Tax and Service Tax	13,810	31,560
- Income Tax	14,088	15,712
- Customs Duty	6,684	7,646
- Entry Tax	9,951	9,878
- Stamp Duty	596	596
- Municipal Taxes	1,663	1,488
- Department of Telecom ('DoT') demands	97,794	40,778
- Other miscellaneous demands	5,545	5,164
(ii) Claims under legal cases including arbitration matters		
- Access charges / Port charges	12,640	10,733
- Others	2,816	2,708
	165,587	**126,263**

Further, refer note f (v), (vi) and (vii) below for other DoT matter.

In addition to the above, the Group's share of joint ventures and associates contingent liabilities is ₹ 28,089 and ₹ 21,816 as of March 31, 2019 and March 31, 2018 respectively.

The category wise detail of the contingent liability has been given below:-

a) Sales and Service Tax and GST

The claims for sales tax comprised of cases relating to the appropriateness of declarations made by the Group under relevant sales tax legislations which were primarily procedural in nature and the applicable sales tax on disposals of certain property and equipment items. Pending final decisions, the Group has deposited amounts under protest with statutory authorities for certain cases.

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The service tax demands relate to cenvat claimed on tower and related material, levy of service tax on SIM cards and employee talk time, cenvat credit disallowed for procedural lapses and usage in excess of 20% limit.

The Goods and Services Tax (GST) demand relates to procedural compliance in regard to ewaybills.

b) Income Tax demand

Income tax demands mainly include the appeals filed by the Group before various appellate authorities against the disallowance by income tax authorities of certain expenses being claimed and non-deduction of tax at source with respect to pre-paid dealers / distributor's margin.

c) Access charges / Port charges

(i) Despite the interconnect usage charges ('IUC') rates being governed by the Regulations issued by Telecom Regulatory Authority of India ('TRAI'); BSNL had raised a demand for IUC at the rates contrary to the regulations issued by TRAI in 2009. Accordingly, the Company and one of its subsidiaries filed a petition against the demand with the TDSAT which allowed payments to be on the existing regulations. The matter was then challenged by BSNL and is currently pending with the Hon'ble Supreme Court.

(ii) The Hon'ble TDSAT allowed BSNL to recover distance based carriage charges. The private telecom operators have jointly filed an appeal against the said order and the matter is currently pending before the Hon'ble Supreme Court.

(iii) BSNL challenged before TDSAT the port charges reduction contemplated by the regulations issued by TRAI in 2007 which passed its judgment in favour of BSNL. The said judgment has been challenged by the private operators in Hon'ble Supreme Court. Pending disposal of the said appeal, in the interim, private operators were allowed to continue paying BSNL as per the revised rates i.e. TRAI regulation issued in 2007, subject to the bank guarantee being provided for the disputed amount. The rates were further reduced by TRAI in 2012 which was challenged by BSNL before the Hon'ble Delhi High Court. The Hon'ble Delhi High Court, in the interim, without staying the rate revision, directed the private operators to secure the difference between TRAI regulation of 2007 and 2012 rates by way of bank guarantee pending final disposal of appeal.

d) Customs Duty

The custom authorities, in some states, demanded custom duty for the imports of special software on the ground that this would form part of the hardware on which it was pre-loaded at the time of import. The view of the Group is that such imports should not be subject to any custom duty as it is operating software exempt from any custom duty. In response to the application filed by the Group, the Hon'ble Central Excise and Service Tax Appellate Tribunal ('CESTAT') has passed an order in favour of the custom authorities. The Group has filed an appeal with Hon'ble Supreme Court against the CESTAT order.

e) Entry Tax

In certain states, an entry tax is levied on receipt of material from outside the state. This position has been challenged by the Group in the respective states, on the grounds that the specific entry tax is ultra vires the Constitution. Classification issues have also been raised, whereby, in view of the Group, the material proposed to be taxed is not covered under the specific category.

During the year ended March 31, 2017, the Hon'ble Supreme Court of India upheld the constitutional validity of entry tax levied by few States. However, Supreme Court did not conclude certain aspects such as present levies in each State is discriminatory in nature or not, leaving them open to be decided by regular benches of the Courts. Pending disposition by the regular benches, the Group has decided to maintain status-quo on its position and hence continues to disclose it as contingent liability.

f) DoT demands

(i) Demand for license fees pertaining to computation of Adjusted Gross Revenue ('AGR') and the interest thereon, due to difference in its interpretation. The definition of AGR is sub-judice and under dispute since 2005 before the TDSAT. TDSAT had pronounced its judgment in 2015, quashed all demands raised by DoT and directed DoT to rework the demands basis the principles enunciated in its judgment. Subsequently, the Union of India ('UOI') and the Company and its subsidiaries along with various other operators have filed appeals / cross appeals before the Hon'ble Supreme Court of India against the TDSAT judgment. In 2016, all the appeals were tagged together and Hon'ble Supreme Court has permitted DoT to raise demands with a direction not to enforce any demand till the final adjudication of the matter by Hon'ble Supreme Court. Accordingly, DoT has raised the demand basis special audit done by DoT and Comptroller and Auditor General of India. The contingent liability includes such demand and interest thereto (excluding certain contentious matters, penalty and interest thereto) for the financial years for which demand have been received.

(ii) DoT had enhanced the microwave rates by introducing slab-wise rates based on the number of carriers vide circulars issued in 2006 and 2008 from erstwhile basis being allocated frequency. The Company had challenged the matter in TDSAT wherein TDSAT set aside the circular. In 2010, DoT had challenged the order of TDSAT before the Hon'ble Supreme Court which is yet to be listed for hearing. Further, TDSAT pronounced its judgment in March 2019 in relation to Unified Licenses which provides for manner of determination of such levies and dates from which such levies can be made applicable.

The Company and one of its subsidiaries had made a provision of ₹ 21,676 until December 2018 for the period from FY 2007-08 to FY 2018-19. Subsequently, basis the recent judgment and external legal opinion the matter has been assessed to be a contingent liability and accordingly, the said provision has been reversed.

(iii) Demands for the contentious matters in respect of subscriber verification norms and regulations including validity of certain documents allowed as proof of address / identity.

(iv) Penalty for alleged failure to meet certain procedural requirements for EMF radiation self-certification compliance.

The matters stated above are being contested by the Company and one of its subsidiaries and based on legal advice, the Company and one of its subsidiaries believes that it has complied with all license related regulations and does not expect any financial impact due to these matters.

In addition to the amounts disclosed in the table above, the contingent liability on DoT matters includes the following:

(v) Post the Hon'ble Supreme Court judgment in 2011, on components of AGR for computation of license fee, based on the legal advice, the Company believes that the foreign exchange gain should not be included in AGR for computation of license fee thereon. Further as per TDSAT judgement in 2015, foreign exchange fluctuation does not have any bearing on the license fees. Accordingly, the license fee on foreign exchange gain has not been provided in the financial statements. Also, due to ambiguity of interpretation of 'foreign exchange differences', the license fee impact on such exchange differences is not quantifiable. The matter is currently pending adjudication by Hon'ble Kerala High Court, Hon'ble Tripura High Court and Hon'ble Supreme Court.

(vi) On January 8, 2013, DoT issued a demand on the Company and one of its subsidiaries for ₹ 52,013 towards levy of one time spectrum charge which was further revised on June 27, 2018 to ₹ 84,140. The demand includes a retrospective charge of ₹ 9,090 for holding GSM spectrum beyond 6.2 MHz for the period from July 1, 2008 to December 31, 2012 and also a prospective charge of ₹ 75,050 for GSM spectrum held beyond 4.4 MHz for the period from January 1, 2013, till the expiry of the initial terms of the respective licenses.

In the opinion of the Company and one of its subsidiaries, inter-alia, the above demand amounts to alteration of financial terms of the licenses issued in the past. Based on a petition filed by the Company and one of its subsidiaries, the Hon'ble High Court of Bombay, vide its order dated January 28, 2013, has directed the DoT to respond and not to take any coercive action until the next date of hearing. The DoT has filed its reply and the matter is currently pending with Hon'ble High Court of Bombay. The Company and one of its subsidiaries, based on independent legal opinions, till date has not given any effect to the above demand.

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(vii) DoT had issued notices to the Company (as well as other telecom service providers) to stop provision of services (under 3G Intra Circle Roaming ('ICR') arrangements) in the service areas where such service providers had not been allocated 3G spectrum and levied a financial penalty of ₹ 3,500 on the Company. The Company contested the notices, in response to which TDSAT in 2014 held 3G ICR arrangements to be competent and compliant with the licensing conditions and quashed the notice imposing penalty. The DoT has challenged the order of TDSAT before the Hon'ble Supreme Court which is yet to be listed for hearing.

Guarantees:

Guarantees outstanding as of March 31, 2019 and March 31, 2018 amounting to ₹ 107,689 and ₹ 129,565 respectively, have been issued by banks and financial institutions on behalf of the Group. These guarantees include certain financial bank guarantees which have been given for subjudice matters / compliance with licensing requirements, the amount with respect to these have been disclosed under capital commitments, contingencies and liabilities, as applicable, in compliance with the applicable accounting standards.

In addition to the above the Group's share of guarantees of joint ventures and associates is ₹ 901 and ₹ 891 as of March 31, 2019 and March 31, 2018 respectively.

(ii) Commitments

Capital commitments

The Group has contractual commitments towards capital expenditure (net of related advance) of ₹ 93,336 and ₹ 137,280 as of March 31, 2019 and March 31, 2018 respectively.

In addition to the above, the Group's share of capital commitments of joint ventures and associates is ₹ 2,904 and ₹ 4,126 as of March 31, 2019 and March 31, 2018 respectively.

Lease commitments

(i) The Company's future minimum lease payments obligation as a lessee under the operating leases is ₹ 448,063 and ₹ 385,497 as of March 31, 2019 and March 31, 2018, respectively.

(ii) The Company's future minimum lease payments obligation as a lessee under the finance leases is ₹ 66,152 and ₹ 72,254 as of March 31, 2019 and March 31, 2018, respectively.

