



May 18, 2020

**National Stock Exchange of India Limited**

Exchange Plaza, C-1 Block G  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400051, India

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400001, India

**Ref: *Bharti Airtel Limited (BHARTIARTL/532454)***

**Sub: *Financial results for the fourth quarter (Q4) and year ended March 31, 2020***

Dear Sir / Madam,

In compliance with Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we are enclosing herewith the following for the fourth quarter (Q4) and year ended March 31, 2020:

- Audited consolidated financial results as per Ind AS;
- Audited standalone financial results as per Ind AS;
- Auditor's reports; and
- Declaration on Auditor's Report with unmodified opinion pursuant to the Regulation 33(3) and 52(3) of Listing Regulations read with SEBI circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016.

The above financial results have been reviewed by the Audit Committee in its meeting held on Monday, May 18 2020 and based on its recommendation, approved by the Board of Directors at its meeting held on Monday, May 18, 2020. The Board meeting commenced at IST 1800 Hrs. and is still in progress.

Kindly take the same on record.

Thanking you,  
Sincerely yours,

**For Bharti Airtel Limited**

**Rohit Krishan Puri**  
**Dy. Company Secretary & Compliance Officer**

**Bharti Airtel Limited**

(a Bharti Enterprise)

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070

T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: [compliance.officer@bharti.in](mailto:compliance.officer@bharti.in), [www.airtel.com](http://www.airtel.com)

CIN: L74899DL1995PLC070609



Bharti Airtel Limited

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Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2020

(Rs. Millions; except per share data)

| Particulars   | Quarter ended   |                   |                 | Year ended       |                 |
|---|-----------------|-------------------|-----------------|------------------|-----------------|
|   | March 31, 2020  | December 31, 2019 | March 31, 2019  | March 31, 2020   | March 31, 2019  |
|   | Audited         | Audited           | Audited         | Audited          | Audited         |
| <b>Income</b>   |                 |                   |                 |                  |                 |
| Revenue   | 237,227         | 219,471           | 206,022         | 875,390          | 807,802         |
| Other income  | 994             | 745               | 707             | 3,248            | 3,463           |
|   | <b>238,221</b>  | <b>220,216</b>    | <b>206,729</b>  | <b>878,638</b>   | <b>811,265</b>  |
| <b>Expenses</b>   |                 |                   |                 |                  |                 |
| Network operating expenses  | 52,015          | 49,345            | 59,507          | 197,685          | 225,132         |
| Access charges  | 28,270          | 27,109            | 24,410          | 107,395          | 93,521          |
| License fee / Spectrum charges  | 20,201          | 17,666            | 17,288          | 72,561           | 69,426          |
| Employee benefits expense   | 10,316          | 9,651             | 9,429           | 38,072           | 37,975          |
| Sales and marketing expenses  | 9,355           | 9,003             | 10,391          | 34,325           | 41,568          |
| Other expenses  | 15,049          | 14,028            | 18,842          | 59,257           | 82,542          |
|   | <b>135,206</b>  | <b>126,802</b>    | <b>139,867</b>  | <b>509,295</b>   | <b>550,164</b>  |
| <b>Profit from operating activities before depreciation, amortisation and exceptional items</b> | <b>103,015</b>  | <b>93,414</b>     | <b>66,862</b>   | <b>369,343</b>   | <b>261,101</b>  |
| Depreciation and amortisation expense   | 70,550          | 69,408            | 54,934          | 276,896          | 213,475         |
| Finance costs   | 41,302          | 32,816            | 26,743          | 139,918          | 106,222         |
| Finance income  | (8,226)         | (2,970)           | (1,420)         | (16,098)         | (10,328)        |
| Non-operating expenses (net)  | 369             | 211               | 59              | 1,272            | 1,894           |
| Share of profit of associates and joint ventures (net)  | (915)           | (1,523)           | (368)           | (6,524)          | (3,556)         |
| <b>Loss before exceptional items and tax</b>  | <b>(65)</b>     | <b>(4,528)</b>    | <b>(13,086)</b> | <b>(26,121)</b>  | <b>(46,606)</b> |
| Exceptional items (net)   | 70,040          | 10,500            | (20,221)        | 402,344          | (29,288)        |
| <b>(Loss) / profit before tax</b>   | <b>(70,105)</b> | <b>(15,028)</b>   | <b>7,135</b>    | <b>(428,465)</b> | <b>(17,318)</b> |
| <b>Tax expense / (credit)</b>   |                 |                   |                 |                  |                 |
| Current tax   | 4,385           | 7,309             | 3,034           | 23,738           | 19,391          |
| Deferred tax  | (24,720)        | (17,688)          | (1,660)         | (145,561)        | (53,584)        |
| <b>(Loss) / profit for the period / year</b>  | <b>(49,770)</b> | <b>(4,649)</b>    | <b>5,761</b>    | <b>(306,642)</b> | <b>16,875</b>   |
| <b>Other comprehensive income ("OCI")</b>   |                 |                   |                 |                  |                 |
| Items to be reclassified subsequently to profit or loss :                                       |                 |                   |                 |                  |                 |
| - Net gains / (losses) due to foreign currency translation differences                          | 2,001           | 781               | (2,028)         | 4,814            | (15,739)        |
| - Net (losses) / gains on net investment hedge  | (8,532)         | (1,015)           | 1,289           | (10,856)         | (1,754)         |
| - Net (losses) / gains on cash flow hedge   | (136)           | 220               | 45              | (109)            | (833)           |
| - Net losses on fair value through OCI investments  | (1)             | -                 | (11)            | (108)            | (45)            |
| - Tax credit on above   | 2,324           | 195               | 670             | 2,883            | 5,428           |
| Items not to be reclassified to profit or loss :  |                 |                   |                 |                  |                 |
| - Re-measurement gains / (losses) on defined benefit plans                                      | 34              | 140               | (43)            | (76)             | 47              |
| - Tax charge  | (99)            | (9)               | -               | (41)             | (62)            |
| - Share of OCI of joint ventures and associates   | 11              | 7                 | (3)             | 15               | (12)            |
| <b>Other comprehensive (loss) / income for the period / year</b>                                | <b>(4,398)</b>  | <b>319</b>        | <b>(81)</b>     | <b>(3,478)</b>   | <b>(12,970)</b> |
| <b>Total comprehensive (loss) / income for the period / year</b>                                | <b>(54,168)</b> | <b>(4,330)</b>    | <b>5,680</b>    | <b>(310,120)</b> | <b>3,905</b>    |
| <b>(Loss) / profit for the period / year attributable to</b>                                    | <b>(49,770)</b> | <b>(4,649)</b>    | <b>5,761</b>    | <b>(306,642)</b> | <b>16,875</b>   |
| Owners of the Parent  | (52,370)        | (10,353)          | 1,072           | (321,832)        | 4,095           |
| Non-controlling interests   | 2,600           | 5,704             | 4,689           | 15,190           | 12,780          |
| <b>Other comprehensive (loss) / income for the period / year attributable to :</b>              | <b>(4,398)</b>  | <b>319</b>        | <b>(81)</b>     | <b>(3,478)</b>   | <b>(12,970)</b> |
| Owners of the Parent  | (9,847)         | (1,070)           | 982             | (11,748)         | (10,216)        |
| Non-controlling interests   | 5,449           | 1,389             | (1,063)         | 8,270            | (2,754)         |
| <b>Total comprehensive (loss) / income for the period / year attributable to :</b>              | <b>(54,168)</b> | <b>(4,330)</b>    | <b>5,680</b>    | <b>(310,120)</b> | <b>3,905</b>    |
| Owners of the Parent  | (62,217)        | (11,422)          | 2,054           | (333,580)        | (6,121)         |
| Non-controlling interests   | 8,049           | 7,092             | 3,626           | 23,460           | 10,026          |
| Fair value of equity share capital (Face value : Rs. 5/- each)                                  | 27,278          | 25,660            | 19,987          | 27,278           | 19,987          |
| Other equity  | 744,170         | 662,627           | 694,235         | 744,170          | 694,235         |
| <b>(Loss) / earnings per share (Face value : Rs. 5/- each)*</b>                                 |                 |                   |                 |                  |                 |
| Basic   | (9.69)          | (2.02)            | 0.25            | (63.41)          | 0.96            |
| Diluted   | (9.69)          | (2.02)            | 0.25            | (63.41)          | 0.96            |

\*Basic and diluted (loss) / earnings per share for the previous periods have been adjusted retrospectively for the bonus element in respect of rights issue made during the year ended March 31, 2020

## Audited Consolidated Balance Sheet as of March 31, 2020

(Rs. Millions)

| Particulars  | As of             |                   |
|--|-------------------|-------------------|
|  | March 31,<br>2020 | March 31,<br>2019 |
|  | Audited           | Audited           |
| <b>Assets</b>                                      |                   |                   |
| <b>Non-current assets</b>                          |                   |                   |
| Property, plant and equipment                      | 877,573           | 815,228           |
| Capital work-in-progress                           | 39,972            | 88,433            |
| Right-of-use assets                                | 259,049           | -                 |
| Goodwill   | 346,192           | 332,562           |
| Other intangible assets                            | 809,741           | 860,525           |
| Intangible assets under development                | 2,851             | 7,909             |
| Investment in joint ventures and associates        | 96,808            | 88,937            |
| <b>Financial assets</b>                            |                   |                   |
| - Investments                                      | 20,278            | 21,941            |
| - Derivative instruments                           | 41                | 3,105             |
| - Security deposits                                | 8,728             | 16,452            |
| - Others   | 14,696            | 9,242             |
| Income tax assets (net)                            | 21,088            | 17,694            |
| Deferred tax assets (net)                          | 270,160           | 89,379            |
| Other non-current assets                           | 74,181            | 71,511            |
|  | <b>2,841,358</b>  | <b>2,422,918</b>  |
| <b>Current assets</b>                              |                   |                   |
| Inventories  | 1,569             | 884               |
| <b>Financial assets</b>                            |                   |                   |
| - Investments                                      | 137,679           | 46,232            |
| - Derivative instruments                           | 2,792             | 426               |
| - Trade receivables                                | 46,058            | 43,006            |
| - Cash and cash equivalents                        | 135,507           | 62,121            |
| - Other bank balances                              | 23,420            | 18,519            |
| - Others   | 210,523           | 20,343            |
| Other current assets                               | 208,884           | 137,111           |
|  | <b>766,432</b>    | <b>328,642</b>    |
| <b>Total assets</b>                                | <b>3,607,790</b>  | <b>2,751,560</b>  |
| <b>Equity and liabilities</b>                      |                   |                   |
| <b>Equity</b>                                      |                   |                   |
| Share capital                                      | 27,278            | 19,987            |
| Other equity                                       | 744,170           | 694,235           |
| <b>Equity attributable to owners of the Parent</b> | <b>771,448</b>    | <b>714,222</b>    |
| Non-controlling interests                          | 249,847           | 135,258           |
|  | <b>1,021,295</b>  | <b>849,480</b>    |
| <b>Non-current liabilities</b>                     |                   |                   |
| <b>Financial liabilities</b>                       |                   |                   |
| - Borrowings                                       | 910,792           | 824,901           |
| - Lease liabilities                                | 243,678           | 47,553            |
| - Derivative instruments                           | 292               | 826               |
| - Others   | 67,399            | 62,131            |
| Deferred revenue                                   | 25,033            | 17,986            |
| Provisions   | 7,548             | 6,823             |
| Deferred tax liabilities (net)                     | 16,877            | 11,297            |
| Other non-current liabilities                      | -                 | 429               |
|  | <b>1,271,619</b>  | <b>971,946</b>    |
| <b>Current liabilities</b>                         |                   |                   |
| <b>Financial liabilities</b>                       |                   |                   |
| - Borrowings                                       | 167,034           | 310,097           |
| - Current maturities of long-term borrowings       | 98,364            | 71,732            |
| - Lease liabilities                                | 62,413            | -                 |
| - Derivative instruments                           | 568               | 12,742            |
| - Trade payables                                   | 250,199           | 263,138           |
| - Others   | 168,354           | 175,139           |
| Deferred revenue                                   | 55,004            | 43,993            |
| Provisions   | 451,093           | 6,701             |
| Current tax liabilities (net)                      | 13,519            | 8,228             |
| Other current liabilities                          | 48,328            | 38,364            |
|  | <b>1,314,876</b>  | <b>930,134</b>    |
| <b>Total liabilities</b>                           | <b>2,586,495</b>  | <b>1,902,080</b>  |
| <b>Total equity and liabilities</b>                | <b>3,607,790</b>  | <b>2,751,560</b>  |

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Audited Consolidated Segment-wise Revenue, Results, Assets and Liabilities for the quarter and year ended March 31, 2020

(Rs. Millions)

| Particulars   | Quarter ended    |                   |                  | Year ended       |                  |
|---|------------------|-------------------|------------------|------------------|------------------|
|   | March 31, 2020   | December 31, 2019 | March 31, 2019   | March 31, 2020   | March 31, 2019   |
|   | Audited          | Audited           | Audited          | Audited          | Audited          |
| <b>1. Segment Revenue</b>   |                  |                   |                  |                  |                  |
| - Mobile Services India @   | 129,528          | 111,654           | 106,323          | 459,663          | 415,540          |
| - Mobile Services Africa  | 64,888           | 62,695            | 55,115           | 242,173          | 215,028          |
| - Mobile Services South Asia  | 1,203            | 1,155             | 1,124            | 4,552            | 4,436            |
| - Airtel Business   | 33,762           | 33,177            | 30,039           | 132,331          | 124,537          |
| - Tower Infrastructure Services   | 16,826           | 16,662            | 16,704           | 67,423           | 68,185           |
| - Homes Services  | 5,725            | 5,546             | 5,536            | 22,451           | 22,391           |
| - Digital TV Services   | 6,035            | 7,922             | 10,505           | 29,239           | 41,001           |
| - Others  | 15               | 116               | 37               | 50               | 1,163            |
| <b>Total segment revenue</b>  | <b>257,982</b>   | <b>238,927</b>    | <b>225,383</b>   | <b>957,882</b>   | <b>892,281</b>   |
| Less: Inter-segment eliminations *  | 20,755           | 19,456            | 19,361           | 82,492           | 84,479           |
| <b>Total revenue</b>  | <b>237,227</b>   | <b>219,471</b>    | <b>206,022</b>   | <b>875,390</b>   | <b>807,802</b>   |
| <b>2. Segment Results ^</b>   |                  |                   |                  |                  |                  |
| (Loss) / profit before finance costs (net), non-operating expenses (net), charity and donation, exceptional items and tax |                  |                   |                  |                  |                  |
| - Mobile Services India @   | 259              | (8,247)           | (13,261)         | (31,379)         | (56,762)         |
| - Mobile Services Africa  | 17,708           | 17,446            | 13,245           | 64,488           | 52,390           |
| - Mobile Services South Asia  | (216)            | (302)             | (220)            | (1,055)          | (1,069)          |
| - Airtel Business @   | 9,858            | 8,092             | 5,732            | 31,889           | 27,631           |
| - Tower Infrastructure Services   | 8,014            | 9,537             | 8,259            | 38,127           | 31,974           |
| - Homes Services @  | 1,774            | 1,097             | 515              | 5,191            | 3,376            |
| - Digital TV Services   | 1,528            | 3,011             | 1,890            | 11,394           | 7,447            |
| - Others  | (1,258)          | (1,993)           | (2,251)          | (6,629)          | (7,228)          |
| <b>Total</b>  | <b>37,667</b>    | <b>28,641</b>     | <b>13,909</b>    | <b>112,026</b>   | <b>57,759</b>    |
| - Unallocated   | (1,394)          | (838)             | (320)            | (2,975)          | (1,717)          |
| - Inter-segment eliminations *  | (2,642)          | (2,189)           | (94)             | (8,367)          | (3,026)          |
| <b>Total segment results</b>  | <b>33,631</b>    | <b>25,614</b>     | <b>13,495</b>    | <b>100,684</b>   | <b>53,016</b>    |
| Less:   |                  |                   |                  |                  |                  |
| (i) Finance costs (net)   | 33,076           | 29,846            | 25,323           | 123,820          | 95,894           |
| (ii) Non-operating expenses (net)   | 369              | 211               | 59               | 1,272            | 1,894            |
| (iii) Charity and donation  | 251              | 85                | 1,199            | 1,713            | 1,834            |
| (iv) Exceptional items (net)  | 70,040           | 10,500            | (20,221)         | 402,344          | (29,288)         |
| <b>(Loss) / profit before tax</b>   | <b>(70,105)</b>  | <b>(15,028)</b>   | <b>7,135</b>     | <b>(428,465)</b> | <b>(17,318)</b>  |
| <b>3. Segment Assets ^#</b>   |                  |                   |                  |                  |                  |
| - Mobile Services India @   | 2,108,687        | 2,031,953         | 1,700,637        | 2,108,687        | 1,700,637        |
| - Mobile Services Africa  | 675,156          | 664,485           | 569,606          | 675,156          | 569,606          |
| - Mobile Services South Asia  | 8,188            | 8,451             | 6,774            | 8,188            | 6,774            |
| - Airtel Business @   | 200,255          | 161,817           | 149,445          | 200,255          | 149,445          |
| - Tower Infrastructure Services   | 202,823          | 196,157           | 169,693          | 202,823          | 169,693          |
| - Homes Services @  | 42,425           | 49,435            | 45,889           | 42,425           | 45,889           |
| - Digital TV Services   | 39,749           | 40,013            | 31,234           | 39,749           | 31,234           |
| - Others  | 36,724           | 36,057            | 37,927           | 36,724           | 37,927           |
| <b>Total segment assets</b>   | <b>3,314,007</b> | <b>3,188,368</b>  | <b>2,711,205</b> | <b>3,314,007</b> | <b>2,711,205</b> |
| - Unallocated   | 441,744          | 416,814           | 133,120          | 441,744          | 133,120          |
| - Inter-segment eliminations**  | (147,961)        | (91,301)          | (92,765)         | (147,961)        | (92,765)         |
| <b>Total assets</b>   | <b>3,607,790</b> | <b>3,513,881</b>  | <b>2,751,560</b> | <b>3,607,790</b> | <b>2,751,560</b> |
| <b>4. Segment Liabilities#</b>  |                  |                   |                  |                  |                  |
| - Mobile Services India @   | 1,025,832        | 1,058,976         | 408,088          | 1,025,832        | 408,088          |
| - Mobile Services Africa  | 201,937          | 186,917           | 110,571          | 201,937          | 110,571          |
| - Mobile Services South Asia  | 3,943            | 3,949             | 2,515            | 3,943            | 2,515            |
| - Airtel Business @   | 131,256          | 111,808           | 87,225           | 131,256          | 87,225           |
| - Tower Infrastructure Services   | 41,839           | 40,414            | 22,303           | 41,839           | 22,303           |
| - Homes Services @  | 23,355           | 20,843            | 21,729           | 23,355           | 21,729           |
| - Digital TV Services   | 41,224           | 39,494            | 35,423           | 41,224           | 35,423           |
| - Others  | 437              | 421               | 2,181            | 437              | 2,181            |
| <b>Total segment liabilities</b>  | <b>1,469,823</b> | <b>1,462,822</b>  | <b>690,035</b>   | <b>1,469,823</b> | <b>690,035</b>   |
| - Unallocated   | 1,236,696        | 1,248,535         | 1,313,444        | 1,236,696        | 1,313,444        |
| - Inter-segment eliminations**  | (120,024)        | (108,681)         | (101,399)        | (120,024)        | (101,399)        |
| <b>Total liabilities</b>  | <b>2,586,495</b> | <b>2,602,676</b>  | <b>1,902,080</b> | <b>2,586,495</b> | <b>1,902,080</b> |

\* Includes accounting policy alignment

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

# Segment assets/ segment liabilities as at March 31, 2020 and December 31, 2019 includes right-of-use assets / lease liabilities

@ During the year ended March 31, 2020, the Group transferred its operations pertaining to optical fibre on a going concern basis on August 1, 2019 from the Company to its wholly owned subsidiary. As a result, the Group reorganised the business, whereby, the assets and liabilities pertaining to bandwidth capacities have been allocated to Mobile Services India, Airtel Business and Homes Services. Previously, these operations were part of Mobile Services India and bandwidth capacities were billed by Mobile Services India to Airtel Business and Homes Services. Without such reorganisation, for the quarter ended March 31, 2020 and as of that date, segment revenue, segment results, segment assets and segment liabilities for Mobile Services India would have been Rs. 130,915 Mn, Rs. (569) Mn, Rs. 2,154,218 Mn and Rs. 1,075,354 Mn respectively; segment results, segment assets and segment liabilities for Airtel Business would have been Rs. 11,043 Mn, Rs. 176,660 Mn and Rs. 109,978 Mn respectively; and for Homes Services would have been Rs. 938 Mn, Rs. 44,658 Mn and Rs. 17,541 Mn respectively. Without such reorganisation, for the year ended, segment revenue and segment results for Mobile Services India would have been Rs. 464,759 Mn and Rs. (32,730) Mn respectively; segment results for Airtel Business and Homes Services would have been Rs. 32,946 Mn and Rs. 4,583 Mn respectively.

