



Bharti Airtel Limited

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Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2019

(Rs. Millions; except per share data)

Particulars	Quarter ended			Year ended	
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
	Audited	Audited	Audited	Audited	Audited
Income					
Revenue	206,022	202,311	193,945	807,802	826,388
Other income	546	675	753	2,912	2,488
	206,568	202,986	194,698	810,714	828,876
Expenses					
Network operating expenses	59,622	57,539	48,071	223,900	197,520
Access charges	24,410	24,462	20,288	93,521	90,446
License fee / spectrum charges	17,288	17,469	17,476	69,426	75,558
Employee benefits expense	9,429	9,530	9,949	37,975	39,771
Sales and marketing expenses	10,408	10,561	11,720	41,277	45,275
Other expenses	18,549	20,570	17,142	83,514	77,027
	139,706	140,131	124,646	549,613	525,597
Profit from operating activities before depreciation, amortisation and exceptional items	66,862	62,855	70,052	261,101	303,279
Depreciation and amortisation expense	54,934	54,723	48,991	213,475	192,431
Finance costs	29,156	28,381	23,902	110,134	93,255
Finance income	(3,833)	(8,933)	(5,609)	(14,240)	(12,540)
Non-operating expenses (net)	59	721	188	1,894	141
Share of (profit) / loss of associates and joint ventures (net)	(368)	98	(1,836)	(3,556)	(10,609)
(Loss) / profit before exceptional items and tax	(13,086)	(12,135)	4,416	(46,606)	40,601
Exceptional items (net)	(20,221)	(14,137)	3,247	(29,288)	7,931
Profit / (loss) before tax	7,135	2,002	1,169	(17,318)	32,670
Tax expense / (credit)					
Current tax	3,034	5,331	1,622	19,391	18,230
Deferred tax	(1,660)	(7,155)	(4,643)	(53,584)	(7,395)
Profit for the period / year	5,761	3,826	4,190	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	(2,028)	(5,431)	(3,306)	(15,739)	(7,181)
- Net gains / (losses) on net investment hedge	1,289	2,781	(3,525)	(1,754)	(8,024)
- Net gains / (losses) on cash flow hedge	45	(223)	599	(833)	809
- Net (losses) / gains on fair value through OCI investments	(11)	10	102	(45)	129
- Tax credit / (charge)	670	4,231	(121)	5,428	(122)
Items not to be reclassified to profit or loss :					
- Re-measurement (losses) / gains on defined benefit plans	(43)	(51)	13	47	205
- Tax credit / (charge)	0	9	23	(62)	(29)
- Share of OCI of associates and joint ventures	(3)	(9)	(17)	(12)	18
Other comprehensive (loss) / income for the period / year	(81)	1,317	(6,232)	(12,970)	(14,195)
Total comprehensive income / (loss) for the period / year	5,680	5,143	(2,042)	3,905	7,640
Profit for the period / year attributable to :	5,761	3,826	4,190	16,875	21,835
Owners of the Parent	1,072	862	829	4,095	10,990
Non-controlling interests	4,689	2,964	3,361	12,780	10,845
Other comprehensive (loss) / income for the period / year attributable to:	(81)	1,317	(6,232)	(12,970)	(14,195)
Owners of the Parent	982	3,200	(5,750)	(10,216)	(13,445)
Non-controlling interests	(1,063)	(1,883)	(482)	(2,754)	(750)
Total comprehensive income / (loss) for the period / year attributable to :	5,680	5,143	(2,042)	3,905	7,640
Owners of the Parent	2,054	4,062	(4,921)	(6,121)	(2,455)
Non-controlling interests	3,626	1,081	2,879	10,026	10,095
Paid-up equity share capital (Face value: Rs. 5/- each)	19,987	19,987	19,987	19,987	19,987
Other equity	694,235	691,110	675,357	694,235	675,357
Earnings per share (Face value: Rs. 5/- each)					
Basic	0.27	0.22	0.21	1.02	2.75
Diluted	0.27	0.22	0.21	1.02	2.75

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Particulars	As of	
	March 31, 2019	March 31, 2018
	Audited	Audited
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

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Audited Consolidated Segment-wise Revenue, Results, Assets and Liabilities for the quarter and year ended March 31, 2019

(Rs. Millions)