(Note 24 of the annual consolidated financial statements)

13. Revenue from operations

	For the year ended March 31, 2019	For the year ended March 31, 2018
Service revenue	805,002	822,528
Sale of products	2,800	3,860
	807,802	**826,388**

(Note 25 of the annual consolidated financial statements)

14. Network operating expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Passive infrastructure charges	98,667	79,636
Power and fuel	56,261	69,082
Repair and maintenance	36,419	34,667
Internet, bandwidth and leasedline charges	14,602	9,932
Others*	17,951	4,203
	223,900	**197,520**

*It includes charges towards managed service, installation, insurance and security.

Notes to Abridged Consolidated **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

15. Sales and marketing expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Sales commission and distribution	25,811	29,943
Advertisement and marketing	10,856	10,682
Business promotion	2,479	2,587
Other ancillary expenses	2,131	2,063
	41,277	**45,275**

16. Other expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Content cost	24,646	21,067
Cost of good sold	10,855	9,994
IT expenses	4,337	7,771
Customer care expenses	5,878	6,797
Legal and professional fees	4,794	5,072
Provision for doubtful debts	(14,097)	9,007
Collection and recovery expenses	2,836	3,607
Travelling and conveyance	2,236	2,113
Bad debts written off	24,353	1,156
Charity and donation	1,292	874
(Reversal of earlier provision) / provision for diminution in value of inventory	(163)	(282)
Others*	16,547	9,851
	83,514	**77,027**

*It includes rent, printing and stationary, security, repair and maintenance expenses etc. Further, it includes political contributions amounting to ₹ 542 and ₹ 330 made under Section 182 of the Companies Act, 2013 during the year ended March 31, 2019 and 2018 respectively

17. Depreciation and amortisation

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation	148,632	132,963
Amortisation	64,843	59,468
	213,475	**192,431**

18. Exceptional Items

Exceptional items comprise of the following:

(i) For the year ended March 31, 2019:

a. Charge of ₹ 6,399 mainly towards operating costs on network re-farming and up-gradation program

b. Credit of ₹ 28,568 due to re-assessment of levies, based on a recent pronouncement related to the manner of determination of such levies and settlement of litigations

c. Charge of ₹ 1,368 mainly towards net integration related cost / reversal pertaining to the business combination

Notes to Abridged Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

d. Charge of ₹ 248 related to the early redemption of the USD 1,500 Mn 5.125% Guaranteed Senior Notes due in March 2023 (refer note 6 (e)).

e. Credit of ₹ 8,735 Mn due to de-consolidation of APBL (refer note 6 (f)).

(ii) For the year ended March 31, 2018:

a. Charge of ₹ 4,372 mainly towards operating costs on network re-farming and up-gradation program

b. Net charge of ₹ 3,457 relating to the translation impact in Nigeria due to transition from the administered to market based exchange rate given the underlying economic changes and other developments

c. Provision of ₹ 1,094 taken against one major delinquent receivable

d. Charge of ₹ 3,535 due to levies and taxes pertaining to internal restructuring and litigation related assessment

e. Gain of ₹ 4,527 mainly pertaining to one of the earlier divestments

Tax expenses include:

(a) Net benefit of ₹ 9,579 and ₹ 2,305 during the year ended March 31, 2019 and 2018 respectively on above exceptional items

(b) Net charge of ₹ 407 and benefit of ₹ 1,779 on account of re-assessment of tax provisions for the year ended March 31, 2019 and 2018 respectively on above exceptional items.

The net impact for non-controlling interests is charge of ₹ 579 and benefit of ₹ 878 during the year ended March 31, 2019 and 2018 respectively, relating to the above exceptional items.

19. Segment Reporting

The Group's operating segments are organised and managed separately through the respective business managers, according to the nature of products and services provided and geographies in which services are provided, with each segment representing a strategic business unit. These business units are reviewed by the Chairman of the Group (Chief Operating Decision Maker - 'CODM').

The amounts reported to CODM are based on the accounting principles used in the preparation of financial statements as per Ind AS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before exceptional items and tax but including share of result of joint ventures and associates. Accordingly, finance costs / income, non-operating (income) / expenses and exceptional items are not allocated to individual segment.

Inter-segment pricing and terms are reviewed and changed by the management to reflect changes in market conditions and changes to such terms are reflected in the period in which the changes occur.

Inter-segment revenues are eliminated upon consolidation of segments / Group accounting policy alignments are reflected in the 'Eliminations / Adjustments' column.

Segment assets / liabilities comprise assets / liabilities directly managed by each segment. Segment assets primarily includes receivables, property, plant and equipment, capital work-in-progress, intangibles assets, intangible assets under development, non-current investments, inventories and cash and cash equivalents. Segment liabilities primarily include operating liabilities. Segment capital expenditure comprises of additions to PPE, CWIP, intangible assets, intangible assets under development and capital advances.

The reporting segments of the Group are as below:

Mobile Services India: These services cover voice and data telecom services provided through wireless technology (2G / 3G / 4G) in India. This includes the captive national long distance networks which primarily provide connectivity to the mobile services business in India. This also includes intra-city fibre networks.

Mobile Services Africa: These services cover provision of voice and data telecom services provided through wireless technology (2G / 3G / 4G) offered to customers in Africa. This also includes corporate headquarter costs of the Group's Africa operations.

Mobile Services South Asia: These services cover voice and data telecom services provided through wireless technology (2G / 3G) in Sri Lanka and Bangladesh.

Airtel Business: These services cover end-to-end telecom solutions being provided to large Indian and global corporations by serving as a single point of contact for all telecommunication needs across data and voice (domestic as well as international long distance), network integration and managed services.

Tower Infrastructure Services: These services include setting up, operating and maintaining wireless communication towers in India.

Homes Services: These services cover voice and data communications through fixed-line network and broadband technology for homes.

Digital TV Services: This includes digital broadcasting services provided under the direct-to-home platform.

Others: It includes certain other strategic investment in joint venture/associates, and administrative support services provided to other segments.

Unallocated: It includes expenses / results, assets and liabilities primarily of corporate headquarters of the Group, non-current investment, current taxes, deferred taxes, borrowings and certain financial assets and liabilities, not allocated to the operating segments.

Notes to Abridged Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Summary of the segmental information for the year ended and as of March 31, 2019 is as follows:

	Mobile Services India	Mobile Services Africa	Mobile Services South Asia	Airtel Business	Tower Infrastructure Services	Homes Services	Digital TV Services	Others#	Unallocated	Eliminations/ Adjustments	Total
Revenue from external customers	394,707	210,333	4,199	103,235	32,047	22,235	40,935	867	-	(756)	807,802
Inter-segment revenue	20,833	4,695	237	21,302	36,138	156	66	296	-	(83,723)	-
Total revenue	**415,540**	**215,028**	**4,436**	**124,537**	**68,185**	**22,391**	**41,001**	**1,163**	**-**	**(84,479)**	**807,802**
Share of results of joint ventures and associates	4	(7)	-	-	10,172	3	-	(5,324)	-	(1,292)	3,556
Segment results	(57,507)	52,100	(1,069)	27,466	31,429	3,333	7,410	(7,228)	(1,726)	(3,026)	51,182
Less:											
Finance costs											110,134
Finance income											(14,240)
Non-operating expenses (net)											1,894
Exceptional items (net) (refer note 18)											(29,288)
Loss before tax											**(17,318)**
Other segment items											
Capital expenditure	235,770	50,846	1,228	18,986	9,107	8,931	8,791	41	-	(5,769)	327,931
Depreciation and amortisation	150,991	31,234	1,196	13,014	10,658	7,453	8,275	50	11	(9,407)	213,475
As of Macrh 31, 2019											
Segment assets*	1,700,637	570,021	6,774	149,445	169,693	45,889	31,234	37,927	133,120	(92,765)	2,751,975
Segment liabilities*	408,088	110,986	2,515	87,225	22,303	21,729	35,423	2,181	1,313,444	(101,399)	1,902,495
Investment in joint ventures and associates (included in segment assets above)	66	230	-	-	52,479	3	-	36,159	-	-	88,937

#Refer Note 6(f)

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Summary of the segmental information for the year ended and as of March 31, 2018 is as follows:

	Mobile Services India	Mobile Services Africa	Mobile Services South Asia	Airtel Business	Tower Infrastructure Services	Homes Services	Digital TV Services	Others	Unallocated	Eliminations/ Adjustments	Total
Revenue from external customers	441,295	186,074	3,783	98,244	33,221	25,056	37,505	1,199	-	11	826,388
Inter-segment revenue	21,344	4,999	262	15,322	33,063	209	65	2,810	-	(78,074)	-
Total revenue	**462,639**	**191,073**	**4,045**	**113,566**	**66,284**	**25,265**	**37,570**	**4,009**	**-**	**(78,063)**	**826,388**
Share of results of joint ventures and associates	6	205	-	-	13,025	3	-	(1,421)	-	(1,209)	10,609
Segment results	20,835	35,884	(1,268)	31,029	33,477	4,720	5,306	(4,097)	(1,679)	(2,750)	121,457
Less:											
Finance costs											93,255
Finance income											(12,540)
Non-operating expenses, (net)											141
Exceptional items (refer note 18)											7,931
Profit before tax											**32,670**
Other segment items											
Capital expenditure	198,280	28,366	2,066	14,263	11,307	11,129	10,277	267	6,257	(7,498)	274,714
Depreciation and amortisation	129,545	30,480	1,276	11,372	11,801	7,057	8,915	55	1	(8,070)	192,432
As of March 31, 2018									-		
Segment assets*	1,515,169	508,049	6,839	154,920	199,273	44,251	26,120	39,261	88,578	(76,643)	2,505,817
Segment liabilities*	317,043	115,039	2,622	76,378	22,400	19,866	33,964	8,328	1,210,172	(83,479)	1,722,333
Investment in joint ventures and associates (included in segment assets above)	57	226	-	-	58,110	3	-	28,443	-	-	86,839

*Effective April 1, 2017, individual segments exclude inter-segment balances and allocated borrowings. This has no impact on total assets and liabilities.