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## Audited Consolidated Statement of Cash Flows for the year ended March 31, 2020

(Rs. Millions)

| Particulars   | Year ended       |                  |
|---|------------------|------------------|
|   | March 31, 2020   | March 31, 2019   |
|   | Audited          | Audited          |
| <b>Cash flows from operating activities</b>                               |                  |                  |
| Loss before tax   | (428,465)        | (17,318)         |
| <b>Adjustments for:</b>   |                  |                  |
| Depreciation and amortisation expense                                     | 276,896          | 213,475          |
| Finance costs   | 137,261          | 110,134          |
| Finance income  | (16,098)         | (14,240)         |
| Share of profit of joint ventures and associates (net)                    | (6,524)          | (3,556)          |
| Exceptional items (net)   | 401,619          | (32,792)         |
| Employee share-based payment expenses                                     | 357              | 345              |
| Loss / (profit) on sale of property, plant and equipment                  | 10               | (175)            |
| Other non-cash items  | 5,132            | 11,909           |
| <b>Operating cash flow before changes in working capital</b>              | <b>370,188</b>   | <b>267,782</b>   |
| <b>Changes in working capital</b>   |                  |                  |
| Trade receivables   | (8,925)          | 8,427            |
| Trade payables  | (2,477)          | 21,580           |
| Inventories   | (522)            | (191)            |
| Provisions  | (128,107)        | (107)            |
| Other financial and non-financial liabilities                             | 19,064           | (20,955)         |
| Other financial and non-financial assets                                  | (44,997)         | (64,128)         |
| <b>Net cash generated from operations before tax</b>                      | <b>204,224</b>   | <b>212,408</b>   |
| Income tax paid - net   | (22,937)         | (11,706)         |
| <b>Net cash generated from operating activities</b>                       | <b>181,287</b>   | <b>200,702</b>   |
| <b>Cash flows from investing activities</b>                               |                  |                  |
| Purchase of property, plant and equipment                                 | (191,902)        | (260,971)        |
| Proceeds from sale of property, plant and equipment                       | 1,317            | 1,225            |
| Purchase of intangible assets   | (15,266)         | (33,804)         |
| Payment towards spectrum - deferred payment liability**                   | (15,424)         | (11,720)         |
| Net movement in current investments                                       | (85,236)         | 18,158           |
| Sale of non-current investments   | 2,950            | 44,976           |
| Purchase of non-current investments                                       | -                | (57,067)         |
| Consideration / advance for acquisitions, net of cash acquired            | (1,345)          | (5,083)          |
| Sale of tower assets  | -                | 3,051            |
| Investment in associates  | (4,761)          | (60)             |
| Dividend received   | -                | 11,493           |
| Interest received   | 4,748            | 4,793            |
| <b>Net cash used in investing activities</b>                              | <b>(304,919)</b> | <b>(285,009)</b> |
| <b>Cash flows from financing activities</b>                               |                  |                  |
| Net proceeds from issue of shares (Rights issue)                          | 248,759          | -                |
| Net proceeds from issue of shares (QIP)                                   | 143,055          | -                |
| Net proceeds from issuance of FCCBs                                       | 70,456           | -                |
| Proceeds from borrowings  | 377,400          | 353,141          |
| Repayment of borrowings   | (439,813)        | (345,359)        |
| Repayment of lease liabilities  | (47,740)         | (5,077)          |
| Net (repayment of) / proceeds from short-term borrowings                  | (117,140)        | 98,101           |
| Proceeds from sale and finance leaseback of towers                        | -                | 1,688            |
| Purchase of treasury shares   | (497)            | (248)            |
| Interest and other finance charges paid                                   | (109,993)        | (76,171)         |
| Proceeds from exercise of share options                                   | 5                | 10               |
| Dividend paid (including tax)   | (18,263)         | (46,617)         |
| Net proceeds from issuance of equity shares to Non-controlling interest   | 57,144           | 104,341          |
| Net proceeds from issuance of perpetual bonds to Non-controlling interest | 71,370           | -                |
| Net payment towards derivatives   | (41,517)         | -                |
| Sale of interest in a subsidiary  | -                | 16,238           |
| Purchase of shares from Non-controlling interest                          | -                | (5,409)          |
| Payment on maturity of forwards   | (1,782)          | -                |
| <b>Net cash generated from financing activities</b>                       | <b>191,444</b>   | <b>94,638</b>    |
| <b>Net increase in cash and cash equivalents during the year</b>          | <b>67,812</b>    | <b>10,331</b>    |
| Effect of exchange rate on cash and cash equivalents                      | 8,934            | 2,153            |
| Add : Cash and cash equivalents as at the beginning of the year           | 53,793           | 41,309           |
| <b>Cash and cash equivalents as at the end of the year</b>                | <b>130,539</b>   | <b>53,793</b>    |

\*Cash flows towards spectrum acquisitions are based on the timing of payouts to DoT (viz. upfront / deferred)

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For the purpose of Audited Consolidated Statement of Cash Flows, cash and cash equivalents comprise of following:

(Rs. Millions)

| Particulars  | As of          |                |
|--|----------------|----------------|
|  | March 31, 2020 | March 31, 2019 |
|  | Audited        | Audited        |
| <b>Cash and cash equivalents as per Audited Consolidated Balance Sheet</b>           | <b>135,507</b> | <b>62,121</b>  |
| Add : Balance held under mobile money trust**  | 22,330         | 16,478         |
| Less : Bank overdraft  | (27,298)       | (24,806)       |
| <b>Cash and cash equivalents as per Audited Consolidated Statement of Cash Flows</b> | <b>130,539</b> | <b>53,793</b>  |

\* It represents cash received from subscribers of mobile commerce services relating to its subsidiaries in Africa and the same is not available for general use by the Group.

#### Notes to the Audited Consolidated Financial Results

1. The financial results for the quarter and year ended March 31, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on May 18, 2020.
2. The financial results are extracted/ compiled from the Audited Consolidated Financial Statements for the year ended March 31, 2020 and Audited Interim Condensed Consolidated Financial Statements prepared for the quarters during the year ended March 31, 2020, 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 and generally accepted accounting principles in India. The said financial results represent results of the Group, and its share in the results of joint ventures and associates.
3. Pursuant to the judgement of the Hon'ble Supreme Court of India on October 24, 2019 ("Court Judgement") and in the absence of any potential reliefs, the Group carried a liability/provision of Rs. 355,229 Mn as at December 31, 2019. The Hon'ble Supreme Court in a Supplementary Order of the same date directed the affected parties to pay amounts due to Department of Telecommunications ('DoT') within a period of three months, which ended on January 23, 2020.

Subsequent to the Court Judgment, DoT had issued letters dated November 13, 2019 and February 3, 2020 to the Group to carry out own-assessment of the liability and afforded certain guidelines/ clarifications to compute the amounts payable based on the Hon'ble Supreme Court Judgement. Accordingly, in February 2020, the Group based on its interpretation and assessment of the guidelines/ clarifications, and the principles laid down in the Court Judgement, made payments aggregating Rs. 127,490 Mn to the DoT, and an additional Rs. 50,000 Mn as a deposit (subject to subsequent refund/ adjustment) to cover differences resulting from re-verification /reconciliation by DoT.

On March 16, 2020, the DoT had filed an application with respect to giving reasonable time to the affected parties (a period of 20 years with 8% interest on unpaid amounts to duly protect the net present value) and to cease the currently applicable interest after a particular date. The Hon'ble Supreme Court, in a hearing on March 18, 2020, ordered that no exercise of self-assessment/ re-assessment is to be done and the dues which were placed before the Court have to be paid including interest and penalty. At the same hearing, the Hon'ble Supreme Court stated that the DoT application would be considered on the next date of hearing, which is pending disposal.

The Group, without prejudice and given the matter is still being considered by the Hon'ble Supreme Court, has continued to recognise, in the same manner, its obligations under the judgements/ orders. Accordingly, during the quarter, the Group has further recorded interest of Rs. 8,706 Mn, which has been presented as exceptional item (refer Note 8).

4. In respect of levy of one time spectrum charge ('OTSC'), the DoT has raised demand on the Company and one of its subsidiaries in January 2013. In the opinion of the Group, inter-alia, the above demand amounts to alteration of financial terms of the licenses issued in the past and therefore the Company and one of its subsidiaries filed a petition in the Hon'ble High Court of Bombay, which vide its order dated January 28, 2013, had 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 this matter is currently pending with Hon'ble High Court of Bombay. The DoT revised demands on the Company and one of its subsidiaries aggregating Rs. 84,140 Mn in June 2018, including a retrospective charge and a prospective charge till the expiry of the initial terms of the respective licenses. The said revised demand has subsequently also been brought within the ambit of the earlier order of no coercive action by the Hon'ble High Court of Bombay. The Group intends to continue to pursue its legal remedies.

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Further, in a similar matter on a petition filed by another telecom service provider, the Hon'ble TDSAT, vide its order dated July 4, 2019, has set aside the DoT order for levy of OTSC with retrospective effect and asked DoT to issue revised demands, if any, as per terms of direction given. The said telecom service provider filed an appeal in the Hon'ble Supreme Court of India against the Order of the TDSAT. On March 16, 2020, the Hon'ble Supreme Court dismissed the appeal of the telecom service provider and did not interfere with the TDSAT judgement. DoT's appeal against the said TDSAT Order for the levy on Spectrum below 6.2 MHz is pending. Accordingly, out of prudence, of the total demands of Rs. 84,140 Mn, the Group has recorded a charge of Rs. 18,075 Mn. Along with interest thereon of Rs. 38,345 Mn, the aggregate of Rs. 56,420 Mn is disclosed as an exceptional item (refer Note 8).

5. During the quarter ended March 31, 2020, the Company has successfully raised Rs. 215,017 Mn of additional long term financing through a combination of Rs. 144,000 Mn in the form of qualified institutional placement of equity shares (approximately 323.60 Mn fully paid up equity shares of face value Rs. 5 each were issued and allotted at a price of Rs. 445 per equity share) and Rs. 71,017 Mn in the form of 1.50% Foreign Currency Convertible Bond offerings (issued at par and repayable in 2025 at 102.66% of their outstanding principal amount).
6. During the quarter ended March 31, 2020, Network i2i Limited (a wholly owned subsidiary of the Company) has issued subordinated perpetual securities of Rs. 17,894 Mn (classified as equity instruments) which have been guaranteed by the Company. The interest payments on these securities may be deferred in a cumulative, non-compounding manner, subject to certain restrictions including on distributions and payment of dividend till such cumulative interest remains unpaid.
7. In respect of Tower Infrastructure Services Segment of the Group:
  - i) On April 20, 2020, Indus Towers Limited, a Joint Venture Company ('JVC') of a subsidiary of the Company, Bharti Infratel Limited (both in the Tower Infrastructure Service Segment), in its financial statements for the year ended March 31, 2020 reported that the JVC's top two major customers in the telecom services industry contributed substantial portion of the net sales of the JVC, for the same period, which also resulted in significant part of the trade receivables due from these two customers as at March 31, 2020. It also reported that the JVC's largest customer (one of the two major customers) in its declared results for the quarter and nine months period ended December 31, 2019, had expressed its ability to continue as going concern to be dependent on positive outcome of the application for modification of the Supplementary Order before the Hon'ble Supreme Court and subsequent agreement with DoT for the payment in instalments after some moratorium and other reliefs. Further, the loss of a significant customer or the failure to attract new customers could have a material adverse effect on the business, results of operations and financial condition of the JVC. The auditors of the JVC have brought out this material uncertainty in their auditor's report.
  - ii) On April 23, 2020, Bharti Infratel Limited ('BIL'), a subsidiary of the Company, has indicated that that the largest customer of the JVC (as referred above) is also a major customer of BIL. The loss of a significant customer or the failure to attract new business in both these entities could have an adverse effect on their business and results of operations. The Management of BIL and the Group have respectively also concluded that there is no impairment with respect to property, plant and equipment of BIL and the carrying value of its investment in the JVC.
8. The net exceptional charge of Rs. 70,040 Mn during the quarter ended March 31, 2020 comprises of a charge on account of re-assessment of regulatory cost based on a recent judgement on OTSC related matter of Rs. 56,420 Mn as detailed in Note 4 above; interest on the provision of license fee and spectrum usage charges of Rs. 8,706 Mn as detailed in Note 3 above; charge on account of regulatory fees based on a recent judgment on a related matter Rs. 1,681 Mn; charge on account of rates and taxes in one of the subsidiaries Rs. 1,659 Mn; accelerated depreciation on 3G network equipment of Rs. 808 Mn and other miscellaneous items amounting to Rs. 766 Mn. Net tax benefit due to the above exceptional items; re-assessment of tax provisions; charge on undistributed earnings of JVC of a subsidiary of the Company and tax credit arising from deferred tax asset pertaining to one of the subsidiaries, aggregating Rs. 19,545 Mn is included under tax expense/ (credit). As a result, the overall net exceptional charge (after tax) is Rs. 50,495 Mn. The net charge allocated to non-controlling interests on the above exceptional items is Rs. 2,833 Mn.

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9. Certain group entities have elected to exercise the option permitted under section 115BAA of the Income - tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Accordingly, during the year ended March 31, 2020, these group entities have recognised provision for income tax and remeasured its deferred tax assets basis the rate prescribed thereby and the related impact is recognised; except for Group's share as to the rate change impact on account of deferred tax created on transition to Ind AS 116, 'Leases' relating to one of its joint venture (which has been utilised from general reserves created out of scheme of merger as approved by the Hon'ble High Court of Delhi vide order dated April 18, 2013 effective from June 11, 2013, as permitted thereunder). This has resulted in a charge of Rs. 4,195 Mn within exceptional items and a charge of Rs. 856 Mn in the equity.
10. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the financial results. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial results has used internal and external sources of information and economic forecasts. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects that there no is material impact.
11. The Board of Directors at its meeting held on May 18, 2020, has recommended a dividend for the financial year 2019-20 of Rs. 2 per equity share (par value : Rs. 5 per equity share). This is subject to shareholder's approval.
12. Previous year/ period figures have been re-grouped or reclassified, to confirm to such current year's classification.

For Bharti Airtel Limited



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

Bengaluru  
May 18, 2020

**Notes:**

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





**Bharti Airtel Limited**

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CIN: L74899DL1995PLC070609

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**Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2020**

(Rs Millions, except per share data)

| Particulars   | Quarter ended    |                   |                 | Year ended       |                 |
|---|------------------|-------------------|-----------------|------------------|-----------------|
|   | March 31, 2020   | December 31, 2019 | March 31, 2019  | March 31, 2020   | March 31, 2019  |
|   | Audited          | Audited           | Audited         | Audited          | Audited         |
| <b>Income</b>   |                  |                   |                 |                  |                 |
| Revenue   | 149,914          | 134,797           | 125,214         | 543,171          | 496,060         |
| Other income  | 968              | 726               | 728             | 3,132            | 2,518           |
|   | <b>150,882</b>   | <b>135,523</b>    | <b>125,942</b>  | <b>546,303</b>   | <b>498,578</b>  |
| <b>Expenses</b>   |                  |                   |                 |                  |                 |
| Network operating expenses  | 35,981           | 32,650            | 40,765          | 136,419          | 161,949         |
| Access charges  | 23,789           | 22,668            | 21,559          | 90,767           | 81,739          |
| License fee / Spectrum charges  | 14,763           | 12,723            | 12,305          | 52,397           | 49,526          |
| Employee benefits expense   | 4,034            | 3,706             | 3,734           | 15,202           | 14,710          |
| Sales and marketing expenses  | 5,024            | 4,671             | 6,584           | 18,180           | 25,966          |
| Other expenses  | 6,530            | 6,368             | 7,697           | 27,614           | 37,414          |
|   | <b>90,121</b>    | <b>82,786</b>     | <b>92,644</b>   | <b>340,579</b>   | <b>371,304</b>  |
| <b>Profit from operating activities before depreciation, amortisation and exceptional items</b> | <b>60,761</b>    | <b>52,737</b>     | <b>33,298</b>   | <b>205,724</b>   | <b>127,274</b>  |
| Depreciation and amortisation expense   | 51,655           | 52,264            | 39,068          | 203,921          | 151,202         |
| Finance costs   | 37,599           | 29,258            | 21,583          | 114,631          | 78,477          |
| Finance income  | (6,384)          | (3,815)           | (2,568)         | (19,293)         | (23,809)        |
| Non-operating expenses  | 359              | 208               | 58              | 1,256            | 1,892           |
| <b>Loss before exceptional items and tax</b>  | <b>(22,468)</b>  | <b>(25,178)</b>   | <b>(24,843)</b> | <b>(94,791)</b>  | <b>(80,488)</b> |
| Exceptional items (net)   | 77,921           | 27,220            | (19,469)        | 415,418          | (28,049)        |
| <b>Loss before tax</b>  | <b>(100,389)</b> | <b>(52,398)</b>   | <b>(5,374)</b>  | <b>(510,209)</b> | <b>(52,439)</b> |
| <b>Tax (credit) / expense</b>   |                  |                   |                 |                  |                 |
| Current tax   | -                | -                 | -               | -                | 15              |
| Deferred tax  | (31,560)         | (18,517)          | (4,745)         | (149,327)        | (33,762)        |
| <b>Loss for the period / year</b>   | <b>(68,829)</b>  | <b>(33,881)</b>   | <b>(629)</b>    | <b>(360,882)</b> | <b>(18,692)</b> |
| <b>Other comprehensive income</b>   |                  |                   |                 |                  |                 |
| Items not to be reclassified to profit or loss :  |                  |                   |                 |                  |                 |
| - Re-measurement gains / (losses) on defined benefit plans                                      | 16               | 12                | (1)             | (108)            | 148             |
| - Tax (charge) / credit   | (5)              | (4)               | -               | 38               | (52)            |
| <b>Other comprehensive income / (loss) for the period / year</b>                                | <b>11</b>        | <b>8</b>          | <b>(1)</b>      | <b>(70)</b>      | <b>96</b>       |
| <b>Total comprehensive loss for the period / year</b>   | <b>(68,818)</b>  | <b>(33,873)</b>   | <b>(630)</b>    | <b>(360,952)</b> | <b>(18,596)</b> |
| Paid-up equity share capital (Face value : Rs. 5/- each)  | 27,278           | 25,660            | 19,987          | 27,278           | 19,987          |
| Other equity  | 987,014          | 911,146           | 963,072         | 987,014          | 963,072         |
| <b>(Loss) / earnings per share (Face value : Rs. 5/- each)</b>                                  |                  |                   |                 |                  |                 |
| Basic and diluted (loss) / earnings per share**   | (12.73)          | (6.60)            | (0.15)          | (71.08)          | (4.36)          |

\*Basic and diluted (loss)/ earnings per share for the previous periods have been adjusted retrospectively for the bonus element in respect of rights issue made during the year ended March 31, 2020.