Particulars	Quarter ended			Year ended	
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
	Audited	Audited	Audited	Audited	Audited
1. Segment Revenue					
- Mobile Services India	106,323	101,892	103,532	415,540	462,639
- Mobile Services Africa	55,115	56,153	47,314	215,028	191,073
- Mobile Services South Asia	1,124	1,130	1,033	4,436	4,045
- Airtel Business	30,039	31,117	28,282	124,537	113,566
- Tower Infrastructure Services	16,704	17,326	16,739	68,185	66,284
- Homes Services	5,536	5,503	6,042	22,391	25,265
- Digital TV Services	10,505	10,330	9,585	41,001	37,570
- Others	37	224	1,004	1,163	4,009
Total segment revenue	225,383	223,675	213,531	892,281	904,451
Less: Inter-segment eliminations*	19,361	21,364	19,586	84,479	78,063
Total revenue	206,022	202,311	193,945	807,802	826,388
2. Segment Results ^					
(Loss) / profit before net finance costs, non-operating expenses (net), exceptional items and tax					
- Mobile Services India	(13,778)	(19,032)	(4,822)	(57,507)	20,835
- Mobile Services Africa	13,171	13,542	11,288	52,100	35,884
- Mobile Services South Asia	(220)	(247)	(272)	(1,069)	(1,268)
- Airtel Business	5,623	6,667	8,402	27,466	31,029
- Tower Infrastructure Services	7,832	8,006	8,435	31,429	33,477
- Homes Services	487	734	1,149	3,333	4,720
- Digital TV Services	1,853	1,568	1,538	7,410	5,306
- Others	(2,249)	(2,286)	(1,748)	(7,228)	(4,097)
Total	12,719	8,952	23,970	55,934	125,886
- Unallocated	(329)	(336)	(28)	(1,726)	(1,679)
- Inter-segment eliminations*	(94)	(582)	(1,045)	(3,026)	(2,750)
Total segment results	12,296	8,034	22,897	51,182	121,457
Less:					
(i) Net finance costs	25,323	19,448	18,293	95,894	80,715
(ii) Non-operating expenses (net)	59	721	188	1,894	141
(iii) Exceptional items (net)	(20,221)	(14,137)	3,247	(29,288)	7,931
Profit / (loss) before tax	7,135	2,002	1,169	(17,318)	32,670
3. Segment Assets ^					
- Mobile Services India	1,700,637	1,680,964	1,515,169	1,700,637	1,515,169
- Mobile Services Africa	570,021	546,079	508,049	570,021	508,049
- Mobile Services South Asia	6,774	6,956	6,839	6,774	6,839
- Airtel Business	149,445	154,856	154,920	149,445	154,920
- Tower Infrastructure Services	169,693	165,855	199,273	169,693	199,273
- Homes Services	45,889	45,829	44,251	45,889	44,251
- Digital TV Services	31,234	26,649	26,120	31,234	26,120
- Others	37,927	40,090	39,261	37,927	39,261
Total segment assets	2,711,620	2,667,278	2,493,882	2,711,620	2,493,882
- Unallocated	133,120	118,278	88,577	133,120	88,577
- Inter-segment eliminations*	(92,765)	(90,442)	(76,643)	(92,765)	(76,643)
Total assets	2,751,975	2,695,114	2,505,816	2,751,975	2,505,816
4. Segment Liabilities					
- Mobile Services India	408,088	420,540	317,043	408,088	317,043
- Mobile Services Africa	110,986	109,174	115,039	110,986	115,039
- Mobile Services South Asia	2,515	2,564	2,622	2,515	2,622
- Airtel Business	87,225	79,555	76,378	87,225	76,378
- Tower Infrastructure Services	22,303	23,389	22,400	22,303	22,400
- Homes Services	21,729	20,858	19,866	21,729	19,866
- Digital TV Services	35,423	35,531	33,964	35,423	33,964
- Others	2,181	1,817	8,328	2,181	8,328
Total segment liabilities	690,450	693,428	595,640	690,450	595,640
- Unallocated	1,313,444	1,255,321	1,210,172	1,313,444	1,210,172
- Inter-segment eliminations*	(101,399)	(85,694)	(83,479)	(101,399)	(83,479)
Total liabilities	1,902,495	1,863,055	1,722,333	1,902,495	1,722,333

* Includes accounting policy alignment

^ Includes share of results / net assets of joint ventures and associates



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Notes to the Audited Consolidated Financial Results

1. The financial results for the quarter and year ended March 31, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on May 6, 2019.
2. The financial results are extracted from the Audited Consolidated Financial Statements, which are prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. The said financial results represent results of the Group, and its share in the results of joint ventures and associates.
3. During the quarter ended March 31, 2019, Airtel Networks Kenya Ltd. (a subsidiary of the Group) has signed an agreement with Telkom Kenya Limited, to merge its operations. Since the agreement is subject to requisite regulatory approvals and customary closing conditions, no accounting has been done during the quarter.
4. Exceptional items during the quarter ended March 31, 2019 comprises of (i) charge of Rs. 1,455 Mn towards operating costs on network re-farming and up-gradation program and (ii) credit of Rs. 21,676 Mn pertaining to re-assessment of levies, based on a recent pronouncement related to the manner of determination of such levies. Net tax charge on the above is Rs. 7,225 Mn; included in tax expense. The net impact for non-controlling interests on the above exceptional items is credit of Rs. 41 Mn.
5. 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 Rs. 5 each) at a price of Rs. 220/- per share aggregating to Rs. 249,390 Mn. The right issue will close on May 17, 2019. The rights entitlement is determined as 19 equity shares for every 67 equity shares held.
6. During the quarter ended March 31, 2019, the Company has finalised the transition method for the adoption of Ind AS 115 'Revenue from Contracts with Customers' as the fully retrospective method applied retrospectively and hence, the comparative information have been restated. Accordingly, certain commission charges hitherto included in Sales and marketing expenses in respect of Africa mobile operations have been netted from Revenue for all periods reported. The consequent reclassification of Rs. 2,398 Mn and Rs 10,491 Mn for the quarter and year ended March 31, 2018 respectively has no effect on the reported results, Other equity and Earnings per shares.
7. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company and one of its subsidiaries for Rs. 52,013 Mn towards levy of one time spectrum charge, which was further revised on June 27, 2018 to Rs. 84,140 Mn. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed DoT to respond and not to take any coercive action until the next date of hearing. The Company, based on independent legal opinions, till date has not given any effect to the above demand.
8. The financial results for the quarter ended March 31, 2019 and March 31, 2018 are the balancing figures between audited results in respect of the full financial year and the published year to date figures of the third quarter of the respective financial years.

For Bharti Airtel Limited



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



New Delhi
May 6, 2019

Notes:

- a) 'Bharti Airtel' or 'Company', stands for Bharti Airtel Limited
- b) 'Group' or 'Consolidated', stands for Bharti Airtel together with its subsidiaries
- c) For more details on the financial results, please visit our website 'www.airtel.in'