Notes to Abridged Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Geographical information:*

Information concerning geographical areas by location of the entity is as follows:

(a) Revenue from external customers:

	For the year ended March 31, 2019	For the year ended March 31, 2018
India	573,002	619,000
Africa	210,333	186,074
Others	24,467	21,314
	807,802	**826,388**

(b) Non-current assets:

	As of March 31, 2019	As of March 31, 2018
India	1,608,066	1,503,452
Africa	470,490	448,314
Others	27,040	18,897
	2,105,596	**1,970,663**

*Basis location of entity.

Non-current operating assets for this purpose consist of PPE, CWIP, intangible assets, intangible assets under development, capital advances and goodwill.

20 Related party disclosures

(a) List of related parties

i. Ultimate controlling entity (w.e.f. November 3, 2017)

Bharti Enterprises (Holding) Private Limited. It is held by private trusts of Bharti family, with Mr. Sunil Bharti Mittal's family trust effectively controlling the said company.

ii. Entity having control over the Company (w.e.f. November 3, 2017)*

Bharti Telecom Limited

*significant influence until November 2, 2017

iii. For list of subsidiaries, joint venture and associates refer note no. 22.

iv. Other entities with whom transactions have taken place during the reporting periods

- Entities having significant influence over the Company

  Pastel Limited

  Singapore Telecommunications Limited

- Fellow companies (subsidiaries / joint ventures/ associates other than that of the Company)

  a) Subsidiaries

  Bharti Axa General Insurance Company Limited

  Bharti Axa Life Insurance Company Limited

  Bharti Enterprises Limited

  Bharti Insurance Holdings Private Limited (Merged with Bharti Airtel Enterprises (Holdings) Private Limited w.e.f. 18th October, 2018)

  Cedar support Services Limited (Merged with Bharti Airtel Enterprises (Holdings) Private Limited w.e.f. 18th October, 2018)

  b) Associates

  Bharti General Ventures Private Limited

  Bharti Life Ventures Private Limited

- Others related parties*

a) Entities where Key Management Personnel and their relatives exercise significant influence

Bharti Airtel Employees Welfare Trust
Bharti Foundation
Hike Private Limited (formerly known as Hike Limited)

b) Others

Bharti Land Limited
Bharti Realty Holdings Limited
Bharti Realty Limited
Bharti Support Services Private Limited (Merged with Bharti Airtel Enterprises (Holdings) Private Limited w.e.f. 18th October, 2018)
Brightstar Telecommunication India Limited
Centum Learning Limited
Centum Work skills India Limited
Deber Technologies Private Limited
Fieldfresh Foods Private Limited
Gourmet Investments Private Limited
Indian Continent Investment Limited
Jersey Airtel Limited
Nile Tech Limited
Oak Infrastructure Developers Limited

* **'Other related parties'** though not 'Related Parties' as per the definition under Ind AS 24, Related party disclosures have been included by way of a voluntary disclosure, following the best corporate governance practices.

v. Key Management Personnel ('KMP')

Sunil Bharti Mittal
Gopal Vittal
Raghunath Mandava

Notes to Abridged Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

In the ordinary course of business, there are certain transactions among the group entities. However, the intra-group transactions and balances, and the income and expenses arising from such transactions, are eliminated on consolidation. The significant transactions with balance related parties for the years ended March 31, 2019 and 2018 respectively, are described below:

(b) The summary of transactions with the above mentioned parties is as follows:

Relationship	For the year ended March 31, 2019				For the year ended March 31, 2018			
	Significant influence entities	Associates	Joint ventures	ORP / FC*	Significant influence entities	Associates	Joint ventures	ORP / FC*
Purchase of assets	-	-	(334)	(856)	-	-	-	(2,761)
Sale / rendering of services	983	105	121	153	1,022	-	44	343
Purchase of goods / receiving of services	(596)	(287)	(43,647)	(2,985)	(217)	(50)	(39,977)	(3,504)
Reimbursement of energy expenses	-	-	(24,764)	(1)	-	-	(26,869)	-
Dividend paid	(13,013)	-	-	(414)	(9,777)	-	-	(496)
Dividend received	-	-	(11,261)	-	-	-	10,010	-

*Other related parties / fellow companies

(All amounts are in millions of Indian Rupee; unless stated otherwise)

(c) The outstanding balances are as follows:

	Significant influence entities	Associates	Joint ventures	ORP / FC*
As of March 31, 2019				
Trade payables	(219)	(71)	(21,566)	(227)
Trade receivables	-	406	-	54
Security deposit	2	-	4,604	1,214
As of March 31, 2018				
Trade payables	(117)	(31)	(11,193)	(139)
Trade receivables	-	-	-	102
Security deposit	-	-	3,934	1,070

*Other related parties / fellow companies

(1) Outstanding balances at period end are un-secured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

(2) In addition to the above, ₹ 544 and ₹ 410 donation has been given to Bharti Foundation during the year ended March 31, 2019 and 2018 respectively.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director, whether executive or otherwise. Remuneration to key management personnel were as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employee benefits	339	317
Performance linked incentive ('PLI')#	211	160
Post-employment benefits	28	28
Share-based payment	55	62
	633	**567**

Value of PLI considered above represents incentive at 100% performance level. However, same will be paid on the basis of actual performance parameters in next year. Additional provision of ₹ Nil and ₹ 21 has been recorded in the books towards PLI for the year ended March 31, 2019 and 2018 respectively. During the year ended March 31, 2019, PLI of ₹188 (March 31, 2018: ₹ 164) pertaining to previous year has been paid.

In addition to above, ₹ 1,888 thousand and ₹ 1,122 thousand for the year ended March 31, 2019 and 2018 respectively have been paid as dividend to key management personnel.

As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole rather than each of the individual employees, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

21. Other Matters

(i) In 1996, the Company had obtained the permission from DoT to operate its Punjab license through one of its wholly owned subsidiary. However, DoT cancelled the permission to operate in April, 1996 and subsequently reinstated in March, 1998. Accordingly, for the period from April,1996 to March, 1998 ('blackout period') the license fee was disputed and not paid by the Company.

Notes to Abridged Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

21. Other Matters (contd..)

Subsequently, basis the demand from DoT in 2001, the Company paid the disputed license fee of ₹ 4,856 for blackout period under protest. Consequently, the license was restored subject to arbitrator's adjudication on the dispute. The arbitrator adjudicated the matter in favour of DoT, which was challenged by the Company before Hon'ble Delhi High Court. In 2012, Hon'ble Delhi High Court passed an order setting aside the arbitrator's award, which was challenged by DoT and is pending before its division bench. Meanwhile, the Company had filed a writ petition for recovery of the disputed license fee and interest thereto. However, the single bench, despite taking the view that the Company is entitled to refund, dismissed the writ petition on the ground that the case is still pending with the larger bench. The Company therefore has filed appeal against the said order with division bench and is currently pending. DoT had also filed an appeal against the single judge order. Both these appeals are tagged together and are listed for final hearing. The Hon'ble court has directed both the parties to file comprehensive written submission.

(ii) TRAI vide Telecom Interconnect Usages Charges Regulation (Eleventh Amendment) 2015 has reduced the IUC charges for mobile termination charges to 14 paisa from 20 paisa and abolished the fixed-line termination charges. The Company has challenged the said Regulation before the Hon'ble Delhi High Court and the matter is currently pending.

Notes to Abridged Consolidated **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

22 Additional information as required under Schedule III of the Companies Act, 2013

Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income

S. No.	Name of the entity / Principal activities	% of shareholding as at March 31, 2019 and 2018 (Refer note 1 and 2)	Principal place of operation / country of incorporation	March 31, 2019					
				Net Assets ('N A'), i.e., total assets minus total liabilities		Share in profit or loss ('P&L')		Share in total comprehensive income ('TCI')	
				As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
	Parent								
	- Telecommunication services								
1	Bharti Airtel Limited	100%	India	115.79%	983,593	(446.67%)	(18,290)	297.23%	(18,194)
	Subsidiaries								
	A. Indian								
	- Telecommunication services								
1	Bharti Hexacom Limited	70%	India	6.79%	57,676	(176.33%)	(7,220)	117.90%	(7,217)
2	Nxtra Data Limited	100%	India	0.06%	469	11.56%	473	(7.75%)	474
3	Smartx Services Limited	53.51% (i)	India	0.00%	(2)	(0.92%)	(37)	0.61%	(37)
4	Telesonic Networks Limited	100%	India	0.09%	761	3.55%	145	(2.39%)	146
5	Wynk Limited	100%	India	0.06%	491	(1.49%)	(61)	1.00%	(61)
6	Bharti Digital Networks Private Limited (Formerly known as Tikona Digital Networks Private Limited)	100%	India	(1.67%)	(14,187)	(9.26%)	(379)	6.19%	(379)
	- Direct To Home services								
1	Bharti Telemedia Limited	80% (ii)	India	(1.35%)	(11,495)	329.63%	13,498	(220.56%)	13,501
	- Infrastructure sharing services								
1	Bharti Infratel Limited	53.51% (i)	India	11.71%	99,461	323.46%	13,245	(216.03%)	13,224
	- Investment Company								
1	Nettle Infrastructure Investments Limited	100%	India	(1.28%)	(10,864)	268.13%	10,979	110.88%	(6,787)
	- Mobile commerce services								
1	Airtel Payments Bank Limited (Has become associate w.e.f 25th Oct, 2018)	80.10%	India	0.00%	-	(45.15%)	(1,849)	30.24%	(1,851)
	- Other								
1	Bharti Airtel Services Limited	100%	India	(0.03%)	(287)	0.54%	22	(0.49%)	30
2	Airtel International LLP (incorporated w.e.f. March 27, 2019)	100%	India	0.00%	-	0.00%	-	0.00%	-
	- Uplinking channels for broadcasters								
1	Indo Teleports Limited	100%	India	(0.07%)	(591)	(0.75%)	(31)	0.50%	(31)
	B. Foreign								
	- Infrastructure sharing services								
1	Africa Towers Services Limited #	100%	Kenya	0.00%	0	(0.01%)	(1)	0.01%	(1)
2	Congo RDC Towers S.A.	100%	Democratic Republic of Congo	(0.07%)	(598)	0.03%	1	(0.02%)	1