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Audited Standalone Balance Sheet as of March 31, 2020

(Rs. Millions)

| Particulars  | As of            |                  |
|--|------------------|------------------|
|  | March 31, 2020   | March 31, 2019   |
|  | Audited          | Audited          |
| <b>Assets</b>  |                  |                  |
| <b>Non-current assets</b>  |                  |                  |
| Property, plant and equipment  | 548,286          | 570,099          |
| Capital work-in-progress   | 12,332           | 53,662           |
| Right-of-use assets  | 345,028          | -                |
| Goodwill   | 739              | 739              |
| Other intangible assets  | 722,740          | 767,281          |
| Intangible assets under development  | 255              | 2,703            |
| Investments in subsidiaries, associates and joint ventures                               | 300,466          | 359,039          |
| <b>Financial assets</b>  |                  |                  |
| - Investments  | 52               | 63               |
| - Derivative instruments   | 39               | 4                |
| - Loans and security deposits  | 187,252          | 151,032          |
| - Others   | 12,721           | 9,152            |
| Income tax assets (net)  | 13,410           | 10,059           |
| Deferred tax assets (net)  | 227,014          | 49,803           |
| Other non-current assets   | 45,581           | 60,290           |
|  | <b>2,415,915</b> | <b>2,033,926</b> |
| <b>Current assets</b>  |                  |                  |
| Inventories  | 31               | 10               |
| <b>Financial assets</b>  |                  |                  |
| - Investments  | 86,750           | 16,696           |
| - Derivative instruments   | 1,897            | 68               |
| - Trade receivables  | 38,100           | 38,403           |
| - Cash and cash equivalents  | 33,668           | 1,861            |
| - Other bank balances  | 308              | 492              |
| - Loans  | 7,580            | 10,815           |
| - Others   | 243,772          | 12,688           |
| Other current assets   | 175,707          | 114,116          |
|  | <b>587,813</b>   | <b>195,149</b>   |
| <b>Total assets</b>  | <b>3,003,728</b> | <b>2,229,075</b> |
| <b>Equity and liabilities</b>  |                  |                  |
| <b>Equity</b>  |                  |                  |
| Share capital  | 27,278           | 19,987           |
| Other equity   | 987,014          | 963,072          |
|  | <b>1,014,292</b> | <b>983,059</b>   |
| <b>Non-current liabilities</b>   |                  |                  |
| <b>Financial liabilities</b>   |                  |                  |
| - Borrowings   | 704,712          | 586,120          |
| - Lease liabilities  | 307,039          | -                |
| - Derivative instruments   | -                | 320              |
| - Others   | 31,469           | 33,667           |
| Deferred revenue   | 12,185           | 16,970           |
| Provisions   | 1,919            | 1,927            |
|  | <b>1,057,324</b> | <b>639,004</b>   |
| <b>Current liabilities</b>   |                  |                  |
| <b>Financial liabilities</b>   |                  |                  |
| - Borrowings   | 73,092           | 229,183          |
| - Current maturities of long-term borrowings   | 45,828           | 22,222           |
| - Lease liabilities  | 57,334           | 374              |
| - Derivative instruments   | 35               | 1,455            |
| - Trade payables   |                  |                  |
| - Total outstanding dues of micro enterprises and small enterprises                      | 122              | 31               |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 192,356          | 191,214          |
| - Others   | 90,812           | 110,288          |
| Deferred revenue   | 35,247           | 26,802           |
| Provisions   | 407,590          | 1,088            |
| Current tax liabilities (net)  | 2,268            | 2,248            |
| Other current liabilities  | 27,428           | 22,107           |
|  | <b>932,112</b>   | <b>607,012</b>   |
| <b>Total liabilities</b>   | <b>1,989,436</b> | <b>1,246,016</b> |
| <b>Total equity and liabilities</b>  | <b>3,003,728</b> | <b>2,229,075</b> |

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**Audited Standalone Statement of Cash Flows for the year ended March 31, 2020**

(Rs. Millions)

| Particulars   | Year ended       |                  |
|---|------------------|------------------|
|   | March 31, 2020   | March 31, 2019   |
|   | Audited          | Audited          |
| <b>Cash flows from operating activities</b>                                   |                  |                  |
| Loss before tax   | (510,209)        | (52,439)         |
| <b>Adjustments for:</b>   |                  |                  |
| Depreciation and amortisation expense   | 203,921          | 151,202          |
| Finance costs   | 112,485          | 78,477           |
| Finance income  | (19,293)         | (23,809)         |
| Exceptional items (net)   | 415,252          | (29,914)         |
| Loss on sale of property, plant and equipment                                 | 1                | 295              |
| Employee share-based payment expenses   | 302              | 314              |
| Other non-cash items  | 4,935            | 9,292            |
| <b>Operating cash flow before changes in working capital</b>                  | <b>207,394</b>   | <b>133,418</b>   |
| <b>Changes in working capital</b>   |                  |                  |
| Trade receivables   | (6,315)          | (6,361)          |
| Trade payables  | (7,184)          | 23,789           |
| Inventories   | 29               | 305              |
| Provisions  | (121,460)        | 12               |
| Other financial and non-financial liabilities                                 | 9,646            | (13,320)         |
| Other financial and non-financial assets                                      | (38,754)         | (39,204)         |
| <b>Net cash generated from operations before tax</b>                          | <b>43,356</b>    | <b>98,639</b>    |
| Income tax paid - net   | (3,092)          | 9,482            |
| <b>Net cash generated from operating activities</b>                           | <b>40,264</b>    | <b>108,121</b>   |
| <b>Cash flows from investing activities</b>                                   |                  |                  |
| Purchase of property, plant and equipment                                     | (114,342)        | (191,380)        |
| Proceeds from sale of property, plant and equipment                           | 4,872            | 276              |
| Purchase of intangible assets   | (4,411)          | (14,401)         |
| Payment towards spectrum - deferred payment liability*                        | (15,424)         | (11,720)         |
| Purchase of current investments (net)   | (65,455)         | (16,220)         |
| Sale of non-current investments   | 11               | -                |
| Proceeds from sale of investment in subsidiaries                              | -                | 103,135          |
| Consideration / advance for acquisitions, net of cash acquired                | -                | (6,342)          |
| Investment in associates / subsidiaries                                       | (4,405)          | (2,382)          |
| Loan given to subsidiaries  | (67,184)         | (120,590)        |
| Loan repayment by subsidiaries  | 32,867           | 31,795           |
| Dividend received   | 8,631            | 20,014           |
| Interest received   | 2,125            | 3,256            |
| <b>Net cash used in investing activities</b>                                  | <b>(222,715)</b> | <b>(204,559)</b> |
| <b>Cash flows from financing activities</b>                                   |                  |                  |
| Net proceeds from issue of shares (Rights issue)                              | 248,759          | -                |
| Net proceeds from issue of shares (QIP)                                       | 143,055          | -                |
| Net proceeds from issuance of FCCBs   | 70,456           | -                |
| Proceeds from borrowings  | 246,047          | 215,031          |
| Repayment of borrowings   | (252,032)        | (146,572)        |
| Payment of lease liabilities  | (43,126)         | -                |
| Net (repayment of) / proceeds from short-term borrowings                      | (127,368)        | 97,848           |
| Interest and other finance charges paid                                       | (74,653)         | (52,347)         |
| Proceeds from exercise of share options                                       | 3                | 4                |
| Dividend paid (including tax)   | -                | (19,988)         |
| <b>Net cash generated from financing activities</b>                           | <b>211,141</b>   | <b>93,976</b>    |
| <b>Net increase / (decrease) in cash and cash equivalents during the year</b> | <b>28,690</b>    | <b>(2,462)</b>   |
| Add : Cash and cash equivalents as at the beginning of the year               | 1,707            | 4,169            |
| <b>Cash and cash equivalents as at the end of the year</b>                    | <b>30,397</b>    | <b>1,707</b>     |

\*Cash flows towards spectrum acquisitions are based on the timing of payouts to DoT (viz. upfront/deferred).

For the purpose of Audited Standalone Statement of Cash Flows, cash and cash equivalents comprise of following:

(Rs. Millions)

| Particulars  | As of          |                |
|--|----------------|----------------|
|  | March 31, 2020 | March 31, 2019 |
|  | Audited        | Audited        |
| <b>Cash and cash equivalents as per Audited Standalone Balance Sheet</b>           | <b>33,668</b>  | <b>1,861</b>   |
| Less : Bank overdraft  | (3,271)        | (154)          |
| <b>Cash and cash equivalents as per Audited Standalone Statement of Cash Flows</b> | <b>30,397</b>  | <b>1,707</b>   |

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### Notes to the Audited Standalone Financial Results

1. The financial results for the quarter and year ended March 31, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on May 18, 2020.
2. The financial results are extracted/ compiled from the Audited Standalone Financial Statements for the year ended March 31, 2020 and Audited Interim Condensed Standalone Financial Statements prepared for the quarters during the year ended March 31, 2020, 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 and generally accepted accounting principles in India.
3. Pursuant to the judgement of the Hon'ble Supreme Court of India on October 24, 2019 ("Court Judgement") and in the absence of any potential reliefs, the Company carried a liability/ provision of Rs. 334,635 Mn as at December 31, 2019. The Hon'ble Supreme Court in a Supplementary Order of the same date directed the affected parties to pay amounts due to Department of Telecommunications ('DoT') within a period of three months, which ended on January 23, 2020.

Subsequent to the Court Judgment, DoT had issued letters dated November 13, 2019 and February 3, 2020 to the Company to carry out own-assessment of the liability and afforded certain guidelines/ clarifications to compute the amounts payable based on the Hon'ble Supreme Court Judgement. Accordingly, in February 2020, the Company based on its interpretation and assessment of the guidelines/ clarifications, and the principles laid down in the Court Judgement, made payments aggregating Rs. 119,020 Mn to the DoT, and an additional Rs. 49,500 Mn as a deposit (subject to subsequent refund/ adjustment) to cover differences resulting from re-verification/ reconciliation by DoT.

On March 16, 2020, the DoT had filed an application with respect to giving reasonable time to the affected parties (a period of 20 years with 8% interest on unpaid amounts to duly protect the net present value) and to cease the currently applicable interest after a particular date. The Hon'ble Supreme Court, in a hearing on March 18, 2020, ordered that no exercise of self-assessment/ re-assessment is to be done and the dues which were placed before the Court have to be paid including interest and penalty. At the same hearing, the Hon'ble Supreme Court stated that the DoT application would be considered on the next date of hearing, which is pending disposal.

The Company, without prejudice and given the matter is still being considered by the Hon'ble Supreme Court, has continued to recognise, in the same manner, its obligations under the judgements/ orders. Accordingly, during the quarter, the Company has further recorded interest of Rs. 8,147 Mn, which has been presented as exceptional item (refer Note 7).

4. In respect of levy of one time spectrum charge ('OTSC'), the DoT has raised demand on the Company in January 2013. In the opinion of the Company, inter-alia, the above demand amounts to alteration of financial terms of the licenses issued in the past and therefore the Company filed a petition in the Hon'ble High Court of Bombay, which vide its order dated January 28, 2013, had 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 this matter is currently pending with Hon'ble High Court of Bombay. The DoT revised demands on the Company aggregating Rs. 79,403 Mn in June 2018, including a retrospective charge and a prospective charge till the expiry of the initial terms of the respective licenses. The said revised demand has subsequently also been brought within the ambit of the earlier order of no coercive action by the Hon'ble High Court of Bombay. The Company intends to continue to pursue its legal remedies.

Further, in a similar matter on a petition filed by another telecom service provider, the Hon'ble TDSAT, vide its order dated July 4, 2019, has set aside the DoT order for levy of OTSC with retrospective effect and asked DoT to issue revise demands, if any, as per terms of direction given. The said telecom service provider filed an appeal in the Hon'ble Supreme Court of India against the Order of the TDSAT. On March 16, 2020, the Hon'ble Supreme Court dismissed the appeal of the telecom service provider and did not interfere with the TDSAT judgement. DoT's appeal against the said TDSAT Order for the levy on Spectrum below 6.2 MHz is pending. Accordingly, out of prudence, of the total demands of Rs. 79,403 Mn, the Company has recorded a charge of Rs. 17,915 Mn. Along with interest thereon of Rs. 37,990 Mn, the aggregate of Rs. 55,905 Mn is disclosed as an exceptional item (refer Note 7).

5. During the quarter ended March 31, 2020, the Company has successfully raised Rs. 215,017 Mn of additional long term financing through a combination of Rs. 144,000 Mn in the form of qualified institutional placement of equity shares (approximately 323.60 Mn fully paid up equity shares of face value Rs. 5 each were issued and allotted at a price of Rs. 445 per equity share) and Rs. 71,017 Mn in the form of 1.50% Foreign Currency Convertible Bond offerings (issued at par and repayable in the year 2025 at 102.66% of their outstanding principal amount).

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6. During the quarter ended March 31, 2020, Network i2i Limited (a wholly owned subsidiary of the Company) has issued subordinated perpetual securities of Rs. 17,894 Mn, which have been guaranteed by the Company. The interest payments on these securities may be deferred in a cumulative, non-compounding manner, subject to certain restrictions including on distributions and payment of dividend till such cumulative interest remains unpaid.
7. The net exceptional charge of Rs. 77,921 Mn during the quarter ended March 31, 2020 comprises of a charge on account of re-assessment of regulatory cost based on a recent judgement on OTSC related matter of Rs. 55,905 Mn as detailed in Note 4 above; interest on the provision of license fee and spectrum usage charges of Rs. 8,147 Mn as detailed in Note 3 above; provision for diminution in value against the equity investment in one of the subsidiaries of Rs. 12,418 Mn; accelerated depreciation on 3G network equipment of Rs. 808 Mn; and other miscellaneous items amounting to Rs. 643 Mn. Net tax benefit due to the above exceptional items of Rs. 22,889 Mn is included under tax expense/ (credit). As a result, the overall net exceptional charge (after tax) is Rs. 55,032 Mn.
8. The disclosure required as per the provisions of Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:
- a. As of the date of results, the Non-convertible debentures ('NCDs') issued by the Company are rated CRISIL AA (removed from rating watch with negative implications; rating reaffirmed).
- b. The Company maintains at least 100% asset cover for NCDs.
- c. The details of previous due date for the payment of interest/ repayment of principal of NCDs and whether the amount has been paid is given in the table below :

| S.No.   | Particulars                               | Interest       | Principal |
|---------|---|----------------|-----------|
| (i) (a) | 8.25% NCDs series I                       | April 22, 2019 | NA        |
| (b)     | 8.35% NCDs series II                      | April 22, 2019 | NA        |
| (ii)    | Whether amount has been paid on due dates | Yes            | NA        |

- d. The details of next due date for the payment of interest / repayment of principal along with amount due is given in the table below:

| S.No. | Particulars          | Interest due dates | Interest due (Rs. Millions) | Principal due dates | Principal due (Rs. Millions) |
|-------|----------------------|--------------------|-----------------------------|---------------------|------------------------------|
| (i)   | 8.25% NCDs series I* | April 20, 2020     | 1,234                       | April 20, 2020      | 15,000                       |
| (ii)  | 8.35% NCDs series II | April 20, 2020     | 1,249                       | April 20, 2021      | 15,000                       |

\* As on the date of results, Series I NCDs have been redeemed.

- e. Other information:

| S.No. | Particulars   | March 31, 2020 | March 31, 2019 |
|-------|---|----------------|----------------|
| (i)   | Debt service coverage ratio ('DSCR') - [no. of times]     | 1.05           | 1.30           |
| (ii)  | Interest service coverage ratio ('ISCR') - [no. of times] | 2.39           | 1.98           |
| (iii) | Debt - equity ratio - [no. of times]                      | 0.78           | 0.85           |
| (iv)  | Debenture redemption reserve - [Rs. Million]              | 7,500          | 7,500          |
| (v)   | Net worth - [Rs. Million]                                 | 967,549        | 952,680        |

Note: Effective April 1, 2019, the Company adopted Ind AS 116 'Leases'. Hence, previous year numbers are not comparable.

The basis of computation of above parameters is provided in the table below.

|                            |  |
|----------------------------|--|
| <b>DSCR</b>                | Profit from operating activities before depreciation, amortisation and exceptional items / (interest expenses (+) principal repayments of long - term debt (+) payment of lease liabilities) |
| <b>ISCR</b>                | Profit from operating activities before depreciation, amortisation and exceptional items / interest expenses   |
| <b>Debt - equity ratio</b> | (Non-current borrowings (+) current borrowings (+) current maturities of long-term borrowings (-) cash and cash equivalents (-) term deposits with bank) / Equity                            |
| <b>Net worth</b>           | Basis section 2(57) of the Companies Act, 2013   |

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9. Annual Disclosure w.r.t the details of the incremental borrowings done during the financial year 2019-20 in compliance of the SEBI Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018, is annexed to these financial results.
10. The Company publishes these financial results along with the consolidated financial results. In accordance with Ind AS 108, 'Operating Segments', the Company has disclosed the segment information in the consolidated financial results.
11. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the financial results. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects that there is no material impact.
12. The Board of Directors at its meeting held on May 18, 2020, has recommended a dividend for the financial year 2019-20 of Rs. 2 per equity share (par value : Rs. 5 per equity share). This is subject to shareholder's approval.
13. Previous year/ period figures have been re-grouped or reclassified, to confirm to such current year's classification.

For Bharti Airtel Limited



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

Bengaluru  
May 18, 2020

**Notes:**

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



May 18, 2020

**National Stock Exchange of India Limited**

Exchange Plaza, C-1 Block G  
Bandra Kurla Complex, Bandra (E),  
Mumbai-400051, India

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai-400001, India

**Ref: Bharti Airtel Limited (BHARTIARTL /532454)**

**Sub: Annual Disclosure w.r.t. the details of the incremental borrowings done during the financial year 2019-20 under SEBI Circular no. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 ('SEBI Circular')**

Dear Sir/ Madam,

In reference to the abovementioned subject, we hereby submit the Annual disclosure in compliance of the clause 4.1 (ii) of SEBI Circular is as follows:

1. Name of the Company: Bharti Airtel Limited
2. CIN: L74899DL1995PLC070609
3. Report filed for FY: 2019-20
4. Details of the borrowings: as provided below

| Particulars  | Details  |
|--|--|
| Incremental borrowing done in FY 2019-20 (a)   | INR 9,009.1 Crores   |
| Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)  | INR 2,252.3 Crores   |
| Actual borrowings done through debt securities in FY (c)                             | NIL  |
| Shortfall in the mandatory borrowing through debt securities, if any (d) = (b) - (c) | INR 2,252.3 Crores   |
| Reasons for short fall, if any, in mandatory borrowings through debt securities      | During FY 2019-20, Company has accessed to diversified sources of capital from domestic and international market and raised a total of INR 46,440 Crores (excluding bank borrowings) as per details below :<br><br>a) INR 24,940 Crores of Rights Issue during May 2019.<br>b) INR 14,400 Crores of Qualified Institutional Placement (QIP) during January 2020.<br>c) INR 7,100 Crores / USD 1 Billion of Foreign Currency Convertible Bonds (FCCBs) during January 2020. |

**Bharti Airtel Limited**

(a Bharti Enterprise)

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070

T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: [compliance.officer@bharti.in](mailto:compliance.officer@bharti.in), [www.irtel.com](http://www.irtel.com)

CIN: L74899DL1995PLC070609

# bharti

|  |   |
|--|---|
|  | Hence, during FY 2019-20, overall at net level, Company has deleveraged and reduced overall borrowings by approximately INR 1389 Crores (ex FLO), majority of banking sector. |
|--|---|

Kindly take the same on record.

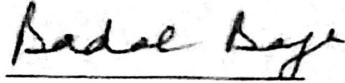
Thanking you,  
Sincerely yours,

**For Bharti Airtel Limited**



**Pankaj Tewari**  
Company Secretary  
Contact details:

011 46666100, [compliance.officer@bharti.in](mailto:compliance.officer@bharti.in)



**Badal Bagri**  
Chief Financial Officer (India & South Asia)  
Contact details:

0124 4222222, [CFO.India@airtel.com](mailto:CFO.India@airtel.com)

**Bharti Airtel Limited**  
(a Bharti Enterprise)

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070

T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: [compliance.officer@bharti.in](mailto:compliance.officer@bharti.in), [www.airtel.com](http://www.airtel.com)

CIN: L74899DL1995PLC070609





**Declaration w.r.t. Audit Report with unmodified opinion pursuant to Regulation 33(3)(d) and 52(3)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

I, Badal Bagri, Chief Financial Officer (India & South Asia) of Bharti Airtel Limited having its registered office at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, hereby declare that Deloitte Haskins & Sells LLP (FRN: 117366W-W100018), Statutory Auditors of the Company, have issued an Audit Report with Unmodified opinion on Audited Financial Results of the Company (Standalone and Consolidated) for the quarter and year ended March 31, 2020.

This declaration is given pursuant to Regulation 33(3)(d) and 52(3)(a) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended and Circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016.

Kindly take this declaration on record.