Notes to Abridged Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income

S. No.	Name of the entity / Principal activities	% of shareholding as at March 31, 2019 and 2018 (Refer note 1 and 2)	Principal place of operation / country of incorporation	March 31, 2019					
				Net Assets ('N A'), i.e., total assets minus total liabilities		Share in profit or loss ('P&L')		Share in total comprehensive income ('TCI')	
				As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
3	Gabon Towers S.A. ##	97.95%(v)	Gabon	0.00%	(1)	0.00%	(0)	0.00%	(0)
4	Madagascar Towers S.A.	100%	Madagascar	0.07%	591	7.96%	326	(5.32%)	326
5	Malawi Towers Limited	100%	Malawi	(0.04%)	(307)	42.52%	1,741	(28.44%)	1,741
6	Tanzania Towers Limited	60%	Tanzania	0.00%	(34)	(0.04%)	(1)	0.02%	(1)
	- Investment Company								
1	Africa Towers N.V.	100%	Netherlands	(0.06%)	(550)	(1.92%)	(79)	1.28%	(79)
2	Airtel Mobile Commerce B.V.	100%	Netherlands	(0.01%)	(90)	(0.78%)	(32)	0.52%	(32)
3	Airtel Mobile Commerce Holdings B.V.	100%	Netherlands	0.00%	1	0.00%	-	0.00%	-
4	Airtel Africa Mauritius Limited (incorporated w.e.f. June 28, 2018)	100%	Mauritius	17.33%	147,241	(0.01%)	(1)	0.01%	(1)
5	Airtel Africa Limited (incorporated w.e.f. July 12, 2018)	68.31%(iii)	United Kingdom	28.56%	242,597	4.43%	181	(2.96%)	181
6	Airtel Mobile Commerce Nigeria B.V.(incorporated w.e.f. 5th December, 2018)	100%	Netherlands	0.00%	(0)	0.00%	-	0.00%	-
7	Airtel Mobile Commerce (Seychelles) B.V. (incorporated w.e.f. 29th January, 2019)	100%	Netherlands	0.00%	(0)	0.00%	-	0.00%	-
8	Airtel Mobile Commerce Congo B.V. (incorporated w.e.f. 29th January, 2019)	100%	Netherlands	0.00%	(0)	0.00%	-	0.00%	-
9	Airtel Mobile Commerce Kenya B.V. (incorporated w.e.f. 29th January, 2019)	100%	Netherlands	0.00%	(0)	0.00%	-	0.00%	-
10	Airtel Mobile Commerce Madagascar B.V. (incorporated w.e.f. 29th January, 2019)	100%	Netherlands	0.00%	(0)	0.00%	-	0.00%	-
11	Airtel Mobile Commerce Malawi B.V. (incorporated w.e.f. 29th January, 2019)	100%	Netherlands	0.00%	(0)	0.00%	-	0.00%	-
12	Airtel Mobile Commerce Rwanda B.V. (incorporated w.e.f. 29th January, 2019)	100%	Netherlands	0.00%	(0)	0.00%	-	0.00%	-
13	Airtel Mobile Commerce Tchad. B.V. (incorporated w.e.f. 29th January, 2019)	100%	Netherlands	0.00%	(0)	0.00%	-	0.00%	-
14	Airtel Mobile Commerce Uganda B.V. (incorporated w.e.f. 29th January, 2019)	100%	Netherlands	0.00%	(0)	0.00%	-	0.00%	-
15	Airtel Mobile Commerce Zambia B.V. (incorporated w.e.f. 29th January, 2019)	100%	Netherlands	0.00%	(0)	0.00%	-	0.00%	-
16	Bharti Airtel Africa B.V.	100%	Netherlands	12.32%	104,648	96.37%	3,946	(64.47%)	3,946
17	Bharti Airtel Burkina Faso Holdings B.V.#	100%	Netherlands	0.00%	(0)	(1218.86%)	(49,909)	815.35%	(49,909)

Notes to Abridged Consolidated **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income

S. No.	Name of the entity / Principal activities	% of shareholding as at March 31, 2019 and 2018 (Refer note 1 and 2)	Principal place of operation / country of incorporation	March 31, 2019					
				Net Assets ('N A'), i.e., total assets minus total liabilities		Share in profit or loss ('P&L')		Share in total comprehensive income ('TCI')	
				As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
18	Bharti Airtel Chad Holdings B.V.	100%	Netherlands	(0.03%)	(287)	10.17%	417	(6.80%)	417
19	Bharti Airtel Congo Holdings B.V.	100%	Netherlands	0.77%	6,561	1.83%	75	(1.23%)	75
20	Bharti Airtel Developers Forum Limited	96.36%	Zambia	-	-	0.00%	-	0.00%	-
21	Bharti Airtel Holding (Mauritius) Limited (incorporated w.e.f. June 27, 2018)	100%	Mauritius	0.01	11,192	(0.01%)	(1)	0.01%	(1)
22	Bharti Airtel Overseas (Mauritius) Limited (incorporated w.e.f. June 28, 2018)	100%	Mauritius	0.01	5,790	(0.01%)	(1)	0.01%	(1)
23	Bharti Airtel Gabon Holdings B.V.	100%	Netherlands	1.07%	9,078	1.89%	78	(1.27%)	78
24	Bharti Airtel International (Mauritius) Limited	100%	Mauritius	1.99%	16,945	13.60%	557	(9.10%)	557
25	Bharti Airtel International (Netherlands) B.V.	100%	Netherlands	50.75%	431,142	136.45%	5,587	(91.28%)	5,587
26	Bharti Airtel Kenya B.V.	100%	Netherlands	(2.32%)	(19,667)	(69.97%)	(2,865)	46.81%	(2,865)
27	Bharti Airtel Kenya Holdings B.V.	100%	Netherlands	(0.35%)	(2,977)	(3.53%)	(144)	2.36%	(144)
28	Bharti Airtel Madagascar Holdings B.V.	100%	Netherlands	(0.46%)	(3,926)	(25.17%)	(1,031)	16.84%	(1,031)
29	Bharti Airtel Malawi Holdings B.V.	100%	Netherlands	0.21%	1,786	32.82%	1,344	(21.95%)	1,344
30	Bharti Airtel Mali Holdings B.V.	100%	Netherlands	0.01%	49	(0.57%)	(23)	0.38%	(23)
31	Bharti Airtel Niger Holdings B.V.	100%	Netherlands	1.62%	13,734	37.32%	1,528	(24.97%)	1,528
32	Bharti Airtel Nigeria B.V.	100%	Netherlands	(8.96%)	(76,129)	(178.05%)	(7,291)	119.10%	(7,291)
33	Bharti Airtel Nigeria Holdings II B.V.	100%	Netherlands	(0.01%)	(114)	0.00%	(0)	0.00%	(0)
34	Bharti Airtel RDC Holdings B.V.	100%	Netherlands	(0.11%)	(956)	(70.07%)	(2,869)	46.87%	(2,869)
35	Bharti Airtel Rwanda Holdings Limited	100%	Mauritius	0.00%	(21)	(5.26%)	(215)	3.52%	(215)
36	Bharti Airtel Services B.V.	100%	Netherlands	(0.06%)	(519)	(1.20%)	(49)	0.80%	(49)
37	Bharti Airtel Tanzania B.V.	100%	Netherlands	(0.47%)	(4,000)	28.28%	1,158	(18.92%)	1,158
38	Bharti Airtel Uganda Holdings B.V.	100%	Netherlands	(0.82%)	(6,962)	92.58%	3,791	(61.93%)	3,791
39	Bharti Airtel Zambia Holdings B.V.	100%	Netherlands	4.02%	34,190	77.41%	3,170	(51.78%)	3,170
40	Celtel (Mauritius) Holdings Limited	100%	Mauritius	0.32%	2,712	5.75%	235	(3.85%)	235
41	Channel Sea Management Company (Mauritius) Limited	100%	Mauritius	0.00%	34	(0.03%)	(1)	0.02%	(1)
42	Indian Ocean Telecom Limited	100%	Jersey	0.15%	1,296	12.00%	491	(8.03%)	491
43	Montana International	100%	Mauritius	0.00%	(15)	(0.01%)	(0)	0.01%	(0)
44	Partnership Investments Sarl	100%	Democratic Republic of Congo	-	-	0.00%	-	0.00%	-
45	Société Malgache de Téléphone Cellulaire S.A.	100%	Mauritius	0.01%	119	(0.02%)	(1)	0.02%	(1)
46	Bharti Airtel International (Mauritius) Investments Limited	100%	Mauritius	0.00%	(0)	(0.02%)	(1)	0.01%	(1)
	- Mobile commerce services								