Thanking you,  
Sincerely yours

**For Bharti Airtel Limited**

**Badal Bagri**  
**Chief Financial Officer (India & South Asia)**

**Date: May 18, 2020**  
**Place: Gurgaon**

## INDEPENDENT AUDITOR'S REPORT ON AUDIT OF QUARTERLY AND ANNUAL CONSOLIDATED FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF BHARTI AIRTEL LIMITED

#### Opinion

We have audited the Consolidated Financial Results for the quarter and year ended March 31, 2020 included in the accompanying "Statement of Audited Consolidated Financial Results for the Quarter and Year Ended March 31, 2020" of **BHARTI AIRTEL LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of its joint ventures and associates for the quarter and year ended March 31, 2020, ("the Statement" / "the Consolidated Financial Results") being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the other auditors on separate financial statements / financial information of joint ventures referred to in Other Matter section below, the Statement:

- i. includes the results of the entities as given in Annexure to this report;
- ii. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the consolidated net loss and consolidated total comprehensive loss and other financial information of the Group, its associates and joint ventures for the quarter and year ended March 31, 2020.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in Auditor's Responsibilities for audit of the Consolidated Financial Results for the quarter and year ended March 31, 2020 section below. We are independent of the Group, its associates and joint ventures 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 Results for the year ended March 31, 2020 under the provisions of the Act and the Rules 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 Matter section below, is sufficient and appropriate to provide a basis for our audit opinion.

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**Emphasis of Matters**

- i. **"Material uncertainty arising out of certain developments and its consequential impact on business operations" of Indus Towers Limited, a joint venture company - Reported by auditors of Indus Towers Limited**

We draw attention to Note 7 of the Statement, which describes the auditors of Indus Towers Limited ("Indus"), a joint Venture Company, in their audit report on the financial statements of that company for the year ended March 31, 2020, have reported under the above heading a matter which describes the effect on business, results of operations, financial position of the joint venture Company on account of uncertainty regarding continuance of operations of their top customers caused by financial stress post the AGR judgement of Honourable Supreme Court dated October 24, 2019 and March 18, 2020.

- ii. **"Accounting treatment of for Deferred Tax" of Indus Towers Limited, a joint venture company - Reported by auditors of Indus Towers Limited**

We draw attention to Note 9 of the Statement, which describes the auditors of Indus Towers Limited ("Indus"), a joint Venture Company, have included an 'Emphasis of Matter' paragraph in their audit report on the financial statements of that company for the year ended March 31, 2020 with respect to accounting treatment of adjustments of Rs. 2,039 million in carrying value of deferred tax assets, by setting off the same against the reserves created out of scheme of merger pursuant to the scheme of merger as approved by the appropriate judicature. However, this is not in compliance with Ind AS 12, Income taxes.

The Group's share out of above adjustment is Rs. 856 million.

Our opinion on the Statement is not modified in respect of these matters.

**Management's Responsibilities for the Statement**

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related audited Consolidated Financial Statements for the year ended March 31, 2020 and audited Interim Condensed Consolidated Financial Statements prepared for the quarters during the year ended March 31, 2020. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the consolidated net loss and consolidated other comprehensive loss and other financial information of the Group including its associates and joint ventures in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS"), prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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 joint ventures 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 the 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 respective financial results 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 this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, 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 respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

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# **Deloitte Haskins & Sells LLP**

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

## **Auditor's Responsibilities for audit of the Consolidated Financial Results for the quarter and year ended March 31, 2020**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the quarter and year ended March 31, 2020 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 this Consolidated Financial Results.

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 Results, 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 control relevant to the audit 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 such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 Results 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 Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Information of the entities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by the other auditors, such other auditors remain

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# Deloitte Haskins & Sells LLP

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 Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results 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 Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

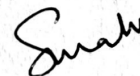
## Other Matter

The consolidated financial results also includes the Group's share of net profit after tax of Rs. 2,158 Million and Rs. 11,037 Million for the quarter and year ended March 31, 2020 respectively and total comprehensive income of Rs. 2,162 Million and Rs. 11,028 Million for the quarter and year ended March 31, 2020 respectively, as considered in the Statement, in respect of two joint ventures whose financial information have not been audited by us. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities for the Audit of the Consolidated Financial Results for the quarter and year ended March 31, 2020 section above.

Our opinion on the Statement 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. *J*

*NPL*

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



**Shyamak R Tata**  
Partner  
(Membership No. 38320)  
UDIN: 20038320AAAAAJ6729

Place: Mumbai  
Date: May 18, 2020

# Deloitte Haskins & Sells LLP

## Annexure to Auditor's Report

### List of entities:

|    |   |    |  |
|----|---|----|--|
| 1  | Bharti Airtel Limited                           |    |  |
|    | <b>Subsidiaries</b>                             |    |  |
| 2  | Bharti Infratel Limited                         | 35 | Bharti Airtel Niger Holdings B.V.                            |
| 3  | Bharti Hexacom Limited                          | 36 | Bharti Airtel Nigeria B.V.                                   |
| 4  | Bharti Telemedia Limited                        | 37 | Bharti Airtel Nigeria Holdings II B.V.                       |
| 5  | Telesonic Networks Limited                      | 38 | Bharti Airtel RDC Holdings B.V.                              |
| 6  | Bharti Airtel Services Limited                  | 39 | Bharti Airtel Services B.V.                                  |
| 7  | Nxtra Data Limited                              | 40 | Bharti Airtel Tanzania B.V.                                  |
| 8  | Wynk Limited                                    | 41 | Bharti Airtel Uganda Holdings B.V.                           |
| 9  | Nettle Infrastructure Investments Limited       | 42 | Bharti Airtel Zambia Holdings B.V.                           |
| 10 | Indo Teleports Limited                          | 43 | Airtel Mobile Commerce (Seychelles) B.V.                     |
| 11 | SmarTx Services Limited                         | 44 | Airtel Mobile Commerce Congo B.V.                            |
| 12 | Bharti Airtel Employees Welfare Trust           | 45 | Airtel Mobile Commerce Kenya B.V.                            |
| 13 | Bharti Infratel Employee Welfare Trust          | 46 | Airtel Mobile Commerce Madagascar B.V.                       |
| 14 | Airtel International LLP                        | 47 | Airtel Mobile Commerce Malawi B.V.                           |
| 15 | Bharti Digital Networks Private Limited \$      | 48 | Airtel Mobile Commerce Rwanda B.V.                           |
| 16 | Bharti Airtel (UK) Limited                      | 49 | Airtel Mobile Commerce Tchad B.V.                            |
| 17 | Bharti International (Singapore) Pte. Ltd.      | 59 | Airtel Mobile Commerce Uganda B.V.                           |
| 18 | Network i2i Ltd.                                | 51 | Airtel Mobile Commerce Zambia B.V.                           |
| 19 | Bharti Airtel Lanka (Private) Limited           | 52 | Bharti Airtel Africa B.V.                                    |
| 20 | Bharti Airtel (France) SAS                      | 53 | Celtel (Mauritius) Holdings Limited                          |
| 21 | Bharti Airtel (USA) Limited                     | 54 | Montana International  |
| 22 | Bharti Airtel (Hong Kong) Limited               | 55 | Channel Sea Management Company (Mauritius) Limited           |
| 23 | Bharti Airtel (Japan) Private Limited           | 56 | Société Malgache de Telephonie Cellulaire SA                 |
| 24 | Bharti Airtel International (Mauritius) Limited | 57 | Bharti Airtel Rwanda Holdings Limited                        |
| 25 | Bharti Airtel International (Netherlands) B.V.  | 58 | Indian Ocean Telecom Limited                                 |
| 26 | Africa Towers N.V.                              | 59 | Bharti Airtel International (Mauritius) Investments Limited  |
| 27 | Airtel Mobile Commerce B.V.                     | 60 | Bharti Airtel Overseas (Mauritius) Limited                   |
| 28 | Airtel Mobile Commerce Holdings B.V.            | 61 | Airtel Africa Plc. (Formerly known as Airtel Africa Limited) |
| 29 | Bharti Airtel Chad Holdings B.V.                | 62 | Airtel Africa Mauritius Limited                              |
| 30 | Bharti Airtel Congo Holdings B.V.               | 63 | Airtel Mobile Commerce Nigeria B.V.                          |
| 31 | Bharti Airtel Gabon Holdings B.V.               | 64 | Airtel Networks Limited                                      |
| 32 | Bharti Airtel Kenya B.V.                        | 65 | Airtel Uganda Limited  |
| 33 | Bharti Airtel Kenya Holdings B.V.               | 66 | Tanzania Towers Limited                                      |
| 34 | Bharti Airtel Madagascar Holdings B.V.          | 67 | Bharti Airtel Malawi Holdings B.V.                           |

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**Deloitte  
Haskins & Sells LLP**

|     |   |     |  |
|-----|---|-----|--|
| 68  | Airtel Mobile Commerce Nigeria Limited      | 87  | Airtel Congo (RDC) S.A.                  |
| 69  | Airtel Mobile Commerce Uganda Limited       | 88  | Airtel Money (RDC) S.A.                  |
| 70  | Airtel Tanzania Public Limited Company      | 89  | Partnership Investments SARL             |
| 71  | Airtel Mobile Commerce (Tanzania) Limited   | 90  | Airtel Mobile Commerce Tchad SARL        |
| 72  | Airtel Money Tanzania Limited               | 91  | Congo RDC Towers S.A.                    |
| 73  | Airtel Networks Zambia Plc                  | 92  | Airtel Congo S.A.                        |
| 74  | Airtel Mobile Commerce Zambia Limited       | 93  | Mobile Commerce Congo S.A.               |
| 75  | Airtel Money Transfer Ltd                   | 94  | Airtel Gabon S.A.                        |
| 76  | Airtel Networks Kenya Limited @             | 95  | Airtel Money, S.A.                       |
| 77  | Bharti Airtel Developers Forum Limited      | 96  | Gabon Towers S.A. *                      |
| 78  | Airtel Mobile Commerce (Kenya) Limited      | 97  | Airtel Money Niger S.A.                  |
| 79  | Airtel Malawi Limited                       | 98  | Celstel Niger S.A.                       |
| 80  | Airtel Mobile Commerce Limited              | 99  | Airtel Tchad S.A.                        |
| 81  | Airtel Rwanda Limited                       | 100 | Airtel Madagascar S.A.                   |
| 82  | Airtel Mobile Commerce Rwanda Limited       | 101 | Madagascar Towers S.A.                   |
| 83  | Airtel (Seychelles) Limited                 | 102 | Airtel Mobile Commerce Madagascar S.A.   |
| 84  | Airtel Mobile Commerce (Seychelles) Limited | 103 | Malawi Towers Limited                    |
| 85  | Bharti Airtel Holding (Mauritius) Limited   | 104 | Network i2i (Kenya) Limited ^            |
| 86  | Bharti Airtel Mali Holdings B.V.            |     |  |
|     |   |     |  |
|     | <b>Joint Ventures &amp; Associates</b>      |     |  |
|     | <b>(Including their subsidiaries)</b>       |     |  |
| 105 | Indus Towers Limited                        | 112 | Airtel Ghana Limited                     |
| 106 | FireFly Networks Limited                    | 113 | Airtel Mobile Commerce (Ghana) Limited   |
| 107 | Seynse Technologies Private Limited         | 114 | Mobile Financial Services Limited #      |
| 108 | Juggernaut Books Private Limited            | 115 | Millicom Ghana Company Limited *         |
| 109 | Airtel Payments Bank Limited                | 116 | Bharti Airtel Ghana Holdings B.V.        |
| 110 | Robi Axiata Limited                         | 117 | Seychelles Cable Systems Company Limited |
| 111 | Bridge Mobile Pte Limited                   | 118 | RedDot Digital Limited ^                 |

@ The Group also holds 100% preference shareholding in these companies. The preference shares do not carry any voting rights.

\* Under dissolution

\$ Merged with Bharti Airtel Limited on May 29, 2019 and accounted as common control transaction.

# Struck off w.e.f. 5 February 2020

^ Incorporated during the year ended March 31, 2020

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## **INDEPENDENT AUDITOR'S REPORT ON AUDIT OF QUARTERLY AND ANNUAL STANDALONE FINANCIAL RESULTS**

### **TO THE BOARD OF DIRECTORS OF BHARTI AIRTEL LIMITED**

#### **Opinion**

We have audited the Standalone Financial Results for the quarter and year ended March 31, 2020 included in the accompanying "Statement of Audited Standalone Financial Results for the Quarter and Year Ended March 31, 2020" of **BHARTI AIRTEL LIMITED** ("the Company"), ("the Statement" / "the Standalone Financial Results"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net loss and total comprehensive loss and other financial information of the Company for the quarter and year then ended.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in Auditor's Responsibilities for Audit of the Standalone Financial Results for the quarter and year ended March 31, 2020 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 Results for the quarter and year ended March 31, 2020 under the provisions of the Act and the Rules 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.

#### **Management's Responsibilities for the Statement**

This Statement, which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors, and has been approved by them for the issuance. The Statement has been compiled from the related audited Standalone Financial Statements for the year ended March 31, 2020 and audited Interim Condensed Standalone Financial Statements prepared for the quarters during the year ended March 31, 2020. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the net loss and other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls that were operating

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effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

**Auditor's Responsibilities for audit of the Standalone Financial Results for the quarter and year ended March 31, 2020**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the quarter and year ended March 31, 2020 as a whole is 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 this Standalone Financial Results.

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 Results, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 Company 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 Statement 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 Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

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*[Handwritten signature]*

# Deloitte Haskins & Sells LLP

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results 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 Results.

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.

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



**Shyamak R Tata**  
Partner  
(Membership No. 38320)  
UDIN: 20038320AAAAAG5191

Place: Mumbai  
Date: May 18, 2020



May 18, 2020

**National Stock Exchange of India Limited**

Exchange Plaza, C-1 Block G  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400051, India

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400001, India

**Ref: Bharti Airtel Limited (BHARTIARTL/532454)**

**Sub: Press Release w.r.t. financial results for the fourth quarter (Q4) and year ended March 31, 2020**

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the press release being issued by the Company with regard to the audited financial results of the Company for the fourth quarter (Q4) and year ended March 31, 2020.

Kindly take the same on record.

Thanking you,  
Sincerely yours,

**For Bharti Airtel Limited**

**Rohit Krishan Puri**  
**Dy. Company Secretary & Compliance Officer**

**Bharti Airtel Limited**

(a Bharti Enterprise)

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070

T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: [compliance.officer@bharti.in](mailto:compliance.officer@bharti.in), [www.airtel.com](http://www.airtel.com)

**CIN: L74899DL1995PLC070609**

## Bharti Airtel Limited

### Q4 FY20 Highlights

**Consolidated Revenues at Rs 23,723 crore up 15.1% YoY (18.2% on an underlying basis)**

**Consolidated EBITDA at Rs 10,326 crore; EBITDA margin at 43.5%**

**Mobile services India revenues up 21.8% YoY and 16.0% QoQ**

**Highest Mobile India ARPU in the industry at Rs 154 vs Rs 123 in Q4'19**

**Healthy 4G Net Adds of ~12.5 Mn in Q4'20**

**Data usage per sub at 14.6 GBs/month**

**Resilient portfolio - Airtel Business revenues up by 12.4% YoY, DTH underlying revenue growth of 16.9% YoY**

*Bharti Airtel announces consolidated Ind AS results for the fourth quarter ended March 31, 2020*

*Effective April 1, 2019, the Company adopted Ind AS 116 "Leases". The results for the quarter ended March 31, 2020 includes the impact of Ind AS 116 and the same are not comparable with the prior period results. The term 'Underlying' refers to DTH reporting change effective April 1, 2019 pursuant to New Tariff Order, leading to content cost becoming a pass through expense and impact of accounting policy change deferring activation, installation & rental revenue over the life of the customer.*

### Highlights for the fourth quarter ended March 31, 2020 (including impact of Ind AS 116)

#### Consolidated

- Overall customer base stands at 423 million across 16 countries
- Total revenues at Rs 23,723 crore, up 15.1% YoY (underlying growth of 18.2% YoY)
- EBITDA at Rs 10,326 crore, up 51.7% YoY; EBITDA margin at 43.5%, up 10.5 p.p. YoY
- EBIT at Rs 3,246 crore, up 172.1% YoY; EBIT margin at 13.7%, up 7.9 p.p. YoY
- Net loss (before exceptional items) for Q4'20 at Rs 471 crore, net loss (after exceptional items) for Q4'20 at Rs 5,237 crore
- Total Capex spend for the quarter of Rs 11,339 crore

#### India & Africa

- India revenues up 14.4% YoY (18.5% on an underlying basis); EBITDA margin at 42.7%, up 12.2 p.p. YoY. Adjusted<sup>1</sup> EBITDA margin comparable to Q3'20 is at 43.2%. EBIT margin at 8.6%, up 9.2 p.p. YoY
- Africa revenues (in constant currency) up 17.9% YoY, EBITDA margin at 44.1%, up 4.9 p.p. YoY, EBIT margin at 27.2%, up 3.3 p.p. YoY

### Highlights for the year ended March 31, 2020 (including impact of Ind AS 116)

- Consolidated total revenues at Rs 87,539 crore, up 8.4% YoY (underlying growth of 10.7% YoY)
- Consolidated EBITDA at Rs 37,105 crore and EBITDA margin at 42.4%, up 9.8 p.p. YoY
- Net Loss (before exceptional items) at Rs 4,074 crore
- Net Loss (after exceptional items) at Rs 32,183 crore

<sup>1</sup> Adjusted financials have been calculated without considering the impact of revenue deferment in DTH Business.

**New Delhi, India, May 18, 2020:** Bharti Airtel Limited (“Bharti Airtel” or “the Company”) today announced its audited consolidated Ind AS results for the fourth quarter ended March 31, 2020.

#### **Q4’20 Performance:**

The consolidated revenues for Q4’20 at Rs 23,723 crore grew 15.1% YoY on reported basis (18.2% YoY on an underlying basis). Growth was broad based and all segments registered healthy underlying growth.

India revenues for Q4’20 at Rs 17,438 crore have increased by 14.4% YoY on a reported basis (18.5% YoY on an underlying basis). Mobile revenues have witnessed a YoY growth of 21.8% primarily led by increase in 4G customer base coupled with improved tariffs. ARPU for the quarter is at Rs 154 as compared to Rs 123 in Q4’19. India Mobile business has turned EBIT positive. Mobile 4G data customers<sup>2</sup> increased by ~12.5 Mn in Q4’20. India Mobile data traffic has increased by 74.2% to 6,010 PBs in the quarter as compared to 3,451 PBs in the corresponding quarter last year.

The company has undertaken a capex investment of Rs 25,359 crore on a consolidated basis during the year to ensure superior customer experience besides front ending some investment to ensure seamless services during the ongoing pandemic.

Airtel's journey as a Digital Business continued strongly in Q4’20. Airtel Thanks is the leading digital engagement platform for Airtel. We have over 160 million Monthly Active Users across our Digital assets – Airtel Thanks, Wynk and X Stream. We have over 1.1 million retailers transacting and making payments every day on our Mitra App. Today over 60 percent of our entire business goes through Digital channels, and with share of AirtelThanks platform growing strongly to now become the second largest platform for user payments online.

Digital TV revenue witnessed strong growth of 16.9% YoY on an underlying basis, on the back of strong customer additions. Airtel Business witnessed a double digit revenue growth of 12.4% YoY led by increased focus on connecting large enterprises, SMEs besides providing innovative solutions. Homes business continues to remain resilient and shows significant long term promise in the wake of the new normal of work from home and social distancing established post the COVID situation.

Consolidated EBITDA witnessed an increase of 51.7% YoY to Rs 10,326 crore in Q4’20. This led to an improvement in EBITDA margin of 10.5 p.p. YoY to 43.5%. Consolidated EBIT increased by 172.1% YoY to Rs 3,246 crore. The Consolidated Net Loss before exceptional items for the quarter stands at Rs 471 crore. The Consolidated Net Loss after exceptional items for the quarter stands at Rs 5,237 crore.

In line with our policy of passing through dividends received from Infratel, the Board of Directors is pleased to recommend a dividend of Rs. 2 per share for FY 2019-20. This is subject to shareholders’ approval.

Consolidated net debt excluding lease obligations for the company stands at Rs 88,251 crore as on March 31, 2020 compared to Rs 108,235 crore as on March 31, 2019. Consolidated net debt including lease obligations is at Rs 118,859 crore. The Net Debt-EBITDA ratio on reported basis (annualized) as on March 31, 2020 is at 2.88 times as compared to 4.15 times as on March 31, 2019. During the quarter, the company undertook several measures to bolster the balance sheet, including successfully raising USD 2 billion of equity through the Qualified Institutional Placement, USD 1 billion in Foreign Currency Convertible Bonds and USD 250 million in Perpetual Bonds (tap on existing bonds).

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<sup>2</sup>Data Customer Base – A customer who has used atleast 1 MB on GPRS/3G/4G network in the last 30 days. Customer Base is defined as customers generating revenue through recharge, billing or any outgoing activity.

**In a statement, Gopal Vittal, MD and CEO, India & South Asia, said:**

“These are unprecedented times for every one across the world as we battle the impact of COVID-19 and its consequent impact on livelihoods. Even in this difficult time, it is our investments in network technologies coupled with our culture of customer obsession that has allowed us to keep the nation connected and serve our customers. It is abundantly clear today that telecom has played an essential role in keeping the country going. We are therefore hopeful that the government will implement the recommendations of the TRAI and the intent of the New Telecom Policy and bring down the high levels of regulatory levies and taxes that the sector is subjected to.

The quarter gone by saw healthy revenue growth of 14.4% YoY with mobile business growing at 21.8%. This was driven by two factors - sustained momentum of 4G customer additions of over ~ 12.5 Mn coupled with improved tariffs. We continue to witness strong data traffic growth of ~74.1% YoY.

Going forward we remain committed to delivering a best in class customer experience even as we leverage our platform to build new revenue streams.”

**COVID-19**

We are operating in an unprecedented situation and recognize that in this current crisis, telecom operators have a critical role to play as we provide an essential service, keeping our customers and the nation connected. We, at Airtel, have taken several steps to manage this crisis, which have been detailed below. This situation continues to evolve and we are monitoring it closely to identify key risks and taking immediate actions to minimize any potential disruption from the pandemic to our business.

**Connectivity:** We have demonstrated our commitment in ensuring that everyone remains connected without any disruptions during the difficult time by announcing special measures of free services for over 80 million low income consumers.

**Distribution:** Given the lockdown, most retail outlets were closed. To ensure that our customers were able to recharge, we activated several new channels – Pharmacies, Groceries, Bank ATMs and Post Offices and enabled recharges at points that continued to be available during the lockdown. Further, we encouraged all our customers to use the digital channels. We undertook several campaigns to educate users to pay/recharge online and also encouraged customers to recharge for others.

**Network:** In these challenging times, our network remains the main source to many people for social interactions, work and entertainment. We have seen an increase in data traffic, and our priority is to make sure that our customers continue to enjoy brilliant experience. Our people were on the field to continue installation/repair activities and ensure that networks were up and running, even during the lockdown. We made sure that all our Network and Engineering Operating centers as well as data centers could be operated with minimum workforce on site and rest were enabled virtually. We also made all necessary arrangements at the NOC to be ready for all eventualities.

**Governance:** Our business continuity plans came into effect even before the lockdown. We have a war room to closely supervise all developments and daily meetings chaired by the CEO to monitor safety of our employees, review network, customer service and business performance.

**Safety:** Our topmost priority is the health and wellbeing of our employees, partners and customers, and we have taken all the necessary steps to ensure their safety. We have provided sanitation essentials to our workforce on the field. Further, we have distributed staff (two teams working on alternate days) and reduced capacity to maintain social distance in our essential facilities. We are also working with the government to help raise awareness and share best practices through several means so as to help people in need.

## Bharti Airtel Limited – Media Release May 18, 2020

**Society:** As a responsible corporate, Bharti Enterprises and its companies have committed over Rs 100 crore for India's fight against COVID-19. A significant portion of the corpus was contributed to the PM - CARES Fund. Further, the company has paid the basic salaries to nearly 25,000 employees of our distribution partners and retail franchise network in April to help them tide over the unprecedented situation.

### Summary of the Consolidated Statement of Income – represents consolidated Statement of Income as per Indian Accounting Standards (Ind-AS)

(Amount in Rs crore, except ratios)

| Particulars                   | Quarter Ended |              | Y-o-Y Growth | Year Ended   |              | Y-o-Y Growth |
|-------------------------------|---------------|--------------|--------------|--------------|--------------|--------------|
|                               | Mar 2020      | Mar 2019     |              | Mar 2020     | Mar 2019     |              |
| Total revenues                | 23,723        | 20,602       | 15.1%        | 87,539       | 80,780       | 8.4%         |
| EBITDA                        | 10,326        | 6,806        | 51.7%        | 37,105       | 26,294       | 41.1%        |
| <i>EBITDA/ Total revenues</i> | <i>43.5%</i>  | <i>33.0%</i> | <i>10.5%</i> | <i>42.4%</i> | <i>32.5%</i> | <i>9.8%</i>  |
| EBIT                          | 3,246         | 1,193        | 172.1%       | 9,245        | 4,763        | 94.1%        |
| <i>EBIT/ Total revenues</i>   | <i>13.7%</i>  | <i>5.8%</i>  | <i>7.9%</i>  | <i>10.6%</i> | <i>5.9%</i>  | <i>4.7%</i>  |
| Profit before tax             | (7)           | (1,309)      | 99.5%        | (2,612)      | (4,661)      | 44.0%        |
| Net Income                    | (5,237)       | 107          | nm           | (32,183)     | 409          | nm           |

Amounts for the period ended March 31<sup>st</sup>, 2020 are not comparable with prior period due to adoption of Ind AS 116 w.e.f April 1, 2019.

### Customer Base

(Figures in nos, except ratios)

| Particulars  | Unit         | Mar 2020       | Dec 2019       | Q-o-Q Growth | Mar 2019       | Y-o-Y Growth |
|--------------|--------------|----------------|----------------|--------------|----------------|--------------|
| India        | 000's        | 309,754        | 308,738        | 0.3%         | 302,206        | 2.5%         |
| South Asia   | 000's        | 2,929          | 2,933          | -0.1%        | 2,587          | 13.2%        |
| Africa       | 000's        | 110,604        | 107,140        | 3.2%         | 98,851         | 11.9%        |
| <b>Total</b> | <b>000's</b> | <b>423,287</b> | <b>418,811</b> | <b>1.1%</b>  | <b>403,645</b> | <b>4.9%</b>  |

### About Bharti Airtel Limited

Bharti Airtel Limited is a leading global telecommunications company with operations in 18 countries across Asia and Africa. Headquartered in New Delhi, India, the company ranks amongst the top 3 mobile service providers globally in terms of subscribers. In India, the company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed home broadband, DTH, enterprise services including national & international long distance services to carriers. In the rest of the geographies, it offers 2G, 3G, 4G wireless services and mobile commerce. Bharti Airtel had over 423 million customers across its operations at the end of March 2020. To know more please visit, [www.airtel.com](http://www.airtel.com)

### Disclaimer:

*[This communication does not constitute an offer of securities for sale in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus and will contain detailed information about the Company and its management, as well as financial statements.]*

*Note - Pursuant to its listing at the London Stock Exchange (LSE) and Nigeria Stock Exchange (NSE), our subsidiary, Airtel Africa Plc has already declared results and investors can visit its website <https://airtel.africa> to access its results.*



May 18, 2020

**National Stock Exchange of India Limited**

Exchange Plaza, C-1 Block G  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400051, India

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400001, India

**Ref: Bharti Airtel Limited (BHARTIARTL/532454)**

**Sub: Quarterly report for the fourth quarter (Q4) and year ended March 31, 2020**

Dear Sir / Madam,

Pursuant to Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the quarterly report on the financial results for the fourth quarter (Q4) and year ended March 31, 2020 being released by the Company.

Kindly take the same on record.

Thanking you,  
Sincerely yours,

For **Bharti Airtel Limited**

**Rohit Krishan Puri**  
**Dy. Company Secretary & Compliance Officer**

**Bharti Airtel Limited**

(a Bharti Enterprise)

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070

T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: [compliance.officer@bharti.in](mailto:compliance.officer@bharti.in), [www.airtel.com](http://www.airtel.com)

CIN: L74899DL1995PLC070609



Quarterly report on the results for the fourth quarter and year ended Mar 31, 2020

**Bharti Airtel Limited**

(Incorporated as a public limited company on July 7, 1995 under the Companies Act, 1956)  
Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070, India



Bharti Enterprises and its companies Bharti Airtel, Bharti Infratel and others commit over ₹100 crore for India's fight against COVID-19

Airtel Wi-Fi Calling crosses Five Million users in March 2020

Opensignal has awarded Airtel with India's Best Video Experience, Best Voice App Experience, Fastest Download Speeds and Best Latency Experience

May 18, 2020

The financial statements included in this quarterly report fairly presents in all material respects the financial position, results of operations, cash flow of the company as of, and for the periods presented in this report.

## Supplemental Disclosures

**Safe Harbor:** - Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as “believe,” “plan,” “anticipate,” “continue,” “estimate,” “expect,” “may,” “will” or other similar words.

A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or basis almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or basis and actual results can be material, depending on the circumstances. You should also keep in mind that any forward-looking statement made by us in this report or elsewhere speaks only as of the date on which we made it. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect us. We have no duty to, and do not intend to, update or revise the forward-looking statements in this report after the date hereof. In light of these risks and uncertainties, any forward-looking statement made in this report or elsewhere may or may not occur and has to be understood and read along with this supplemental disclosure.

**General Risk:** - Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Company without necessary diligence and relying on their own examination of Bharti Airtel, along with the equity investment risk which doesn't guarantee capital protection.

**Convenience translation:** - We publish our financial statements in Indian Rupees. All references herein to “Indian Rupees” and “Rs” are to Indian Rupees and all references herein to “US dollars” and “US\$” are to United States dollars. Translation of income statement items have been made from Indian Rupees to United States dollars (unless otherwise indicated) using the respective quarter average rate. Translation of Statement of financial position items have been made from Indian Rupees to United States dollars (unless otherwise indicated) using the closing rate. The rates announced by the Reserve Bank of India are being used as the Reference rate for respective translations. All amounts translated into United States dollars as described above are provided solely for the convenience of the reader, and no representation is made that the Indian Rupees or United States dollar amounts referred to herein could have been or could be converted into United States dollars or Indian Rupees respectively, as the case may be, at any particular rate, the above rates or at all. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

**Functional Translation:** - Africa financials reported in the quarterly report are in its functional currency i.e. US\$ (Refer “Section 10 Key Accounting Policies as per Ind-AS”). South Asia financials reported in the quarterly report are in its presentation currency i.e. Rs.

**Use of Certain Non-GAAP measures:** - This result announcement contains certain information on the Company's results of operations and cash flows that have been derived from amounts calculated in accordance with Indian Accounting Standards (Ind-AS), but are not in themselves Ind-AS measures. They should not be viewed in isolation as alternatives to the equivalent Ind-AS measures and should be read in conjunction with the equivalent Ind-AS measures.

**Further, disclosures are also provided under “7.3 Use of Non - GAAP Financial Information” on page 37**

**Others:** In this report, the terms “we”, “us”, “our”, “Bharti”, or “the Company”, unless otherwise specified or the context otherwise implies, refer to Bharti Airtel Limited (“Bharti Airtel”) and its subsidiaries, Bharti Airtel Services Limited, Bharti Hexacom Limited, Bharti Infratel Limited, Bharti Telemedia Limited, Telesonic Networks Limited, Nxtra Data Limited, Airtel Digital Limited (formerly known as Wynn Limited), Indo Teleports Limited, Nettle Infrastructure Investments Limited, SmarTX Services 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 International (Mauritius) Limited, Bharti Airtel International (Netherlands) B.V., Bharti Airtel Lanka (Private) Limited, Bharti International (Singapore) Pte Ltd, Network i2i Limited, Africa Towers N.V., Airtel (Seychelles) Limited, Airtel Congo S.A, Airtel Gabon S.A., Airtel Madagascar S.A., Airtel Malawi plc, Airtel Mobile Commerce B.V., Airtel Mobile Commerce Holdings B.V., Airtel Mobile Commerce (Kenya) Limited, Airtel Mobile Commerce Limited (Malawi), Airtel Mobile Commerce Madagascar S.A., Airtel Mobile Commerce (Rwanda) Limited, Airtel Mobile Commerce (Seychelles) Limited, Airtel Mobile Commerce Tanzania 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. (Gabon), Airtel Networks Kenya Limited, Airtel Networks Limited, Airtel Networks Zambia plc, Airtel Rwanda Limited, Airtel Tanzania plc (formerly known as Airtel Tanzania Limited), Airtel Tchad S.A., Airtel Uganda Limited, Airtel Africa Plc, 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 Kenya B.V., Bharti Airtel Kenya Holdings B.V., 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 Services B.V., Bharti Airtel Tanzania B.V., Bharti Airtel Uganda Holdings B.V., Bharti Airtel Zambia Holdings B.V., Celtel (Mauritius) Holdings Limited, Airtel Congo (RDC) S.A., 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, Partnership Investments SARL, Société Malgache de Téléphone Cellulaire S.A., Tanzania Towers Limited, Bharti Airtel Rwanda Holdings Limited, Airtel Money Transfer Ltd, Airtel Money Tanzania Limited, Airtel Mobile Commerce (Nigeria) Limited, Bharti Airtel International (Mauritius) Investments Limited, Airtel Africa Mauritius Limited, Bharti Airtel Holding (Mauritius) Limited, Bharti Airtel Overseas (Mauritius) Limited, Bharti Airtel Africa B.V., Airtel Mobile Commerce Nigeria B.V., Bharti Airtel Employees Welfare Trust, Airtel Mobile Commerce (Seychelles) B.V., Airtel Mobile Commerce Congo B.V., Airtel Mobile Commerce Kenya B.V., Airtel Mobile Commerce Madagascar B.V., Airtel Mobile Commerce Malawi B.V., Airtel Mobile Commerce Rwanda B.V., Airtel Mobile Commerce Tchad B.V., Airtel Mobile Commerce Uganda B.V., Airtel Mobile Commerce Zambia B.V., Airtel International LLP, Network I2I (Kenya) Limited (incorporated w.e.f. July 3, 2019), Bharti Infratel Employees Welfare Trust, Airtel Money Trust

**Disclaimer:** - This communication does not constitute an offer of securities for sale in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus and will contain detailed information about the Company and its management, as well as financial statements.

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## SECTION 1

### BHARTI AIRTEL – PERFORMANCE AT A GLANCE

| Particulars  | Unit    | Full Year Ended |           |           | Quarter Ended |                     |                     |                     |                     |
|--|---------|-----------------|-----------|-----------|---------------|---------------------|---------------------|---------------------|---------------------|
|  |         | Ind-AS          |           |           | Ind-AS        |                     |                     |                     |                     |
|  |         | 2018            | 2019      | 2020      | Mar-19        | Jun-19 <sup>3</sup> | Sep-19 <sup>3</sup> | Dec-19 <sup>3</sup> | Mar-20 <sup>3</sup> |
| <b>Operating Highlights</b>  |         |                 |           |           |               |                     |                     |                     |                     |
| Total Customer Base  | 000's   | 413,822         | 403,645   | 423,287   | 403,645       | 403,695             | 411,424             | 418,811             | 423,287             |
| Total Minutes on Network   | Mn Min  | 2,159,386       | 3,069,646 | 3,331,604 | 796,285       | 803,341             | 789,776             | 836,075             | 902,412             |
| Network Towers   | Nos     | 187,541         | 204,356   | 219,546   | 204,356       | 206,210             | 209,743             | 214,338             | 219,546             |
| Total Employees  | Nos     | 20,978          | 19,444    | 19,405    | 19,444        | 19,490              | 19,207              | 19,233              | 19,405              |
| No. of countries of operation  | Nos     | 18              | 18        | 18        | 18            | 18                  | 18                  | 18                  | 18                  |
| Population Covered   | Bn      | 2.00            | 2.00      | 2.00      | 2.00          | 2.00                | 2.00                | 2.00                | 2.00                |
| <b>Consolidated Financials (Rs Mn)</b>   |         |                 |           |           |               |                     |                     |                     |                     |
| Total revenues   | Rs Mn   | 826,388         | 807,802   | 875,390   | 206,022       | 207,379             | 211,313             | 219,471             | 237,227             |
| EBITDA   | Rs Mn   | 304,479         | 262,937   | 371,053   | 68,064        | 84,926              | 89,363              | 93,501              | 103,263             |
| EBIT   | Rs Mn   | 110,845         | 47,629    | 92,447    | 11,932        | 16,046              | 19,930              | 24,008              | 32,464              |
| Cash profit from operations before Derivative & Exchange Fluctuations              | Rs Mn   | 227,169         | 167,777   | 254,951   | 41,252        | 53,886              | 60,980              | 64,961              | 75,123              |
| Profit before tax  | Rs Mn   | 40,602          | (46,606)  | (26,121)  | (13,086)      | (15,298)            | (6,231)             | (4,526)             | (65)                |
| Net income   | Rs Mn   | 10,992          | 4,095     | (321,832) | 1,072         | (28,660)            | (230,449)           | (10,353)            | (52,370)            |
| Capex  | Rs Mn   | 288,176         | 287,427   | 253,586   | 62,735        | 50,468              | 37,901              | 51,831              | 113,385             |
| Operating Free Cash Flow (EBITDA - Capex)  | Rs Mn   | 36,303          | (24,490)  | 117,466   | 5,329         | 34,458              | 51,461              | 41,670              | (10,122)            |
| Net Debt   | Rs Mn   | 1,001,060       | 1,129,899 | 1,188,590 | 1,129,899     | 1,166,458           | 1,181,065           | 1,149,193           | 1,188,590           |
| Shareholder's Equity   | Rs Mn   | 695,344         | 714,222   | 771,448   | 714,222       | 913,746             | 699,833             | 688,287             | 771,448             |
| <b>Consolidated Financials (US\$ Mn)</b>   |         |                 |           |           |               |                     |                     |                     |                     |
| Total Revenue <sup>1</sup>   | US\$ Mn | 12,823          | 11,567    | 12,246    | 2,919         | 2,979               | 2,969               | 3,078               | 3,220               |
| EBITDA <sup>1</sup>  | US\$ Mn | 4,725           | 3,768     | 5,189     | 964           | 1,220               | 1,256               | 1,311               | 1,402               |
| EBIT <sup>1</sup>  | US\$ Mn | 1,720           | 686       | 1,288     | 169           | 230                 | 280                 | 337                 | 441                 |
| Cash profit from operations before Derivative & Exchange Fluctuations <sup>1</sup> | US\$ Mn | 3,525           | 2,406     | 3,562     | 584           | 774                 | 857                 | 911                 | 1,020               |
| Profit before Tax <sup>1</sup>   | US\$ Mn | 630             | (662)     | (372)     | (185)         | (220)               | (88)                | (63)                | (1)                 |
| Net income <sup>1</sup>  | US\$ Mn | 170             | 59        | (4,506)   | 15            | (412)               | (3,238)             | (145)               | (711)               |
| Capex <sup>1</sup>   | US\$ Mn | 4,162           | 4,126     | 3,524     | 889           | 725                 | 533                 | 727                 | 1,539               |
| Operating Free Cash Flow (EBITDA - Capex)  | US\$ Mn | 563             | (358)     | 1,665     | 76            | 495                 | 723                 | 584                 | (137)               |
| Net Debt <sup>2</sup>  | US\$ Mn | 15,360          | 16,339    | 15,707    | 16,339        | 16,900              | 16,738              | 16,104              | 15,707              |
| Shareholder's Equity <sup>2</sup>  | US\$ Mn | 10,669          | 10,328    | 10,194    | 10,328        | 13,239              | 9,918               | 9,645               | 10,194              |
| <b>Key Ratios</b>  |         |                 |           |           |               |                     |                     |                     |                     |
| EBITDA Margin  | %       | 36.8%           | 32.5%     | 42.4%     | 33.0%         | 41.0%               | 42.3%               | 42.6%               | 43.5%               |
| EBIT Margin  | %       | 13.4%           | 5.9%      | 10.6%     | 5.8%          | 7.7%                | 9.4%                | 10.9%               | 13.7%               |
| Net Profit Margin  | %       | 1.3%            | 0.5%      | -36.8%    | 0.5%          | -13.8%              | -109.1%             | -4.7%               | -22.1%              |
| Net Debt to Funded Equity Ratio  | Times   | 1.44            | 1.58      | 1.54      | 1.58          | 1.28                | 1.69                | 1.67                | 1.54                |
| Net Debt to EBITDA (Annualised)  | Times   | 3.29            | 4.30      | 3.20      | 4.15          | 3.43                | 3.30                | 3.07                | 2.88                |
| Interest Coverage ratio  | Times   | 4.37            | 2.84      | 3.41      | 2.90          | 3.05                | 3.43                | 3.44                | 3.70                |
| Return on Shareholder's Equity   | %       | 1.6%            | 0.6%      | -35.5%    | 0.6%          | -2.6%               | -31.9%              | -38.7%              | -44.1%              |
| Return on Capital employed   | %       | 4.8%            | 5.2%      | -9.8%     | 5.1%          | 3.2%                | -8.2%               | -9.0%               | -11.2%              |
| <b>Valuation Indicators</b>  |         |                 |           |           |               |                     |                     |                     |                     |
| Market Capitalization  | Rs Bn   | 1,595           | 1,331     | 2,404     | 1,331         | 1,779               | 1,885               | 2,339               | 2,404               |
| Market Capitalization  | US\$ Bn | 24.5            | 19.2      | 31.8      | 19.2          | 25.8                | 26.7                | 32.8                | 31.8                |
| Enterprise Value   | Rs Bn   | 2,596           | 2,461     | 3,592     | 2,461         | 2,945               | 3,066               | 3,488               | 3,592               |
| EV / EBITDA  | Times   | 8.52            | 9.36      | 9.68      | 9.36          | 8.67                | 8.58                | 9.33                | 8.70                |
| P/E Ratio  | Times   | 145.10          | 346.26    | (6.95)    | 346.26        | (63.68)             | (7.25)              | (8.62)              | (6.95)              |

Note 1: Average exchange rates used for Rupee conversion to US\$ is (a) Rs 64.44 for the financial year ended March 31, 2018 (b) Rs 69.86 for the financial year ended March 31, 2019 (c) Rs 71.44 for the financial year ended March 31, 2020 (d) Rs 70.58 for the quarter ended March 31, 2019 (e) Rs 69.62 for the quarter ended June 30, 2019 (f) Rs 71.17 for the quarter ended September 30, 2019 (g) Rs 71.31 for the quarter ended December 31, 2019 (h) Rs 73.66 for the quarter ended March 31, 2020 based on the RBI Reference rate.