Notes to Abridged Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income

S. No.	Name of the entity / Principal activities	% of shareholding as at March 31, 2019 and 2018 (Refer note 1 and 2)	Principal place of operation / country of incorporation	March 31, 2019					
				Net Assets ('N A'), i.e., total assets minus total liabilities		Share in profit or loss ('P&L')		Share in total comprehensive income ('TCI')	
				As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
1	Airtel Mobile Commerce (Kenya) Limited	100%	Kenya	0.00%	0	0.00%	-	0.00%	-
2	Airtel Mobile Commerce (Seychelles) Limited	100%	Seychelles	0.00%	(34)	(0.07%)	(3)	0.04%	(3)
3	Airtel Mobile Commerce (Tanzania) Limited	100%	Tanzania	0.00%	0	0.00%	-	0.00%	-
4	Airtel Mobile Commerce Limited	100%	Malawi	0.00%	0	0.00%	-	0.00%	-
5	Airtel Mobile Commerce Madagascar S.A.	100%	Madagascar	0.01%	68	0.80%	33	(0.54%)	33
6	Airtel Mobile Commerce Rwanda Limited	100%	Rwanda	0.00%	1	0.00%	-	0.00%	-
7	Airtel Mobile Commerce Tchad S.a.r.l.	100%	Chad	0.00%	0	0.00%	-	0.00%	-
8	Airtel Mobile Commerce Uganda Limited	100%	Uganda	0.00%	0	0.00%	-	0.00%	-
9	Airtel Mobile Commerce Zambia Limited	100%	Zambia	0.00%	29	12.83%	526	(8.59%)	526
10	Airtel Money (RDC) S.A.	100%	Democratic Republic of Congo	0.10%	833	16.47%	674	(11.02%)	674
11	Airtel Money Niger S.A.	90%	Niger	0.00%	74	3.11%	127	(2.08%)	127
12	Airtel Money S.A. (Gabon)	100%	Gabon	0.11%	950	20.09%	823	(13.44%)	823
13	Airtel Money Transfer Limited	100%	Kenya	0.00 %	14	0.00%	(0)	0.00%	(0)
14	Mobile Commerce Congo S.A.	100%	Congo Brazzaville	0.00%	1	0.00%	-	0.00%	-
15	Airtel Money Tanzania Limited	60.04%	Tanzania	0.00%	(0)	(0.01%)	(0)	0.01%	(0)
16	Airtel Mobile Commerce Nigeria Limited	91.77%(iv)	Nigeria	-	-	0.00%	-	0.00%	-
	- Submarine Cable System								
1	Network i2i Limited	100%	Mauritius	13.58%	115,398	7.75%	318	(5.19%)	318
	- Telecommunication services								
1	Airtel (Seychelles) Limited	100%	Seychelles	0.06%	527	4.49%	184	(3.01%)	184
2	Airtel Congo (RDC) S.A.	98.50%	Democratic Republic of Congo	(6.77%)	(57,540)	43.44%	1,779	(29.06%)	1,779
3	Airtel Congo S.A.	90%	Congo Brazzaville	(1.14%)	(9,662)	(27.80%)	(1,139)	18.60%	(1,139)
4	Airtel Gabon S.A.	97.95%(v)	Gabon	(0.55%)	(4,698)	14.75%	604	(9.86%)	604
5	Airtel Madagascar S.A.	100%	Madagascar	(0.86%)	(7,335)	(37.94%)	(1,553)	25.38%	(1,553)
6	Airtel Malawi Limited	100%	Malawi	0.09%	794	8.17%	335	(5.47%)	335
7	Airtel Networks Kenya Limited @	100%	Kenya	(3.49%)	(29,686)	(48.06%)	(1,968)	32.15%	(1,968)
8	Airtel Networks Limited	91.77%(iv)	Nigeria	1.23%	10,431	656.45%	26,880	(439.13%)	26,880
9	Airtel Rwanda Limited	100%	Rwanda	(1.94%)	(16,493)	(80.94%)	(3,314)	54.15%	(3,314)

Notes to Abridged Consolidated **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income

S. No.	Name of the entity / Principal activities	% of shareholding as at March 31, 2019 and 2018 (Refer note 1 and 2)	Principal place of operation / country of incorporation	March 31, 2019					
				Net Assets ('N A'), i.e., total assets minus total liabilities		Share in profit or loss ('P&L')		Share in total comprehensive income ('TCI')	
				As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
10	Airtel Tanzania Public Limited Company (Formerly known as Airtel Tanzania Limited)	60%	Tanzania	(3.44%)	(29,256)	(32.91%)	(1,348)	22.02%	(1,348)
11	Airtel Tchad S.A.	100%	Chad	(0.65%)	(5,550)	(14.68%)	(601)	9.82%	(601)
12	Airtel Uganda Limited	100%	Uganda	0.39%	3,334	162.60%	6,658	(108.77%)	6,658
13	Bharti Airtel (France) SAS	100%	France	0.07%	582	5.42%	222	(3.63%)	222
14	Bharti Airtel (Hong Kong) Limited	100%	Hong Kong	0.02%	184	4.18%	171	(2.79%)	171
15	Bharti Airtel (Japan) Private Limited	100%	Japan	0.00%	5	(0.05%)	(2)	0.03%	(2)
16	Bharti Airtel (UK) Limited	100%	United Kingdom	0.10%	831	6.11%	250	(4.09%)	250
17	Bharti Airtel (USA) Limited	100%	United States of America	0.10%	866	3.68%	151	(2.46%)	151
18	Bharti Airtel Lanka (Private) Limited	100%	Sri Lanka	(0.04%)	(319)	(39.61%)	(1,622)	26.57%	(1,627)
19	Bharti International (Singapore) Pte. Ltd.	100%	Singapore	1.70%	14,467	(8.60%)	(352)	5.75%	(352)
20	Celtel Niger S.A.	90%	Niger	0.03%	267	(23.56%)	(965)	15.76%	(965)
21	Airtel Networks Zambia Plc	96.36%	Zambia	(0.18%)	(1,544)	2.02%	83	(1.35%)	83
22	Tigo Rwanda Limited (merged with Airtel Rwanda Ltd w.e.f July 3, 2018)	100%	Rwanda	0.00%	-	1.66%	68	(1.11%)	68
	Minority Interests in all subsidiaries			15.92%	135,258	(312.09%)	(12,780)	163.78%	(10,026)
	Associates (Investment as per the equity method)								
	A. Indian								
	- Financial Services								
1	Seynse Technologies Private Limited	22.54%	India	0.02%	205	(0.40%)	(16)	0.27%	(16)
	- Mobile commerce services								
1	Airtel Payments Bank Limited (W.e.f 25th Oct, 2018)	80.10%	India	1.21%	10,283	(30.15%)	(1,235)	20.17%	(1,235)
	- Others								
1	Juggernaut Books Private Limited	19.35%(vi)	India	0.01%	108	(0.23%)	(10)	0.16%	(10)
	B. Foreign								
	- Submarine cable system								
1	Seychelles Cable Systems Company Limited	26%	Seychelles	0.03%	230	(0.17%)	(7)	0.11%	(7)
	- Telecommunication services								
1	Robi Axiata Limited	25%	Bangladesh	2.81%	23,886	29.14%	1,193	(19.33%)	1,183
	Joint Ventures (Investment as per the equity method)								

Notes to Abridged Consolidated **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income

S. No.	Name of the entity / Principal activities	% of shareholding as at March 31, 2019 and 2018 (Refer note 1 and 2)	Principal place of operation / country of incorporation	March 31, 2019					
				Net Assets ('N A'), i.e., total assets minus total liabilities		Share in profit or loss ('P&L')		Share in total comprehensive income ('TCI')	
				As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
	A. Indian								
	- Passive infrastructure services								
1	Indus Towers Limited	22.47%	India	6.18%	52,482	216.83%	8,879	(145.01%)	8,876
	- Telecommunication services								
1	FireFly Networks Limited	50%	India	0.00%	3	0.01%	0	(0.01%)	0
	B. Foreign								
	- Provision of regional mobile services								
1	Bridge Mobile Pte Limited	10%	Singapore	0.01%	66	0.10%	4	(0.07%)	4
	- Telecommunication services								
1	Bharti Airtel Ghana Holdings B.V.	50%	Netherlands	0.20%	1,676	(128.28%)	(5,253)	85.82%	(5,253)
	Inter-company eliminations / adjustments on consolidation				(1,379,832)		15,692		20,418
	Total			**100%**	**849,480**	**100%**	**4,095**	**100%**	**(6,121)**

Notes to Abridged Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 2 - Details pertaining to share in other comprehensive income.

S. No.	Name of the entity	% of shareholding as at March 31, 2019 and 2018 (Refer note 1 and 2)	Principal place of operation / country of incorporation	March 31, 2019 Share in other comprehensive income ('OCI')	
				As % of OCI	Amount
	Parent				
	Telecommunication services				
1	Bharti Airtel Limited	100%	India	(0.94%)	96
	Subsidiaries				
	- Indian				
	- Telecommunication services				
1	Bharti Hexacom Limited	70%	India	(0.03%)	3
2	Nxtra Data Limited	100%	India	(0.01%)	1
3	Telesonic Networks Limited	100%	India	(0.01%)	1
4	Wynk Limited	100%	India	0.00%	(0)
	- Direct To Home services				
1	Bharti Telemedia Limited	80% (ii)	India	(0.03%)	3
	- Infrastructure sharing services				
1	Bharti Infratel Limited	53.51% (i)	India	0.21%	(21)
	- Investment Company				
1	Nettle Infrastructure Investments Limited	100%	India	173.92%	(17,766)
	- Other				
1	Bharti Airtel Services Limited	100%	India	(0.08%)	8
	- Mobile commerce services				
	Airtel Payments Bank Limited (Has become associate w.e.f 25th Oct, 2018)	80.10%	India	0.02%	(3)
	- Foreign				
	- Telecommunication services				
1	Bharti Airtel Lanka (Private) Limited	100%	Sri Lanka	0.05%	(5)
	Minority Interests in all subsidiaries			(26.96%)	2,754
	Associates (Investment as per the equity method)				
	A. Foreign				
	- Telecommunication services				
1	Robi Axiata Limited	25%	Bangladesh	0.10%	(10)

Notes to Abridged Consolidated **Financial Statements**

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 2 - Details pertaining to share in other comprehensive income.