Note 2: Closing exchange rates used for Rupee conversion to US\$ is (a) Rs 65.18 for the financial year ended March 31, 2018 (b) Rs 69.16 for the financial year ended March 31, 2019 (c) Rs 75.68 for the financial year ended March 31, 2020 (d) Rs 69.16 for the quarter ended March 31, 2019 (e) Rs 69.02 for the quarter ended June 30, 2019 (f) Rs 70.56 for the quarter ended September 30, 2019 (g) Rs 71.36 for the quarter ended December 31, 2019 (h) Rs 75.68 for the quarter ended March 31, 2020 being the RBI Reference rate.

Note 3: With the adoption of Ind AS116 "Leases", effective April 1, 2019, the results and ratios of period commencing April 1, 2019 are not comparable with the past period results.

## SECTION 2

### BHARTI AIRTEL - AN INTRODUCTION

#### 2.1 Introduction

We are one of the world's leading providers of telecommunication services with presence in 18 countries representing India, Sri Lanka, 14 countries in Africa and Joint Ventures in 2 more countries. As per United Nations data published on January 01, 2013, the population of these 18 countries represents around 24% of the world's population.

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". '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 owns Tower Infrastructure pertaining to telecom operations through its subsidiary and joint venture entity.

The shares of Bharti Airtel Ltd are listed on the Indian Stock Exchanges, NSE & BSE.

#### 2.2 Business Divisions

**2.2.1 India & South Asia** – We follow a segmented approach for our operations in India with clear focus on retail and corporate customers.

##### B2C Services:

**Mobile Services (India)** –We offer postpaid, pre-paid, roaming, internet and other value added services. Our distribution channel is spread across 1.0 Mn outlets with network presence in 7,907 census and 788,185 non-census towns and villages in India covering approximately 95.4% of the country's population.

Our 3G and 4G services are spread across the country offering high-speed internet access and a host of innovative services like Mobile TV, video calls, live-streaming videos, gaming, buffer-less HD video streaming and multi-tasking capabilities to our customers.

Our national long distance infrastructure provides a pan-India reach with 304,907 Rkms of optical fiber.

**Homes Services** – The Company provides fixed-line telephone and broadband services for homes in 111 cities pan-India. The product offerings include high-speed broadband on copper and fiber and voice connectivity, up to the speeds of 100 mbps for the home segment.

**Digital TV Services** – Our Direct-To-Home (DTH) platform offers both standard and high definition (HD) digital TV services with 3D capabilities and Dolby surround sound. We currently offer a total of 645 channels including 85 HD channels, 7 international channels and 4 interactive services.

##### B2B Services:

**Airtel Business** – We are India's leading and most trusted provider of ICT services with a diverse portfolio of services to enterprises, governments, carriers and small and medium business. For small and medium business, Airtel is a trusted

solution provider for fixed-line voice (PRIs), data and other connectivity solutions like MPLS, VoIP, SIP trunking. Additionally, the Company offers solutions to businesses Audio, Video and Web Conferencing. Cloud portfolio is also an integral part of its office solutions suite, which offers Storage, compute, Microsoft office 365, ecommerce package through shopify and CRM packages on a pay as you go model.

Along with voice, data and video, our services also include network integration, data centers, managed services, enterprise mobility applications and digital media. Airtel Business provides 'One solution, bill, support, face' experience to our customers.

We offer global services in both voice and data including VAS services like International Toll Free Services and SMS hubbing. Our strategically located submarine cables and satellite network enable our customers to connect across the world including hard-to-reach areas. Our global network runs across 250,000 Rkms, covering 50 countries and 5 continents.

**Tower Infrastructure Services** – 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 11.15% respectively. The Company's consolidated portfolio of 95,372 telecom towers, which includes 42,053 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.

Infratel is listed on Indian Stock exchanges, NSE and BSE.

**South Asia** – South Asia represents our operations in Sri Lanka. In Sri Lanka, we operate across 25 administrative districts with distribution network of over 47 K retailers across the country. Our 3.5G services are present across major towns in Sri Lanka.

##### 2.2.2 Africa

Our subsidiary, Airtel Africa plc is present in 14 countries across Africa, namely: Nigeria, Chad, Congo B, Democratic Republic of Congo, Gabon, Madagascar, Niger, Kenya, Malawi, Seychelles, Tanzania, Uganda, Zambia and Rwanda. We offer post-paid, pre-paid, roaming, internet services, content, media & entertainment, and corporate solutions. 3G, 4G data and m-Commerce (Mobile Money) are the next growth engines for the Company in Africa. We offer 3G services, Mobile Money across all 14 countries and 4G services in 14 countries of Africa.

Airtel Africa plc is listed on London Stock Exchange (LSE) and Nigeria Stock Exchange (NSE).

##### 2.3 Partners

SingTel, our strategic equity partner, has made one of their largest investments outside Singapore with us. This partnership has enabled us to expand and further enhance the quality of services to our customers. We also pioneered the outsourcing business model with long term strategic partnership in all areas including network equipment, information technology and call center. We partnered with global leaders who share our drive for co-creating innovative and tailor made solutions. To name a few, our strategic partners include ZTE, Ericsson, Nokia Siemens Networks (NSN), Huawei, Cisco, IBM, Avaya, etc.

## SECTION 3

### FINANCIAL HIGHLIGHTS

The financial results presented in this section are compiled based on the audited consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind-AS) and the underlying information.

*Detailed financial statements, analysis & other related information is attached to this report (page 32 - 35). Also, kindly refer to Section 7.3 - use of Non - GAAP financial information (page 37) and Glossary (page 58) for detailed definitions.*

#### 3.1 Consolidated - Summary of Consolidated Financial Statements

##### 3.1.1 Consolidated Summarized Statement of Operations (net of inter segment eliminations)

*Amount in Rs Mn, except ratios*

| Particulars                                       | Quarter Ended   |                |               | Year Ended       |                |               |
|---|-----------------|----------------|---------------|------------------|----------------|---------------|
|   | Mar-20          | Mar-19         | Y-on-Y Growth | Mar-20           | Mar-19         | Y-on-Y Growth |
| <b>Total revenues</b>                             | <b>237,227</b>  | <b>206,022</b> | <b>15%</b>    | <b>875,390</b>   | <b>807,802</b> | <b>8%</b>     |
| EBITDA  | 103,263         | 68,064         | 52%           | 371,053          | 262,937        | 41%           |
| <i>EBITDA / Total revenues</i>                    | <i>43.5%</i>    | <i>33.0%</i>   |               | <i>42.4%</i>     | <i>32.5%</i>   |               |
| EBIT  | 32,464          | 11,932         | 172%          | 92,447           | 47,629         | 94%           |
| Finance cost (net)                                | 33,075          | 25,322         | 31%           | 123,819          | 95,893         | 29%           |
| Share of results of Joint Ventures/Associates     | 915             | 368            | 149%          | 6,524            | 3,556          | 83%           |
| Profit before tax                                 | (65)            | (13,086)       | 100%          | (26,121)         | (46,606)       | 44%           |
| Income tax expense                                | (791)           | (5,852)        | 86%           | (7,602)          | (25,021)       | 70%           |
| Profit after tax (before exceptional items)       | 726             | (7,235)        | 110%          | (18,518)         | (21,585)       | 14%           |
| Non Controlling Interest                          | 5,434           | 4,647          | 17%           | 22,225           | 13,358         | 66%           |
| Net income (before exceptional items)             | (4,708)         | (11,881)       | 60%           | (40,744)         | (34,942)       | -17%          |
| Exceptional Items (net of tax)                    | 50,496          | (12,996)       | 489%          | 288,123          | (38,459)       | 849%          |
| <b>Profit after tax (after exceptional items)</b> | <b>(49,770)</b> | <b>5,761</b>   | <b>-964%</b>  | <b>(306,642)</b> | <b>16,875</b>  | <b>-1917%</b> |
| Non Controlling Interest                          | 2,599           | 4,689          | -45%          | 15,190           | 12,780         | 19%           |
| <b>Net income</b>                                 | <b>(52,370)</b> | <b>1,072</b>   | <b>-4984%</b> | <b>(321,832)</b> | <b>4,095</b>   | <b>-7960%</b> |
| Capex   | 113,385         | 62,735         | 81%           | 253,586          | 287,427        | -12%          |
| Operating Free Cash Flow (EBITDA - Capex)         | (10,122)        | 5,329          | -290%         | 117,466          | (24,490)       | 580%          |
| Cumulative Investments                            | 3,630,640       | 3,473,673      | 5%            | 3,630,640        | 3,473,673      | 5%            |

*\*With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.*

*Note 4: pursuant to reporting changes effective April 1, 2019 (content cost becoming a pass through expense) and change in accounting policy (refer section 5.1 "reporting change" on page no.19) in DTH, on a comparable basis the Y-o-Y revenue growth for the period ended March 31, 2020 is 18% (Quarter ended) and 11% (Year ended).*

### 3.1.2 Consolidated Summarized Statement of Financial Position

| Particulars   | Amount in Rs Mn       |                       |
|---|-----------------------|-----------------------|
|   | As at<br>Mar 31, 2020 | As at<br>Mar 31, 2019 |
| <b>Assets</b>                                       |                       |                       |
| Non-current assets                                  | 2,841,358             | 2,422,918             |
| Current assets                                      | 766,432               | 328,642               |
| <b>Total assets</b>                                 | <b>3,607,790</b>      | <b>2,751,560</b>      |
| <b>Liabilities</b>                                  |                       |                       |
| Non-current liabilities                             | 1,271,619             | 971,946               |
| Current liabilities                                 | 1,314,876             | 930,134               |
| <b>Total liabilities</b>                            | <b>2,586,495</b>      | <b>1,902,080</b>      |
| <b>Equity &amp; Non Controlling Interests</b>       |                       |                       |
| Equity  | 771,448               | 714,222               |
| Non controlling interests                           | 249,847               | 135,258               |
| <b>Total Equity &amp; Non Controlling Interests</b> | <b>1,021,295</b>      | <b>849,480</b>        |
| <b>Total Equity and liabilities</b>                 | <b>3,607,790</b>      | <b>2,751,560</b>      |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

### 3.2 Region wise - Summary of Consolidated Financial Statements

#### 3.2.1 Summarized Statement of Operations (net of inter segment eliminations)

*Amount in Rs Mn, except ratios*

| Particulars                                       | Quarter Ended Mar 2020 |               |                 | Quarter Ended Mar 2019 |               |                 | Year Ended Mar 2020 |                |                  | Year Ended Mar 2019 |                |                 |
|---|------------------------|---------------|-----------------|------------------------|---------------|-----------------|---------------------|----------------|------------------|---------------------|----------------|-----------------|
|   | India SA               | Africa        | Total           | India SA               | Africa        | Total           | India SA            | Africa         | Total            | India SA            | Africa         | Total           |
| <b>Total revenues</b>                             | <b>175,540</b>         | <b>64,888</b> | <b>237,227</b>  | <b>153,433</b>         | <b>55,115</b> | <b>206,022</b>  | <b>643,598</b>      | <b>242,171</b> | <b>875,390</b>   | <b>602,647</b>      | <b>215,026</b> | <b>807,802</b>  |
| EBITDA  | 74,622                 | 28,640        | 103,263         | 46,510                 | 21,608        | 68,064          | 263,763             | 107,259        | 371,053          | 179,360             | 83,632         | 262,937         |
| <i>EBITDA / Total revenues</i>                    | <i>42.5%</i>           | <i>44.1%</i>  | <i>43.5%</i>    | <i>30.3%</i>           | <i>39.2%</i>  | <i>33.0%</i>    | <i>41.0%</i>        | <i>44.3%</i>   | <i>42.4%</i>     | <i>29.8%</i>        | <i>38.9%</i>   | <i>32.5%</i>    |
| EBIT  | 14,835                 | 17,627        | 32,464          | (1,120)                | 13,107        | 11,932          | 28,282              | 64,131         | 92,447           | (4,423)             | 52,107         | 47,629          |
| Profit before tax                                 | (15,814)               | 6,922         | (65)            | (19,757)               | 9,203         | (13,086)        | (65,518)            | 37,439         | (26,121)         | (77,115)            | 30,315         | (46,606)        |
| Income tax expense                                | (5,052)                | 1,938         | (791)           | (8,914)                | 2,396         | (5,852)         | (27,209)            | 16,734         | (7,602)          | (35,124)            | 8,966          | (25,021)        |
| Profit after tax (before exceptional items)       | (10,762)               | 4,984         | 726             | (10,843)               | 6,808         | (7,235)         | (38,310)            | 20,705         | (18,518)         | (41,991)            | 21,349         | (21,585)        |
| Non Controlling Interest                          | 1,840                  | 2,707         | 5,434           | 2,213                  | 2,466         | 4,647           | 11,113              | 9,993          | 22,225           | 8,056               | 5,228          | 13,358          |
| <b>Net income (before exceptional items)</b>      | <b>(12,602)</b>        | <b>2,277</b>  | <b>(4,708)</b>  | <b>(13,056)</b>        | <b>4,342</b>  | <b>(11,881)</b> | <b>(49,423)</b>     | <b>10,712</b>  | <b>(40,744)</b>  | <b>(50,047)</b>     | <b>16,121</b>  | <b>(34,942)</b> |
| Exceptional Items (net of tax)                    |                        |               | 50,496          |                        |               | (12,996)        |                     |                | 288,123          |                     |                | (38,459)        |
| <b>Profit after tax (after exceptional items)</b> |                        |               | <b>(49,770)</b> |                        |               | <b>5,761</b>    |                     |                | <b>(306,642)</b> |                     |                | <b>16,875</b>   |
| Non Controlling Interest                          |                        |               | 2,599           |                        |               | 4,689           |                     |                | 15,190           |                     |                | 12,780          |
| <b>Net income</b>                                 |                        |               | <b>(52,370)</b> |                        |               | <b>1,072</b>    |                     |                | <b>(321,831)</b> |                     |                | <b>4,095</b>    |
| Capex   | 95,476                 | 17,909        | 113,385         | 41,239                 | 21,496        | 62,735          | 207,748             | 45,838         | 253,586          | 243,051             | 44,376         | 287,427         |
| Operating Free Cash Flow (EBITDA - Capex)         | (20,854)               | 10,731        | (10,122)        | 5,271                  | 112           | 5,329           | 56,015              | 61,421         | 117,466          | (63,691)            | 39,256         | (24,490)        |
| Cumulative Investments                            | 2,978,435              | 626,556       | 3,630,640       | 2,840,219              | 607,892       | 3,473,673       | 2,978,435           | 626,556        | 3,630,640        | 2,840,219           | 607,892        | 3,473,673       |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

\* Please refer section 5.1 on Page no. 19 for "Reporting changes".



### 3.2.2 Region wise Summarized Statement of Financial Position

Amount in Rs Mn

| Particulars   | As at Mar 31, 2020 |                |                     |                  |
|---|--------------------|----------------|---------------------|------------------|
|   | India SA           | Africa         | Eliminations/Others | Total            |
| <b>Assets</b>                                       |                    |                |                     |                  |
| Non-current assets                                  | 2,399,791          | 578,466        | (136,899)           | 2,841,358        |
| Current assets                                      | 644,823            | 126,763        | (5,154)             | 766,432          |
| <b>Total assets</b>                                 | <b>3,044,614</b>   | <b>705,229</b> | <b>(142,053)</b>    | <b>3,607,790</b> |
| <b>Liabilities</b>                                  |                    |                |                     |                  |
| Non-current liabilities                             | 1,000,752          | 267,707        | 3,160               | 1,271,619        |
| Current liabilities                                 | 1,131,729          | 187,880        | (4,734)             | 1,314,876        |
| <b>Total liabilities</b>                            | <b>2,132,481</b>   | <b>455,587</b> | <b>(1,573)</b>      | <b>2,586,495</b> |
| <b>Equity &amp; Non Controlling Interests</b>       |                    |                |                     |                  |
| Equity  | 842,106            | 69,822         | (140,480)           | 771,448          |
| Non controlling interests                           | 70,027             | 179,820        | 0                   | 249,847          |
| <b>Total Equity &amp; Non Controlling Interests</b> | <b>912,133</b>     | <b>249,642</b> | <b>(140,480)</b>    | <b>1,021,295</b> |
| <b>Total Equity and liabilities</b>                 | <b>3,044,614</b>   | <b>705,229</b> | <b>(142,053)</b>    | <b>3,607,790</b> |

### 3.3 Segment wise Summarized Statement of Operations

#### 3.3.1 India & South Asia

Amount in Rs Mn, except ratios

| Particulars                               | Quarter Ended  |                |               | Year Ended     |                |               |
|---|----------------|----------------|---------------|----------------|----------------|---------------|
|   | Mar-20         | Mar-19         | Y-on-Y Growth | Mar-20         | Mar-19         | Y-on-Y Growth |
| <b>Total revenues</b>                     | <b>175,540</b> | <b>153,433</b> | <b>14%</b>    | <b>643,598</b> | <b>602,647</b> | <b>7%</b>     |
| EBITDA                                    | 74,622         | 46,510         | 60%           | 263,763        | 179,360        | 47%           |
| <i>EBITDA / Total revenues</i>            | <i>42.5%</i>   | <i>30.3%</i>   |               | <i>41%</i>     | <i>29.8%</i>   |               |
| EBIT                                      | 14,835         | (1,120)        | 1424%         | 28,282         | (4,423)        | 739%          |
| Capex                                     | 95,476         | 41,239         | 132%          | 207,748        | 243,051        | -15%          |
| Operating Free Cash Flow (EBITDA - Capex) | (20,854)       | 5,271          | -496%         | 56,015         | (63,691)       | 188%          |
| Cumulative Investments                    | 2,978,435      | 2,840,219      | 5%            | 2,978,435      | 2,840,219      | 5%            |

<sup>\*</sup> With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.  
 Note 5: pursuant to reporting changes effective April 1, 2019 (content cost becoming a pass through expense) and change in accounting policy (refer section 5.1 "reporting change" on page no.19) in DTH, on a comparable basis the Y-o-Y revenue growth for the period ended March 31, 2020 is 18% (Quarter ended) and 10% (Year ended).

#### 3.3.2 India

Amount in Rs Mn, except ratios

| Particulars                               | Quarter Ended  |                |               | Year Ended     |                |               |
|---|----------------|----------------|---------------|----------------|----------------|---------------|
|   | Mar-20         | Mar-19         | Y-on-Y Growth | Mar-20         | Mar-19         | Y-on-Y Growth |
| <b>Total revenues</b>                     | <b>174,383</b> | <b>152,408</b> | <b>14%</b>    | <b>639,412</b> | <b>598,589</b> | <b>7%</b>     |
| EBITDA                                    | 74,475         | 46,466         | 60%           | 263,334        | 179,238        | 47%           |
| <i>EBITDA / Total revenues</i>            | <i>42.7%</i>   | <i>30.5%</i>   |               | <i>41%</i>     | <i>29.9%</i>   |               |
| EBIT                                      | 15,052         | (898)          | 1776%         | 29,338         | (3,348)        | 976%          |
| Capex                                     | 95,207         | 41,075         | 132%          | 206,723        | 241,866        | -15%          |
| Operating Free Cash Flow (EBITDA - Capex) | (20,732)       | 5,390          | -485%         | 56,611         | (62,628)       | 190%          |
| Cumulative Investments                    | 2,962,082      | 2,825,696      | 5%            | 2,962,082      | 2,825,696      | 5%            |

<sup>\*</sup> With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.  
 Note 6: pursuant to reporting changes in DTH effective April 1, 2019 (content cost becoming a pass through expense) and change in accounting policy in DTH (refer section 5.1 "reporting change" on page no.19), on a comparable basis the Y-o-Y revenue growth for the period ended March 31, 2020 is 19% (Quarter ended) and 10% (Year ended).

#### B2C Services

#### 3.3.3 Mobile Services (India) – comprises of Mobile Services and Network Groups building / providing fiber connectivity.

Amount in Rs Mn, except ratios

| Particulars                               | Quarter Ended  |                |               | Year Ended     |                |               |
|---|----------------|----------------|---------------|----------------|----------------|---------------|
|   | Mar-20         | Mar-19         | Y-on-Y Growth | Mar-20         | Mar-19         | Y-on-Y Growth |
| <b>Total revenues</b>                     | <b>129,529</b> | <b>106,322</b> | <b>22%</b>    | <b>459,663</b> | <b>415,541</b> | <b>11%</b>    |
| EBITDA                                    | 50,796         | 25,657         | 98%           | 169,560        | 94,225         | 80%           |
| <i>EBITDA / Total revenues</i>            | <i>39.2%</i>   | <i>24.1%</i>   |               | <i>36.9%</i>   | <i>22.7%</i>   |               |
| EBIT                                      | 265            | (13,778)       | 102%          | (31,853)       | (57,511)       | 45%           |
| Capex                                     | 69,968         | 34,632         | 102%          | 151,448        | 200,591        | -24%          |
| Operating Free Cash Flow (EBITDA - Capex) | (19,173)       | (8,975)        | -114%         | 18,112         | (106,366)      | 117%          |
| Cumulative Investments                    | 2,370,219      | 2,319,107      | 2%            | 2,370,219      | 2,319,107      | 2%            |

<sup>\*</sup> With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

### 3.3.4 Homes Services

Amount in Rs Mn, except ratios

| Particulars                               | Quarter Ended |              |               | Year Ended    |               |               |
|---|---------------|--------------|---------------|---------------|---------------|---------------|
|   | Mar-20        | Mar-19       | Y-on-Y Growth | Mar-20        | Mar-19        | Y-on-Y Growth |
| <b>Total revenues</b>                     | <b>5,725</b>  | <b>5,536</b> | <b>3%</b>     | <b>22,451</b> | <b>22,391</b> | <b>0%</b>     |
| EBITDA                                    | 3,012         | 2,450        | 23%           | 11,309        | 10,825        | 4%            |
| <i>EBITDA / Total revenues</i>            | <i>52.6%</i>  | <i>44.3%</i> |               | <i>50.4%</i>  | <i>48.3%</i>  |               |
| EBIT                                      | 1,768         | 487          | 263%          | 5,129         | 3,330         | 54%           |
| Capex                                     | 973           | 1,431        | -32%          | 5,826         | 7,655         | -24%          |
| Operating Free Cash Flow (EBITDA - Capex) | 2,038         | 1,019        | 100%          | 5,483         | 3,170         | 73%           |
| Cumulative Investments                    | 85,959        | 75,782       | 13%           | 85,959        | 75,782        | 13%           |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

### 3.3.5 Digital TV Services

Amount in Rs Mn, except ratios

| Particulars                               | Quarter Ended |               |               | Year Ended    |               |               |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
|   | Mar-20        | Mar-19        | Y-on-Y Growth | Mar-20        | Mar-19        | Y-on-Y Growth |
| <b>Total revenues</b>                     | <b>6,035</b>  | <b>10,506</b> | <b>-43%</b>   | <b>29,238</b> | <b>41,001</b> | <b>-29%</b>   |
| EBITDA                                    | 3,648         | 3,926         | -7%           | 19,959        | 15,722        | 27%           |
| <i>EBITDA / Total revenues</i>            | <i>60.5%</i>  | <i>37.4%</i>  |               | <i>68.3%</i>  | <i>38.3%</i>  |               |
| EBIT                                      | 1,465         | 1,853         | -21%          | 11,330        | 7,410         | 53%           |
| Capex                                     | 2,514         | 1,917         | 31%           | 10,512        | 8,791         | 20%           |
| Operating Free Cash Flow (EBITDA - Capex) | 1,134         | 2,009         | -44%          | 9,447         | 6,931         | 36%           |
| Cumulative Investments                    | 98,585        | 88,570        | 11%           | 98,585        | 88,570        | 11%           |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

Note 7: pursuant to reporting changes effective April 1, 2019 (content cost becoming a pass through expense) and change in accounting policy (refer section 5.1 "reporting change" on page no.19) in DTH, on a comparable basis the Y-o-Y revenue growth for the period ended March 31, 2019 is 17% (Quarter ended) and 16% (Year ended), EBITDA/ Total revenues is 40.8% for the quarter ended March 31, 2020 and 42.2% for the year ended March 31,2020.

## B2B Services

### 3.3.6 Airtel Business

Amount in Rs Mn, except ratios

| Particulars                               | Quarter Ended |               |               | Year Ended     |                |               |
|---|---------------|---------------|---------------|----------------|----------------|---------------|
|   | Mar-20        | Mar-19        | Y-on-Y Growth | Mar-20         | Mar-19         | Y-on-Y Growth |
| <b>Total revenues</b>                     | <b>33,762</b> | <b>30,040</b> | <b>12%</b>    | <b>132,331</b> | <b>124,538</b> | <b>6%</b>     |
| EBITDA                                    | 13,466        | 9,587         | 40%           | 42,643         | 40,645         | 5%            |
| <i>EBITDA / Total revenues</i>            | <i>39.9%</i>  | <i>31.9%</i>  |               | <i>32.2%</i>   | <i>32.6%</i>   |               |
| EBIT                                      | 9,824         | 5,623         | 75%           | 31,754         | 27,466         | 16%           |
| Capex                                     | 18,814        | 1,385         | 1258%         | 30,217         | 14,469         | 109%          |
| Operating Free Cash Flow (EBITDA - Capex) | (5,347)       | 8,201         | -165%         | 12,426         | 26,176         | -53%          |
| Cumulative Investments                    | 182,902       | 129,829       | 41%           | 182,902        | 129,829        | 41%           |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

### 3.3.7 Tower Infrastructure Services

Amount in Rs Mn, except ratios

| Particulars                                   | Quarter Ended |               |               | Year Ended    |               |               |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
|   | Mar-20        | Mar-19        | Y-on-Y Growth | Mar-20        | Mar-19        | Y-on-Y Growth |
| <b>Total revenues</b>                         | <b>16,826</b> | <b>16,705</b> | <b>1%</b>     | <b>67,423</b> | <b>68,185</b> | <b>-1%</b>    |
| EBITDA  | 9,032         | 8,167         | 11%           | 37,137        | 32,459        | 14%           |
| <i>EBITDA / Total revenues</i>                | <i>53.7%</i>  | <i>48.9%</i>  |               | <i>55.1%</i>  | <i>47.6%</i>  |               |
| EBIT  | 5,557         | 5,193         | 7%            | 23,724        | 21,257        | 12%           |
| Share of results of joint ventures/associates | 2,445         | 2,639         | -7%           | 13,805        | 10,172        | 36%           |
| Capex   | 2,937         | 1,710         | 72%           | 8,720         | 9,107         | -4%           |
| Operating Free Cash Flow (EBITDA - Capex)     | 6,095         | 6,457         | -6%           | 28,417        | 23,352        | 22%           |
| Cumulative Investments                        | 214,277       | 201,760       | 6%            | 214,277       | 201,760       | 6%            |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

### 3.3.8 South Asia – comprises of operations in Sri Lanka.

Amount in Rs Mn, except ratios

| Particulars                               | Quarter Ended |              |               | Year Ended   |              |               |
|---|---------------|--------------|---------------|--------------|--------------|---------------|
|   | Mar-20        | Mar-19       | Y-on-Y Growth | Mar-20       | Mar-19       | Y-on-Y Growth |
| <b>Total revenues</b>                     | <b>1,203</b>  | <b>1,124</b> | <b>7%</b>     | <b>4,552</b> | <b>4,436</b> | <b>3%</b>     |
| EBITDA                                    | 147           | 45           | 229%          | 430          | 126          | 240%          |
| <i>EBITDA / Total revenues</i>            | <i>2.2%</i>   | <i>4.0%</i>  |               | <i>9.4%</i>  | <i>2.9%</i>  |               |
| EBIT                                      | (217)         | (220)        | 1%            | (1,055)      | (1,069)      | 1%            |
| Capex                                     | 269           | 164          | 64%           | 1,025        | 1,185        | -13%          |
| Operating Free Cash Flow (EBITDA - Capex) | (122)         | (119)        | -2%           | (595)        | (1,058)      | 44%           |
| Cumulative Investments                    | 16,352        | 14,523       | 13%           | 16,352       | 14,523       | 13%           |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

### 3.3.9 Africa In USD Constant Currency – <sup>Note 8</sup>

Amount in US\$ Mn, except ratios

| Particulars                               | Quarter Ended |              |               | Year Ended   |              |               |
|---|---------------|--------------|---------------|--------------|--------------|---------------|
|   | Mar-20        | Mar-19       | Y-on-Y Growth | Mar-20       | Mar-19       | Y-on-Y Growth |
| <b>Total revenues</b>                     | <b>922</b>    | <b>782</b>   | <b>18%</b>    | <b>3,474</b> | <b>3,052</b> | <b>14%</b>    |
| EBITDA                                    | 407           | 307          | 33%           | 1,537        | 1,187        | 29%           |
| <i>EBITDA / Total revenues</i>            | <i>44.1%</i>  | <i>39.2%</i> |               | <i>44.3%</i> | <i>38.9%</i> |               |
| EBIT                                      | 251           | 186          | 35%           | 919          | 740          | 24%           |
| Capex                                     | 246           | 305          | -19%          | 642          | 630          | 2%            |
| Operating Free Cash Flow (EBITDA - Capex) | 161           | 2            | 7237%         | 894          | 558          | 60%           |
| Cumulative Investments                    | 8,280         | 8,791        | -6%           | 8,280        | 8,791        | -6%           |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

Note 8: Closing currency rates as on March 1, 2019 (AOP FY 19-20 currency) considered for above financials up to EBIT. Actual currency rates are taken for Capex & Cumulative Investments.

### 3.4 Region wise & Segment wise - Investment & Contribution

Quarter Ended:

Amount in Rs Mn, except ratios

| Segment                                   | Quarter Ended Mar 2020 |             |                |             |                |             | As at Mar 31, 2020      |             |
|---|------------------------|-------------|----------------|-------------|----------------|-------------|-------------------------|-------------|
|   | Revenue                | % of Total  | EBITDA         | % of Total  | Capex          | % of Total  | Cummulative Investments | % of Total  |
| Mobile Services                           | 129,529                | 74%         | 50,796         | 68%         | 69,968         | 73%         | 2,370,219               | 80%         |
| Homes Services                            | 5,725                  | 3%          | 3,012          | 4%          | 973            | 1%          | 85,959                  | 3%          |
| Digital TV Services                       | 6,035                  | 3%          | 3,648          | 5%          | 2,514          | 3%          | 98,585                  | 3%          |
| Airtel Business                           | 33,762                 | 19%         | 13,466         | 18%         | 18,814         | 20%         | 182,902                 | 6%          |
| Tower Infrastructure Services             | 16,826                 | 10%         | 9,032          | 12%         | 2,937          | 3%          | 214,277                 | 7%          |
| South Asia                                | 1,203                  | 1%          | 147            | 0%          | 269            | 0%          | 16,352                  | 1%          |
| <b>Sub Total</b>                          | <b>193,080</b>         | <b>110%</b> | <b>80,101</b>  | <b>107%</b> | <b>95,476</b>  | <b>100%</b> | <b>2,968,295</b>        | <b>100%</b> |
| Eliminations / Others                     | (17,539)               | -10%        | (5,478)        | -7%         | 0              | 0%          | 10,140                  |             |
| Accumulated Depreciation and Amortisation |                        |             |                |             |                |             | (1,324,476)             |             |
| <b>Total (India SA)</b>                   | <b>175,540</b>         | <b>100%</b> | <b>74,622</b>  | <b>100%</b> | <b>95,476</b>  | <b>100%</b> | <b>1,653,958</b>        |             |
| <b>India SA % of Consolidated</b>         | <b>74%</b>             |             | <b>72%</b>     |             | <b>84%</b>     |             | <b>82%</b>              |             |
| Africa                                    | 64,888                 |             | 28,640         |             | 17,909         |             | 626,556                 |             |
| Accumulated Depreciation and Amortisation |                        |             |                |             |                |             | (132,817)               |             |
| <b>Total (Africa)</b>                     | <b>64,888</b>          |             | <b>28,640</b>  |             | <b>17,909</b>  |             | <b>493,738</b>          |             |
| <b>Africa % of Consolidated</b>           | <b>27%</b>             |             | <b>28%</b>     |             | <b>16%</b>     |             | <b>17%</b>              |             |
| Eliminations / Others                     | (3,202)                |             | (0)            |             | (0)            |             | 25,649                  |             |
| Eliminations / Others % of Consolidated   | -1%                    |             | 0%             |             | 0%             |             | 0%                      |             |
| <b>Consolidated</b>                       | <b>237,227</b>         |             | <b>103,263</b> |             | <b>113,385</b> |             | <b>3,630,640</b>        |             |

\* Please refer section 5.1 on Page no. 19 for "Reporting changes".

**Year Ended:**
*Amount in Rs Mn, except ratios*

| Segment                                   | Year Ended Mar 2020 |             |                |             |                |             | As at Mar 31, 2020      |             |
|---|---------------------|-------------|----------------|-------------|----------------|-------------|-------------------------|-------------|
|   | Revenue             | % of Total  | EBITDA         | % of Total  | Capex          | % of Total  | Cummulative Investments | % of Total  |
| Mobile Services                           | 459,663             | 71%         | 169,560        | 64%         | 151,448        | 73%         | 2,370,219               | 80%         |
| Homes Services                            | 22,451              | 3%          | 11,309         | 4%          | 5,826          | 3%          | 85,959                  | 3%          |
| Digital TV Services                       | 29,238              | 5%          | 19,959         | 8%          | 10,512         | 5%          | 98,585                  | 3%          |
| Airtel Business                           | 132,331             | 21%         | 42,643         | 16%         | 30,217         | 15%         | 182,902                 | 6%          |
| Tower Infrastructure Services             | 67,423              | 10%         | 37,137         | 14%         | 8,720          | 4%          | 214,277                 | 7%          |
| South Asia                                | 4,552               | 1%          | 430            | 0%          | 1,025          | 0%          | 16,352                  | 1%          |
| <b>Sub Total</b>                          | <b>715,659</b>      | <b>111%</b> | <b>281,037</b> | <b>107%</b> | <b>207,748</b> | <b>100%</b> | <b>2,968,295</b>        | <b>100%</b> |
| Eliminations / Others                     | (72,061)            | -11%        | (17,274)       | -7%         | 0              | 0%          | 10,140                  |             |
| Accumulated Depreciation and Amortisation |                     |             |                |             |                |             | (1,324,476)             |             |
| <b>Total (India &amp; SA)</b>             | <b>643,598</b>      | <b>100%</b> | <b>263,763</b> | <b>100%</b> | <b>207,748</b> | <b>100%</b> | <b>1,653,958</b>        |             |
| <b>India SA % of Consolidated</b>         | <b>74%</b>          |             | <b>71%</b>     |             | <b>82%</b>     |             | <b>82%</b>              |             |
| Africa                                    | 242,171             |             | 107,259        |             | 45,838         |             | 626,556                 |             |
| Accumulated Depreciation and Amortisation |                     |             |                |             |                |             | (132,817)               |             |
| <b>Total (Africa)</b>                     | <b>242,171</b>      |             | <b>107,259</b> |             | <b>45,838</b>  |             | <b>493,738</b>          |             |
| <b>Africa % of Consolidated</b>           | <b>28%</b>          |             | <b>29%</b>     |             | <b>18%</b>     |             | <b>17%</b>              |             |
| Eliminations / Others                     | (10,379)            |             | 31             |             | (0)            |             | 25,649                  |             |
| Eliminations / Others % of Consolidated   | -1%                 |             | 0%             |             | 0%             |             | 1%                      |             |
| <b>Consolidated</b>                       | <b>875,390</b>      |             | <b>371,053</b> |             | <b>253,586</b> |             | <b>3,630,640</b>        |             |

\* Please refer section 5.1 on Page no. 19 for "Reporting changes".

## SECTION 4

### OPERATING HIGHLIGHTS

The financial figures used for computing ARPU, Revenue per Site, Gross revenue per employee per month, Personnel cost per employee per month are based on Ind-AS.

#### 4.1 Customers - Consolidated

| Parameters   | Unit         | Mar-20         | Dec-19         | Q-on-Q Growth | Mar-19         | Y-on-Y Growth |
|--------------|--------------|----------------|----------------|---------------|----------------|---------------|
| India        | 000's        | 309,754        | 308,738        | 0.3%          | 302,206        | 2.5%          |
| South Asia   | 000's        | 2,929          | 2,933          | -0.1%         | 2,587          | 13.2%         |
| Africa       | 000's        | 110,604        | 107,140        | 3.2%          | 98,851         | 11.9%         |
| <b>Total</b> | <b>000's</b> | <b>423,287</b> | <b>418,811</b> | <b>1.1%</b>   | <b>403,645</b> | <b>4.9%</b>   |

#### 4.2 Mobile Services India

| Parameters                             | Unit   | Mar-20    | Dec-19    | Q-on-Q Growth | Mar-19    | Y-on-Y Growth |
|--|--------|-----------|-----------|---------------|-----------|---------------|
| Customer Base*                         | 000's  | 283,667   | 283,036   | 0.2%          | 282,640   | 1.9%          |
| Net Additions                          | 000's  | 631       | 3,606     | -82.5%        | (1,585)   | 139.8%        |
| Pre-Paid (as % of total Customer Base) | %      | 94.8%     | 94.9%     |               | 93.5%     |               |
| Monthly Churn                          | %      | 2.6%      | 2.6%      |               | 2.8%      |               |
| Average Revenue Per User (ARPU)        | Rs     | 154       | 135       | 14.3%         | 123       | 25.2%         |
| Average Revenue Per User (ARPU)        | US\$   | 2.1       | 1.9       | 12.8%         | 1.7       | 23.0%         |
| Revenue per towers per month           | Rs     | 227,659   | 202,375   | 12.5%         | 196,178   | 16.0%         |
| <b>Revenues</b>                        |        |           |           |               |           |               |
| Mobile Services #                      | Rs Mn  | 131,222   | 113,969   | 15.1%         | 104,870   | 25.1%         |
| <b>Voice</b>                           |        |           |           |               |           |               |
| Minutes on the network                 | Mn     | 821,900   | 758,897   | 8.3%          | 731,187   | 12.4%         |
| Voice Usage per customer               | min    | 965       | 898       | 7.5%          | 858       | 12.5%         |
| <b>Data</b>                            |        |           |           |               |           |               |
| Data Customer Base                     | 000's  | 148,578   | 138,443   | 7.3%          | 115,147   | 29.0%         |
| Of which 4G data customers             | 000's  | 136,309   | 123,793   | 10.1%         | 86,808    | 57.0%         |
| As % of Customer Base                  | %      | 52.4%     | 48.9%     |               | 40.7%     |               |
| Total MBs on the network               | Mn MBs | 6,452,825 | 5,547,223 | 16.3%         | 3,705,034 | 74.2%         |
| Data Usage per customer                | MBs    | 14,972    | 13,928    | 7.5%          | 11,048    | 35.5%         |

\* M2M base has been reclassified to Airtel Business wef April 2019.