S. No.	Name of the entity	% of shareholding as at March 31, 2019 and 2018 (Refer note 1 and 2)	Principal place of operation / country of incorporation	March 31, 2019 Share in other comprehensive income ('OCI')	
				As % of OCI	Amount
	Joint Ventures (Investment as per the equity method)				
	A. Indian				
	- Passive infrastructure services				
1	Indus Towers Limited	22.47% (i)	India	0.02%	(2)
	Inter-company eliminations / adjustments on consolidation				4,726
	Total			**100%**	**(10,215)**

Notes:

1 - Changes in shareholding during the year ended March 31, 2019:

i) The Company has reduced its shareholding to 53.51% (53.54% in March 31, 2018) during the year ended March 31, 2019.

ii) The Company has reduced its shareholding to 80% (95% in March 31, 2018) during the year ended March 31, 2019.

iii) The Company has reduced its shareholding to 68.31% during the year ended March 31, 2019.

iv) The Company has increased its shareholding to 91.77% (83.25% in March 31, 2018) during the year ended March 31, 2019.

v) The Company has increased its shareholding to 97.95% (90% in March 31, 2018) during the year ended March 31, 2019.

vi) The Company has increased its shareholding to 19.35% (10.71% in March 31, 2018) during the year ended March 31, 2019.

2 - Others

Liquidated during the year ended March 31, 2019

Under liquidation

@ The Group also holds 100%preference shareholding in the Company. The preference shares do not carry any voting rights.

The figures which are appearing as '0' are result of rounding off.

Salient features of the financial statement of subsidiaries, associates and joint ventures for the year ended March 31, 2019, pursuant to Section 129 (3) of the Companies Act 2013

Part A - Subsidiaries

(₹ in Million)

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2019	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend**	Capital Expenditure during the reporting period @	Community Contribution @ ^	% of shareholding
1	Bharti Airtel (France) SAS	June 9, 2010	France	EUR	Apr'18 to Mar'19	March 31, 2019	77.63	1	581	2,687	2,105	-	2,301	333	111	222	-	165	-	100%
2	Bharti Airtel (Hong Kong) Limited	October 12, 2006	Hong Kong	HKD	Apr'18 to Mar'19	March 31, 2019	8.81	44	141	495	311	-	576	200	31	169	-	9	-	100%
3	Bharti Airtel (Japan) Private Limited	April 5, 2010	Japan	JPY	Apr'18 to Mar'19	March 31, 2019	0.62	0	5	28	23	-	25	(2)	0	(2)	-	-	-	100%
4	Bharti Airtel Services Limited	March 26, 2001	India	INR	Apr'18 to Mar'19	March 31, 2019	1.00	1	(283)	3,555	3,837	-	3,646	78	56	22	-	626	6	100%
5	Bharti Airtel (UK) Limited	August 29, 2006	United Kingdom	GBP	Apr'18 to Mar'19	March 31, 2019	90.09	30	801	4,862	4,031	-	30,663	307	60	247	-	209	-	100%
6	Bharti Airtel (USA) Limited	September 12, 2006	United States of America	USD	Apr'18 to Mar'19	March 31, 2019	69.16	0	866	1,387	522	-	1,546	136	(15)	151	-	147	-	100%
7	Bharti International (Singapore) Pte Ltd	March 18, 2010	Singapore	USD	Apr'18 to Mar'19	March 31, 2019	69.16	135,801	(120,713)	42,526	27,438	26,497	8,411	(237)	119	(356)	-	391	-	100%
8	Bharti Airtel International (Mauritius) Limited	April 6, 2010	Mauritius	USD	Apr'18 to Mar'19	March 31, 2019	69.16	249,303	(232,358)	16,958	13	-	571	568	17	551	-	-	-	100%
9	Bharti Airtel Lanka (Private) Limited	March 29, 2007	Sri Lanka	LKR	Apr'18 to Mar'19	March 31, 2019	0.39	23,117	(23,436)	6,774	7,093	-	4,436	(1,599)	23	(1,622)	-	1,477	-	100%
10	Bharti Hexacom Limited	May 18, 2004	India	INR	Apr'18 to Mar'19	March 31, 2019	1.00	2,500	55,176	113,407	55,731	0	36,136	(11,228)	(4,008)	(7,220)	-	14,109	46	70%
11	Indo Teleports Limited	March 4, 2009	India	INR	Apr'18 to Mar'19	March 31, 2019	1.00	230	(821)	298	889	-	275	(31)	-	(31)	-	2	-	100%
12	Bharti Infratel Limited	November 30, 2006	India	INR	Apr'18 to Mar'19	March 31, 2019	1.00	18,496	138,147	180,839	24,196	108,392	68,217	36,651	8,861	27,790	16,723	9,037	545	53.51%
13	Smatrx Services Limited	September 21, 2015	India	INR	Apr'18 to Mar'19	March 31, 2019	1.00	30	(21)	325	316	-	53	(35)	(9)	(26)	-	72	-	53.51%
14	Bharti Telemedia Limited	June 5, 2007	India	INR	Apr'18 to Mar'19	March 31, 2019	1.00	5,102	(16,596)	41,018	52,512	-	41,001	5,031	(8,467)	13,498	-	8,678	37	80%
15	Network i2i Limited	September 28, 2007	Mauritius	USD	Apr'18 to Mar'19	March 31, 2019	69.16	87,649	28,380	244,086	128,057	3,337	5,145	362	31	331	-	7,360	-	100%
16	Telesonic Networks Limited	February 5, 2013	India	INR	Apr'18 to Mar'19	March 31, 2019	1.00	939	(175)	4,356	3,592	-	8,839	249	102	147	-	233	1	100%
17	Nxtra Data Limited	July 2, 2013	India	INR	Apr'18 to Mar'19	March 31, 2019	1.00	90	378	15,655	15,187	4	8,506	789	316	473	-	3,656	-	100%
18	Wynk Limited	January 13, 2015	India	INR	Apr'18 to Mar'19	March 31, 2019	1.00	1	490	2,449	1,958	-	6,130	(93)	(33)	(60)	-	247	-	100%
19	Nettle Infrastructure Investments Limited (formerly known as Nettle Developers Limited)	March 14, 2017	India	INR	Apr'18 to Mar'19	March 31, 2019	1.00	1	(10,864)	129,118	139,982	475	1,266	10,979	-	10,979	-	-	-	100%
20	Bharti Airtel International (Mauritius) Investments Limited	March 26, 2018	Mauritius	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	(1)	1	1	-	-	(1)	-	(1)	-	-	-	100%

Salient features of the financial statement of subsidiaries, associates and joint ventures for the year ended March 31, 2019, pursuant to Section 129 (3) of the Companies Act 2013

Part A - Subsidiaries

(₹ in Million)

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2019	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend**	Capital Expenditure during the reporting period @	Community Contribution @ ^	% of shareholding
21	Bharti Digital Networks Private Limited (Formerly known as Tikona Digitel Networks Private Limited)	August 24, 2017	India	INR	Apr'18 to Mar'19	March 31, 2019	1.00	21	5,573	19,834	14,240	-	-	(373)	-	(373)	-	5,266	-	100%
22	Bharti Airtel Holding (Mauritius) Limited	June 27, 2018	Mauritius	USD	Apr'18 to Mar'19	March 31, 2019	69.16	11,066	(1)	11,066	-	-	-	(1)	-	(1)	-	-	-	100%
23	Bharti Airtel Overseas (Mauritius) Limited	June 28, 2018	Mauritius	USD	Apr'18 to Mar'19	March 31, 2019	69.16	11,065	(1)	11,065	-	11,065	-	(1)	-	(1)	-	-	-	100%
24	Airtel Africa Mauritius Limited	June 28, 2018	Mauritius	USD	Apr'18 to Mar'19	March 31, 2019	69.16	145,59	(1)	145,579	1	-	-	(1)	-	(1)	-	-	-	100%
25	Bharti Airtel International (Netherlands) B.V.	March 19, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	163,167	396,492	775,913	216,253	-	-	6,121	537	5,584	-	-	277	68.31%
26	Bharti Airtel Africa B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	39	105,467	413,799	308,294	-	-	2,730	(3)	2,733	-	-	-	68.31%
27	Bharti Airtel Chad Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	499	14,510	14,009	-	-	389	-	389	-	-	-	68.31%
28	Airtel Tchad S.A.	June 8, 2010	Chad	XAF	Jan'18 to Dec'18	December 31, 2018	0.12	3,290	(8,327)	11,033	16,070	-	7,637	170	(41)	211	-	1,247	0	68.31%
29	Bharti Airtel Gabon Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	9,461	5,166	(4,297)	-	-	74	-	74	-	-	-	68.31%
30	Airtel Gabon S.A.	June 8, 2010	Gabon	XAF	Jan'18 to Dec'18	December 31, 2018	0.12	710	(5,344)	10,479	15,113	-	9,506	2,005	1,395	610	-	488	(2)	66.91%
31	Bharti Airtel Congo Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	6,771	12,807	6,035	-	-	63	-	63	-	-	-	68.31%
32	Airtel Congo S.A.	June 8, 2010	Congo Brazzavile	XAF	Jan'18 to Dec'18	December 31, 2018	0.12	615	(9,789)	12,065	21,239	-	9,193	(278)	127	(405)	-	2,122	1	61.48%
33	Bharti Airtel RDC Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	(929)	60,276	61,204	-	-	(2,839)	-	(2,839)	-	-	-	68.31%
34	Airtel Congo (RDC) S.A.	June 8, 2010	Democratic Republic of Congo	CDF	Jan'18 to Dec'18	December 31, 2018	0.04	24	(56,710)	24,936	81,623	-	19,157	1,407	141	1,266	-	2,749	(2)	67.29%
35	Bharti Airtel Mali Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	190	686	495	-	-	(23)	-	(23)	-	-	-	68.31%
36	Bharti Airtel Kenya Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	(2,978)	78,695	81,672	-	-	(143)	-	(143)	-	-	-	68.31%
37	Bharti Airtel Kenya B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	2	(11,665)	67,806	79,470	-	-	(2,834)	-	(2,834)	-	-	-	68.31%
38	Airtel Networks Kenya Limited #	June 8, 2010	Kenya	KES	Jan'18 to Dec'18	December 31, 2018	0.69	17,312	(43,685)	21,736	48,110	-	14,066	(2,156)	(202)	(1,954)	-	5,012	5	68.31%
39	Bharti Airtel Malawi Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	1,911	2,458	546	-	-	1,534	153	1,381	-	-	-	68.31%

Salient features of the financial statement of subsidiaries, associates and joint ventures for the year ended March 31, 2019, pursuant to Section 129 (3) of the Companies Act 2013

Part A - Subsidiaries

(₹ in Million)

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2019	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend**	Capital Expenditure during the reporting period @	Community Contribution @ ^	% of shareholding
40	Airtel Malawi Limited	June 8, 2010	Malawi	MWK	Jan'18 to Dec'18	December 31, 2018	0.09	0	1,731	7,842	6,111	11	9,834	3,267	1,201	2,066	-	1,910	2	68.31%
41	Bharti Airtel Niger Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	14,077	14,078	0	-	-	1,734	180	1,554	-	-	-	68.31%
42	Celtel Niger S.A.	June 8, 2010	Niger	XOF	Jan'18 to Dec'18	December 31, 2018	0.12	178	184	15,852	15,491	-	10,392	96	(59)	155	-	362	(9)	61.48%
43	Airtel Networks Zambia Plc	June 8, 2010	Zambia	ZMW	Jan'18 to Dec'18	December 31, 2018	5.68	6	(73)	12,777	12,844	-	11,999	1,310	941	369	-	3,596	(2)	65.82%
44	Bharti Airtel Uganda Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	(6,624)	3,761	10,384	-	-	3,623	-	3,623	-	-	-	68.31%
45	Airtel Uganda Limited	June 8, 2010	Uganda	UGS	Jan'18 to Dec'18	December 31, 2018	0.02	26	2,757	35,635	32,852	-	23,594	8,045	1,635	6,410	-	3,839	2	68.31%
46	Bharti Airtel Tanzania B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	2	(3,591)	35,061	38,651	-	-	1,081	-	1,081	-	-	-	68.31%
47	"Airtel Tanzania Public Limited Company (formerly known as Airtel Tanzania Limited)"	June 8, 2010	Tanzania	TZS	Jan'18 to Dec'18	December 31, 2018	0.03	1,226	(29,784)	13,956	42,513	-	14,982	(1,039)	64	(1,103)	-	668	1	40.99%
48	Bharti Airtel Madagascar Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	2	(2,517)	12,106	14,621	-	-	(1,025)	-	(1,025)	-	-	-	68.31%
49	Channel Sea Management Company (Mauritius) Limited	June 8, 2010	Mauritius	USD	Jan'18 to Dec'18	December 31, 2018	69.16	1	34	1	(33)	-	-	(1)	-	(1)	-	-	-	68.31%
50	Bharti Airtel Rwanda Holdings Limited	June 8, 2010	Mauritius	USD	Jan'18 to Dec'18	December 31, 2018	69.16	3	(23)	15,730	15,750	-	-	(219)	-	(219)	-	-	-	68.31%
51	Montana International	June 8, 2010	Mauritius	USD	Jan'18 to Dec'18	December 31, 2018	69.16	0	(14)	3	17	-	-	(1)	-	(1)	-	-	-	68.31%
52	Airtel Madagascar S.A.	June 8, 2010	Madagascar	MGA	Jan'18 to Dec'18	December 31, 2018	0.02	57	(7,503)	7,522	14,968	-	3,114	(1,544)	(236)	(1,308)	-	1,300	2	68.31%
53	Bharti Airtel Nigeria Holdings II B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	(115)	152,693	152,806	-	-	(0)	-	(0)	-	-	-	68.31%
54	Bharti Airtel Nigeria B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	(57,796)	96,826	154,621	-	-	(7,217)	-	(7,217)	-	-	-	68.31%
55	Bharti Airtel Services B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	(520)	4	523	-	-	(49)	-	(49)	-	-	-	68.31%
56	Airtel Networks Limited	June 8, 2010	Nigeria	NGN	Jan'18 to Dec'18	December 31, 2018	0.19	39	4,581	73,274	68,654	-	76,591	12,600	(9,223)	21,823	-	15,060	29	62.69%
57	Bharti Airtel Zambia Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	1	37,235	37,237	0	-	-	3,430	178	3,252	-	-	-	68.31%
58	Airtel Mobile Commerce Limited	June 8, 2010	Malawi	MWK	Jan'18 to Dec'18	December 31, 2018	0.09	0	-	850	850	-	-	-	-	-	-	11	-	68.31%

Salient features of the financial statement of subsidiaries, associates and joint ventures for the year ended March 31, 2019, pursuant to Section 129 (3) of the Companies Act 2013

Part A - Subsidiaries

(₹ in Million)

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2019	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend**	Capital Expenditure during the reporting period @	Community Contribution @ ^	% of shareholding
59	Airtel Mobile Commerce (Kenya) Limited	June 8, 2010	Kenya	KES	Jan'18 to Dec'18	December 31, 2018	0.69	0	-	751	751	-	-	-	-	-	-	-	-	68.31%
60	Celtel (Mauritius) Holdings Limited	June 8, 2010	Mauritius	USD	Jan'18 to Dec'18	December 31, 2018	69.16	1	2,773	8,006	5,232	-	-	151	(0)	152	-	-	-	68.31%
61	Airtel Mobile Commerce Zambia Limited	June 8, 2010	Zambia	ZMW	Jan'18 to Dec'18	December 31, 2018	5.68	11	(127)	2,045	2,161	-	1,100	342	11	331	-	10	-	68.31%
62	Airtel Mobile Commerce Tchad S.a.r.l.	June 8, 2010	Chad	XAF	Jan'18 to Dec'18	December 31, 2018	0.12	0	-	68	68	-	-	-	-	-	-	-	-	68.31%
63	Airtel Mobile Commerce B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	6	(82)	2,683	2,759	-	-	(31)	-	(31)	-	-	-	68.31%
64	Airtel Money S.A. (Gabon)	October 26, 2010	Gabon	XAF	Jan'18 to Dec'18	December 31, 2018	0.12	1	658	2,521	1,862	-	2,251	1,018	461	557	-	9	-	68.31%
65	Malawi Towers Limited	December 15, 2010	Malawi	MWK	Jan'18 to Dec'18	December 31, 2018	0.09	1	(1,931)	1,377	3,307	-	128	(648)	-	(648)	-	13	-	68.31%
66	Airtel Money Niger S.A.	June 8, 2010	Niger	XOF	Jan'18 to Dec'18	December 31, 2018	0.12	155	(96)	421	362	-	231	157	38	119	-	-	-	61.48%
67	Société Malgache de Téléphone Cellulaire S.A.	June 8, 2010	Mauritius	USD	Jan'18 to Dec'18	December 31, 2018	69.16	3	151	173	18	-	-	(1)	-	(1)	-	-	-	68.31%
68	Airtel Mobile Commerce Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	2	(0)	(1)	(2)	-	-	-	-	-	-	-	-	68.31%
69	Indian Ocean Telecom Limited	October 19, 2010	Jersey	USD	Jan'18 to Dec'18	December 31, 2018	69.16	173	1,332	1,506	(487)	-	-	498	-	498	-	-	-	68.31%
70	Airtel (Seychelles) Limited	August 27, 2010	Seychelles	SCR	Jan'18 to Dec'18	December 31, 2018	5.06	182	252	2,287	1,852	166	1,691	433	241	192	-	683	0	68.31%
71	Airtel Mobile Commerce (Tanzania) Limited	November 11, 2010	Tanzania	TZS	Jan'18 to Dec'18	December 31, 2018	0.03	0	-	3,516	3,516	-	-	-	-	-	-	113	-	68.31%
72	Airtel Mobile Commerce Uganda Limited	October 7, 2010	Uganda	UGS	Jan'18 to Dec'18	December 31, 2018	0.02	0	-	4,069	4,069	-	-	-	-	-	-	325	-	68.31%
73	Africa Towers N.V.	October 5, 2010	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	4	(553)	1,513	2,062	-	-	(78)	-	(78)	-	-	-	68.31%
74	Madagascar Towers S.A.	March 15, 2011	Madagascar	MGA	Jan'18 to Dec'18	December 31, 2018	0.02	0	925	1,598	673	-	1,376	618	(55)	673	-	117	-	68.31%
75	Mobile Commerce Congo S.A.	June 8, 2010	Congo Brazzavile	XAF	Jan'18 to Dec'18	December 31, 2018	0.12	1	-	214	212	-	-	-	-	-	-	-	-	68.31%
76	Tanzania Towers Limited	March 15, 2011	Tanzania	TZS	Jan'18 to Dec'18	December 31, 2018	0.03	0	(34)	-	34	-	0	(2)	-	(2)	-	-	-	40.99%
77	Airtel Money (RDC) S.A.	June 8, 2010	Democratic Republic of Congo	CDF	Jan'18 to Dec'18	December 31, 2018	0.04	173	433	2,556	1,950	-	1,594	470	45	425	-	-	-	67.34%

Salient features of the financial statement of subsidiaries, associates and joint ventures for the year ended March 31, 2019, pursuant to Section 129 (3) of the Companies Act 2013

Part A - Subsidiaries

(₹ in Million)

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2019	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend**	Capital Expenditure during the reporting period @	Community Contribution @ ^	% of shareholding
78	Congo RDC Towers S.A.	April 5, 2011	Democratic Republic of Congo	CDF	Jan'18 to Dec'18	December 31, 2018	0.04	7	(601)	430	1,024	-	-	(30)	27	(57)	-	-	-	68.31%
79	Gabon Towers S.A. ##	May 17, 2011	Gabon	XAF	Jan'18 to Dec'18	December 31, 2018	0.12	1	(2)	0	2	-	-	0	0	(0)	-	-	-	66.91%
80	Airtel Mobile Commerce Madagascar S.A.	April 5, 2011	Madagascar	MGA	Jan'18 to Dec'18	December 31, 2018	0.02	10	42	804	752	-	483	26	4	22	-	5	-	68.31%
81	Airtel Rwanda Limited	September 2, 2011	Rwanda	RWF	Jan'18 to Dec'18	December 31, 2018	0.08	8	(15,511)	9,923	25,427	-	3,838	(3,113)	34	(3,147)	-	1,698	0	68.31%
82	Airtel Africa Limited	July 12, 2018	United Kingdom	USD	Apr'18 to Mar'19	March 31, 2019	69.16	213,118	23,489	246,036	9,429	-	-	213	40	173	-	8	-	68.31%
83	Airtel Mobile Commerce Rwanda Limited	February 22, 2013	Rwanda	RWF	Jan'18 to Dec'18	December 31, 2018	0.08	1	-	507	506	-	-	-	-	-	-	-	-	68.31%
84	Airtel Mobile Commerce (Seychelles) Limited	August 9, 2013	Seychelles	SCR	Jan'18 to Dec'18	December 31, 2018	5.06	5	(38)	6	38	-	0	(3)	(1)	(2)	-	0	-	68.31%
85	Airtel Money Tanzania Limited	June 10, 2016	Tanzania	TZS	Jan'18 to Dec'18	December 31, 2018	0.03	0	(1)	-	1	-	-	(0)	-	(0)	-	-	-	40.99%
86	Airtel Mobile Commerce Nigeria B.V.	December 5, 2018	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	0	-	962	961	-	-	-	-	-	-	-	-	68.31%
87	Airtel Mobile Commerce Nigeria Limited	August 31, 2017	Nigeria	NGN	Jan'18 to Dec'18	December 31, 2018	0.19	-	-	-	-	-	-	-	-	-	-	-	-	62.69%
88	Airtel Mobile Commerce (Seychelles) B.V.	January 29, 2019	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	0	-	0	-	-	-	-	-	-	-	-	-	68.31%
89	Airtel Mobile Commerce Congo B.V.	January 29, 2019	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	0	-	0	-	-	-	-	-	-	-	-	-	68.31%
90	Airtel Mobile Commerce Kenya B.V.	January 29, 2019	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	0	-	0	-	-	-	-	-	-	-	-	-	68.31%
91	Airtel Mobile Commerce Madagascar B.V.	January 29, 2019	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	0	-	0	-	-	-	-	-	-	-	-	-	68.31%
92	Airtel Mobile Commerce Malawi B.V.	January 29, 2019	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	0	-	0	-	-	-	-	-	-	-	-	-	68.31%
93	Airtel Mobile Commerce Rwanda B.V.	January 29, 2019	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	0	-	0	-	-	-	-	-	-	-	-	-	68.31%
94	Airtel Mobile Commerce Tchad B.V.	January 29, 2019	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	0	-	0	-	-	-	-	-	-	-	-	-	68.31%

Salient features of the financial statement of subsidiaries, associates and joint ventures for the year ended March 31, 2019, pursuant to Section 129 (3) of the Companies Act 2013

Part A - Subsidiaries

(₹ in Million)

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2019	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend**	Capital Expenditure during the reporting period @	Community Contribution @ ^	% of shareholding
95	Airtel Mobile Commerce Uganda B.V.	January 29, 2019	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	0	-	0	-	-	-	-	-	-	-	-	-	68.31%
96	Airtel Mobile Commerce Zambia B.V.	January 29, 2019	Netherlands	USD	Apr'18 to Mar'19	March 31, 2019	69.16	0	-	0	-	-	-	-	-	-	-	-	-	68.31%
97	Airtel Money Transfer Limited	July 20, 2015	Kenya	KES	Jan'18 to Dec'18	December 31, 2018	0.69	14	-	14	-	-	-	-	-	-	-	-	-	68.31%

Notes:

1. The above financial information is basis audited / unaudited financial statements / financial information considered for the purpose of consolidated audited Ind AS financial statements.
2. The figures which are appearing as '0' are result of rounding off.
3. All particulars has been converted using closing exchange rate except in case of capital expenditure quarterly average rate has been considered for conversion of foreign subsidiaries amount.
4. During the period effective shareholding of Airtel Africa Limited ('AAL') has been changed to 68.31%, due to which effective shareholding of entities owned be AAL directly/ indirectly will undergo change vis-à-vis the % presented in the above table.

^ Financial information has been extracted from the submission considered for the purpose of consolidated audited Ind AS financial statements.

Share capital includes preference share capital.

The subsidiary is under liquidation as at March 31, 2019.

* Investments exclude investments in subsidiaries.

** Proposed dividend includes dividend distribution tax.

@ Voluntary disclosure.

Other details:

I. Subsidiaries yet to commence operations:

1 Partnership Investments Sprl

2 Bharti Airtel Developers Forum Limited

3 Airtel International LLP

II. Subsidiaries have been liquidated during the year:

1 Africa Tower services Limited

2 Bharti Airtel Burkina Faso Holdings B.V.

III. Subsidiaries have became associate during the year:

1 Airtel Payment Bank Limited

Salient features of the financial statement of subsidiaries, associates and joint ventures for the year ended March 31, 2019, pursuant to Section 129 (3) of the Companies Act 2013

Part B - Associates and Joint Ventures

(₹ in Million)

S. No.	Name of the Associate / Joint Venture	Date on which Associate / Joint Venture was associated or acquired	Latest audited Balance Sheet date	Share of Associates / Joint Ventures held by the company as of March 31, 2019			Description of how there is significant influence / joint control	Net Worth attributable to shareholders as per latest audited Balance Sheet	Profit / (loss) for the year ended March 31, 2019	
				Number of shares	Amount of Investment in Associate / Joint Venture	Extent of holding %			Considered in consolidation	Not Considered in consolidation
	Associates									
1	Robi Axiata Limited	November 16, 2016	December 31, 2018	1,178,535,001	23,886	25%	By virtue of shareholding	12,669	1,193	-
2	Seynse Technologies Private Limited	February 21, 2017	March 31, 2018	6,824	205	22.54%		56	(16)	-
3	Seychelles Cable Systems Company Limited	June 8, 2010	June 30, 2018	260	230	17.76%		194	(7)	-
4	Airtel Payments Bank Limited	October 25, 2018	March 31, 2019	805,025,128	10,283	80.10%	By virtue of shareholder agreement	1,548	(1,235)	-
5	Juggernaut Books Private Limited	November 26, 2017	March 31, 2018	2,089,885	108	19.35%		16	(10)	-
	Joint Ventures									
1	Bridge Mobile Pte Limited	November 3, 2004	March 31, 2018	800,000	66	10%		58	4	-
2	Indus Towers Limited *	December 7, 2007	March 31, 2019	500,504	52,482	22.47%		27,330	8,879	-
3	FireFly Networks Limited	February 4, 2014	March 31, 2018	1,000,000	3	50%		2	0	-
4	Bharti Airtel Ghana Holdings B.V.#	October 12, 2017	March 31, 2017	18,000		50%	By virtue of shareholding	NA#		-
5	Airtel Mobile Commerce (Ghana) Limited #	October 12, 2017	December 31, 2016	2,497,500		49.95%		NA#		-
6	Mobile Financial Services Limited #	October 12, 2017	December 31, 2016	2,500,000	1,676^	50%		NA#	(5,253)^	-
7	Airtel Ghana Limited #	October 12, 2017	December 31, 2016	440,709,862		49.95%		NA#		-
8	Millicom Ghana Company Limited #	October 12, 2017	December 31, 2016	249,750		49.95%		NA#		-

* Profit / (loss) considered for consolidation is based on direct shareholding of Bharti Infratel Limited as against effective shareholding of the Company.

The group has acquired stake in joint venture during the year ended March 31, 2018. However, the latest audited balance sheet is pertaining to the period prior to the acquisition date.

^Amount considered for Ghana entities are consolidated number.

Notes :

Amount of investment in joint venture / associate is based on the carrying value of investments in the consolidated financial statements of Bharti Airtel Limited.

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Circle **Offices**

Andhra Pradesh

1-8-437, 438 & 445, Splendid Towers
Opp begumpet Police Station,
Huda Road, Begumpet,
Hyderabad - 500016,
Telangana

Assam & North East States

Bharti House, Six Mile,
Khanapara, Srimanta Sankardev Path,
Guwahati - 781022,
Assam

Bihar & Jharkhand

Airtel Campus, Plot no 18,
Patliputra Industrial Area,
Patna - 800013,
Bihar

Delhi NCR

Plot No. 16, NH-8
Udyog Vihar, Phase-IV,
Gurgaon - 122015,
Haryana

Gujarat

2nd Floor, Zodiac Square,
Opp. Gurudwara, S. G. Highway,
Ahmedabad - 380054
Gujarat

Haryana, Punjab, Himachal and J&K

Plot No. 21,
Rajiv Gandhi Technology Park,
Chandigarh - 160101

Karnataka

Divyasree Towers, No.55,
Bannerghatta Main Road,
Opp Jayadeva Hospital,
Bangalore - 560029,
Karnataka

Kerala & Tamil Nadu

Bharti Airtel Ltd.
No-42/147 & 44/146,
Santhome high road & Rosary Church
Road, Mylapore- 600 004

Madhya Pradesh & Chhattisgarh

Bharti Airtel Limited
3rd & 4th Floor, Scheme no -54, A. B.
Road, Metro Tower, Near Vijay Nagar
Square, Indore – 452010 (M.P.)

Maharashtra & Goa

Vega Centre, A - Building,
2nd Floor, Shankarsheth Road,
Next to Income tax office
Swargate, Pune - 411037,
Maharashtra

Mumbai

6th & 7th Floor,
Interface Building No. 7,
Mindspace, Malad Link Road,
Malad (W), Mumbai - 400064,
Maharashtra

Rajasthan

K-21, Sunny House,
Malviya Marg, C-Scheme,
Jaipur - 302001,
Rajasthan

Uttar Pradesh & Uttaranchal

TCG - 7/7 Vibhuti Khand,
Gomti Nagar,
Lucknow - 226010,
Uttar Pradesh

West Bengal & Odisha

1st, 5th, 6th & 7th Floor, Infinity Building,
Salt Lake Electronics Complex,
Block GP, Sector V, Kolkata - 700091
West Bengal

Registered & Corporate Office

Bharti Airtel Limited
Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase II, New Delhi - 110 070, India.
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Fax No.: +91 11 46666137
Email: compliance.officer@bharti.in
Website: www.airtel.com