# Excludes revenues from network groups building / providing fiber connectivity and group eliminations.

### 4.3 Homes Services

| Parameters                      | Unit  | Mar-20 | Dec-19 | Q-on-Q Growth | Mar-19 | Y-on-Y Growth |
|---------------------------------|-------|--------|--------|---------------|--------|---------------|
| Homes Customers                 | 000's | 2,414  | 2,352  | 2.7%          | 2,270  | 6.3%          |
| Net additions                   | 000's | 63     | 2      | 3756.0%       | 25     | 153.7%        |
| Average Revenue Per User (ARPU) | Rs    | 803    | 787    | 2.0%          | 815    | -1.5%         |
| Average Revenue Per User (ARPU) | US\$  | 11.2   | 11.1   | 0.7%          | 11.5   | -3.2%         |

### 4.4 Digital TV Services

| Parameters                       | Unit  | Mar-20 | Dec-19 | Q-on-Q Growth | Mar-19 | Y-on-Y Growth |
|----------------------------------|-------|--------|--------|---------------|--------|---------------|
| Digital TV Customers             | 000's | 16,613 | 16,308 | 1.9%          | 15,392 | 7.9%          |
| Net additions                    | 000's | 304    | 101    | 200.5%        | 391    | -22.2%        |
| Average Revenue Per User (ARPU)* | Rs    | 123    | 162    | -24.5%        | 233    | -47.3%        |
| Average Revenue Per User (ARPU)  | US\$  | 1.7    | 2.3    | -25.5%        | 3.3    | -48.2%        |
| Monthly Churn                    | %     | 1.0%   | 1.8%   |               | 0.8%   |               |

\* Pursuant to reporting changes effective April 1, 2019 (content cost becoming a pass through expense), ARPU before Q1'20 not comparable.

\* DTH Q4'20 ARPU Normalized for change in accounting policy is Rs 163 (Refer Section 5.1 on page no.19)

### 4.5 Network and Coverage - India

| Parameters                                       | Unit  | Mar-20  | Dec-19  | Q-on-Q Growth | Mar-19  | Y-on-Y Growth |
|--|-------|---------|---------|---------------|---------|---------------|
| <b>Mobile Services</b>                           |       |         |         |               |         |               |
| Census Towns                                     | Nos   | 7,907   | 7,906   | 1             | 7,906   | 1             |
| Non-Census Towns and Villages                    | Nos   | 788,185 | 786,719 | 1,466         | 786,192 | 1,993         |
| Population Coverage                              | %     | 95.4%   | 95.3%   |               | 95.3%   |               |
| Optic Fibre Network                              | R Kms | 304,907 | 299,592 | 5,314         | 280,534 | 24,373        |
| Network towers                                   | Nos   | 194,409 | 189,857 | 4,552         | 181,079 | 13,330        |
| <i>Of which Mobile Broadband towers</i>          | Nos   | 192,068 | 187,240 | 4,828         | 172,627 | 19,441        |
| Total Mobile Broadband Base stations             | Nos   | 503,883 | 473,859 | 30,024        | 417,613 | 86,270        |
| <b>Homes Services- Cities covered</b>            | Nos   | 111     | 103     | 8             | 93      | 18            |
| <b>Airtel Business - Submarine cable systems</b> | Nos   | 7       | 7       | 0             | 7       | 0             |
| <b>Digital TV Services</b>                       |       |         |         |               |         |               |
| Districts Covered                                | Nos   | 639     | 639     | 0             | 639     | 0             |
| Coverage   | %     | 99.8%   | 99.8%   |               | 99.8%   |               |

\* Districts covered is as per 2011 census.



## 4.6 Tower Infrastructure Services

### 4.6.1 Bharti Infratel Standalone

| Parameters                                     | Unit  | Mar-20 | Dec-19 | Q-on-Q Growth | Mar-19 | Y-on-Y Growth |
|--|-------|--------|--------|---------------|--------|---------------|
| Total Towers                                   | Nos   | 42,053 | 41,471 | 582           | 40,388 | 1,665         |
| Total Co-locations                             | Nos   | 75,715 | 76,322 | (607)         | 76,341 | (626)         |
| <b>Key Indicators</b>                          |       |        |        |               |        |               |
| Sharing Revenue per sharing operator per month | Rs    | 45,715 | 45,018 | 1.5%          | 42,143 | 8.5%          |
| Average Sharing Factor                         | Times | 1.82   | 1.85   |               | 1.91   |               |

#### Additional Information:

### 4.6.2 Indus Towers

| Parameters             | Unit  | Mar-20  | Dec-19  | Q-on-Q Growth | Mar-19  | Y-on-Y Growth |
|------------------------|-------|---------|---------|---------------|---------|---------------|
| Total Towers           | Nos   | 126,949 | 125,649 | 1,300         | 123,546 | 3,403         |
| Total Co-locations     | Nos   | 235,396 | 232,924 | 2,472         | 229,483 | 5,913         |
| Average Sharing Factor | Times | 1.85    | 1.86    |               | 1.86    |               |

### 4.6.3 Bharti Infratel Consolidated

| Parameters             | Unit  | Mar-20  | Dec-19  | Q-on-Q Growth | Mar-19  | Y-on-Y Growth |
|------------------------|-------|---------|---------|---------------|---------|---------------|
| Total Towers           | Nos   | 95,372  | 94,244  | 1,128         | 92,277  | 3,094         |
| Total Co-locations     | Nos   | 174,581 | 174,150 | 431           | 172,724 | 1,857         |
| Average Sharing Factor | Times | 1.84    | 1.85    |               | 1.88    |               |

## 4.7 Human Resource Analysis – India

| Parameters                            | Unit | Mar-20    | Dec-19    | Q-on-Q Growth | Mar-19    | Y-on-Y Growth |
|---------------------------------------|------|-----------|-----------|---------------|-----------|---------------|
| Total Employees                       | Nos  | 15,872    | 15,777    | 95            | 16,194    | (322)         |
| Number of Customers per employee      | Nos  | 19,516    | 19,569    | (53)          | 18,662    | 854           |
| Personnel cost per employee per month | Rs   | 125,189   | 114,429   | 9.4%          | 109,196   | 14.6%         |
| Gross Revenue per employee per month  | Rs   | 3,662,279 | 3,337,637 | 9.7%          | 3,137,134 | 16.7%         |

## 4.8 Africa

### 4.8.1 Operational Performance (In Constant Currency)

| Parameters                            | Unit   | Mar-20  | Dec-19  | Q-on-Q Growth | Mar-19  | Y-on-Y Growth |
|---------------------------------------|--------|---------|---------|---------------|---------|---------------|
| Customer Base                         | 000's  | 110,604 | 107,140 | 3.2%          | 98,851  | 11.9%         |
| Net Additions                         | 000's  | 3,464   | 3,258   | 6.3%          | 929     | 272.9%        |
| Monthly Churn                         | %      | 5.3%    | 5.2%    |               | 5.4%    |               |
| Average Revenue Per User (ARPU)       | US\$   | 2.8     | 2.8     | -0.6%         | 2.6     | 6.4%          |
| <b>Voice</b>                          |        |         |         |               |         |               |
| Voice Revenue                         | \$ Mn  | 523     | 513     | 2.0%          | 482     | 8.4%          |
| Minutes on the network                | Mn     | 68,870  | 65,086  | 5.8%          | 52,866  | 30.3%         |
| Voice Average Revenue Per User (ARPU) | US\$   | 1.6     | 1.6     | -1.5%         | 1.6     | -2.2%         |
| Voice Usage per customer              | min    | 211     | 206     | 2.2%          | 179     | 17.5%         |
| <b>Data</b>                           |        |         |         |               |         |               |
| Data Revenue                          | \$ Mn  | 260     | 247     | 5.3%          | 187     | 38.9%         |
| Data Customer Base                    | 000's  | 35,443  | 32,887  | 7.8%          | 30,024  | 18.0%         |
| As % of Customer Base                 | %      | 32.0%   | 30.7%   |               | 30.4%   |               |
| Total MBs on the network              | Mn MBs | 219,015 | 189,798 | 15.4%         | 120,674 | 81.5%         |
| Data Average Revenue Per User (ARPU)  | US\$   | 2.5     | 2.6     | -0.4%         | 2.1     | 19.4%         |
| Data Usage per customer               | MBs    | 2,145   | 1,967   | 9.1%          | 1,375   | 56.1%         |
| <b>Mobile Money</b>                   |        |         |         |               |         |               |
| Transaction Value                     | \$ Mn  | 8,623   | 8,576   | 0.6%          | 6,474   | 33.2%         |
| Transaction Value per Sub             | US\$   | 167     | 177     | -6.0%         | 157     | 6.3%          |
| Airtel Money Revenue                  | \$ Mn  | 86      | 84      | 2.6%          | 66      | 29.5%         |
| Active Customers                      | 000's  | 18,294  | 16,634  | 10.0%         | 14,216  | 28.7%         |
| Airtel Money ARPU                     | US\$   | 1.7     | 1.7     | -4.1%         | 1.6     | 3.4%          |
| <b>Network &amp; coverage</b>         |        |         |         |               |         |               |
| Network towers                        | Nos    | 22,909  | 22,253  | 656           | 21,059  | 1,850         |
| Owned Towers                          | Nos    | 4,548   | 4,454   | 94            | 4,422   | 126           |
| Leased Towers                         | Nos    | 18,361  | 17,799  | 562           | 16,637  | 1,724         |
| Of which Mobile Broadband towers      | Nos    | 20,378  | 19,133  | 1,245         | 16,426  | 3,952         |
| Total Mobile Broadband Base stations  | Nos    | 47,082  | 43,174  | 3,908         | 32,501  | 14,581        |
| Revenue Per Site Per Month            | US\$   | 13,577  | 13,485  | 0.7%          | 12,487  | 8.7%          |

Constant currency rates as on March 1, 2019 (AOP FY 2019-20 Currency) considered for above KPIs.

### 4.8.2 Human Resources Analysis

| Parameters                            | Unit | Mar-20 | Dec-19 | Q-on-Q Growth | Mar-19 | Y-on-Y Growth |
|---------------------------------------|------|--------|--------|---------------|--------|---------------|
| Total Employees                       | Nos  | 3,363  | 3,286  | 77            | 3,075  | 288           |
| Number of Customers per employee      | Nos  | 32,888 | 32,605 | 284           | 32,147 | 742           |
| Personnel cost per employee per month | US\$ | 6,608  | 6,694  | -1.3%         | 6,744  | -2.0%         |
| Gross Revenue per employee per month  | US\$ | 91,395 | 90,912 | 0.5%          | 84,747 | 7.8%          |

## SECTION 5

### MANAGEMENT DISCUSSION AND ANALYSIS

#### 5.1 Reporting Changes

##### 1. Revenue Recognition in DTH Business

The company has reviewed its accounting treatment for acquisition revenue and accordingly onboarding, installation and rental revenue is being deferred over the life of the customer. FY'20 full year impact has been considered in Q4'20 results.

Without the above change in revenue recognition, DTH & India SA business results would have been as follows:

| DTH                        |              | Amount in Rs Mn |  |
|----------------------------|--------------|-----------------|--|
| Quarter ended Mar 31, 2020 | Reported     | Adjusted*       |  |
| Gross Revenue              | 6,035        | 8,022           |  |
| EBITDA                     | 3,648        | 5,436           |  |
| <i>% EBITDA</i>            | <i>60.5%</i> | <i>67.8%</i>    |  |
| EBIT                       | 1,465        | 3,253           |  |
| <i>% EBIT</i>              | <i>24.3%</i> | <i>40.5%</i>    |  |

| INDIA SA                   |              | Amount in Rs Mn |  |
|----------------------------|--------------|-----------------|--|
| Quarter ended Mar 31, 2020 | Reported     | Adjusted*       |  |
| Gross Revenue              | 175,540      | 177,527         |  |
| EBITDA                     | 74,622       | 76,411          |  |
| <i>% EBITDA</i>            | <i>42.5%</i> | <i>43.0%</i>    |  |
| EBIT                       | 14,835       | 16,623          |  |
| <i>% EBIT</i>              | <i>8.5%</i>  | <i>9.4%</i>     |  |

\*Adjusted financials have been calculated without considering the impact of revenue deferral in the quarter.

#### 5.2 India SA

##### 1. Key Industry Developments

A. Pursuant to the judgment of the Hon'ble Supreme Court of India on October 24, 2019 ("Court Judgment") and in the absence of any potential reliefs, the Group carried a liability/provision of Rs. 355,229 Mn as at December 31, 2019. The Hon'ble Supreme Court in a Supplementary Order of the same date directed the affected parties to pay amounts due to Department of Telecommunications ("DoT") within a period of three months, which ended on January 23, 2020.

Subsequent to the Court Judgment, DoT had issued letters dated November 13, 2019 and February 3, 2020 to the Group to carry out own-assessment of the liability and afforded certain guidelines/clarifications to compute the amounts payable based on the Hon'ble Supreme Court Judgment. Accordingly, in February 2020, the Group based on its interpretation and assessment of the guidelines/clarifications, and the principles laid down in the Court Judgment, made payments aggregating Rs. 127,490 Mn to the DoT, and an additional Rs. 50,000 Mn as a deposit (subject to subsequent refund/ adjustment) to cover differences resulting from re-verification /reconciliation by DoT.

On March 16, 2020, the DoT had filed an application with respect to giving reasonable time to the affected parties (a period of 20 years with 8% interest on unpaid amounts to duly protect the net present value) and to cease the currently applicable interest after a particular date. The Hon'ble Supreme Court, in a hearing on March 18, 2020, ordered that no exercise of self-assessment/ re-assessment is to be done and the dues which were placed before the Court have to be paid including interest and penalty. At the same hearing, the Hon'ble Supreme Court stated that the DoT application would be considered on the next date of hearing, which is pending disposal.

The Group, without prejudice and given the matter is still being considered by the Hon'ble Supreme Court, has continued to recognize, in the same manner, its obligations under the judgments/ orders. Accordingly, during the quarter, the Group has further recorded interest of Rs. 8,706 Mn, which has been presented as exceptional item.

B. In respect of levy of one time spectrum charge ('OTSC'), the DoT has raised demand on the Company in January 2013. In the opinion of the group, inter-alia, the above demand amounts to alteration of financial terms of the licenses issued in the past and therefore the Company filed a petition in the Hon'ble High Court of Bombay, which vide its order dated January 28, 2013, had 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 this matter is currently pending with Hon'ble High Court of Bombay. The DoT revised demands on the Company aggregating Rs. 84,140 Mn in June 2018, including a retrospective charge and a prospective charge till the expiry of the initial terms of the respective licenses. The said revised demand has subsequently also been brought within the ambit of the earlier order of no coercive action by the Hon'ble High Court of Bombay. The Group intends to continue to pursue its legal remedies.

Further, in a similar matter on a petition filed by another telecom service provider, the Hon'ble TDSAT, vide its order dated July 4, 2019, has set aside the DoT order for levy of OTSC with retrospective effect and asked DoT to issue revised demands, if any, as per terms of direction given. The said telecom service provider filed an appeal in the Hon'ble Supreme Court of India against the Order of the TDSAT. On March 16, 2020, the Hon'ble Supreme Court dismissed the appeal of the telecom service provider and did not interfere with the TDSAT judgement. DoT's appeal against the said TDSAT Order for the levy on Spectrum below 6.2 MHz is pending. Accordingly, out of prudence, the Company has recorded an aggregate charge of Rs. 56,420 Mn which is disclosed as an exceptional item.

C. On March 13, 2020, TRAI issued its recommendations for the **Enhancement of Scope of Infrastructure Providers Category-I (IP-I) Registration**. The salient points include:-

- The expanded scope of the IP-I registration should include to own, establish, maintain, and work all such infrastructure items, equipment, and systems which are required for establishing Wireline Access Network (WAN), Radio Access Network (RAN), and Transmission Links. However, it shall not include core network elements such as Switch, Mobile

Switching Centre (MSC), Home Location Register (HLR), IN etc. The scope of the IP-I Registration should include, but not limited to, Right of Way, Duct Space, Optical Fiber, Tower, Feeder cable, Antenna, Base Station, In-Building Solution (IBS), Distributed Antenna System (DAS), etc. within any part of India.

The IP-I registration holder should be authorized:

- To provide only such infrastructure items, equipment and systems on lease/rent/sale basis to an eligible service provider for which that service provider has an authorization from the Government of India, and
  - To provide such infrastructure items, equipment and systems on mutually agreed terms and conditions to eligible service provider in fair, reasonable and non-discriminatory manner.
- D. On February 21, 2020, TRAI released its recommendations for “**Reforming the Guidelines on Transfer / Mergers of Telecom Licenses**”. The salient points includes:-
- For calculation of one year i.e. time period allowed for transfer/merger post NCLT approval, the time spent in pursuing any litigation on account of which the final approval of a merger is delayed, should be excluded.
  - An exemption from substantial Equity/cross holding clause for a period of one year or more as extended by the Licensor, should be modified such that the exemption from substantial equity/Cross Holding clause is provided only for a period till transfer/merger of license is taken on record by the Licensor.
  - Bank Guarantee against One-time Spectrum charges (OTSC) should be taken from Transferor Company instead of Transferee Company since it is the spectrum holding of Transferor Company, which is changing hands, and not of the transferee company.
- E. On January 20, 2020, TRAI issued direction regarding implementation of the **Telecom Commercial Communications Customer Preference Regulations (TCCPR)**, 2018 and had inter-alia directed Telecom Service Provider's (TSP's) to take certain actions including the following:-
- Any commercial communication from TSP network to be allowed using registered headers assigned to the registered senders;
  - To give due publicity to make customers aware and to register all new consents of subscribers in the new system.
  - To ensure that Principal Entities are not able to send promotional messages or calls to the subscribers if they have not shared subscribers' consent with access providers.
- F. On April 17, 2020, the Telecom Regulatory Authority of India (TRAI) revised the present regime of fixed International Termination Charges (ITC) @ Re. 0.30 per minute to forbearance regime within a prescribed range of Re. 0.35 paisa per minute to Re. 0.65 paisa per minute effective from May 1, 2020. It has however, also mandated that an Access Service Provider shall offer the non-discriminatory rate of ITC to everyone i.e. to its own associated International Long Distance Operators (ILDOs) as well as to standalone ILDOs.
- G. On February 26, 2020, TRAI issued direction in respect to **validity of Unique Porting Code (UPC)** in case the recipient operator belongs to Jammu & Kashmir Licensed Service Area (LSA). The direction states that if Mobile Number Portability Service Providers finds that the recipient operator belongs to Jammu & Kashmir LSA and the donor operator belongs to any LSA other than Jammu & Kashmir, North East and Assam; the validity of the UPC in such porting requests shall be deemed to be fifteen days and validity of UPC shall be

counted ignoring the day on which the request for UPC is made by the subscriber.

- H. On January 16, 2020, TRAI issued amendment to the **Telecommunication Consumers Education and Protection Fund (Fifth Amendment) Regulations, 2020**. The service provider will deposit any unclaimed consumer money of any form such as access charges, security deposit, plan charges of failed activations, or any amount belonging to a consumer, which service providers are unable to refund to consumers, to the fund after providing time of twelve months or period of limitation specified under law, whichever is later.

## 2. Key Company Developments

### A. COVID-19

The current pandemic has made telecommunications services more relevant than ever. As connectivity providers, it is a great responsibility on the company to keep its customers and the nation connected.

- **Governance:** Our business continuity plans came into effect even before the lockdown. We have a war room to closely supervise all developments and daily meetings chaired by the CEO to monitor safety of our employees, review network, customer service and business performance.
- **Safety:** Our topmost priority is the health and wellbeing of our employees, partners and customers, and we have taken all the necessary steps to ensure their safety. We have provided sanitation essentials to our workforce on the field. Further, we have distributed staff (two teams working on alternate days) and reduced capacity to maintain social distance in our essential facilities. We are also working with the government to help raise awareness and share best practices through several means so as to help people in need.
- **Network:** In these challenging times, our network remains the main source for many people for social interactions, work and entertainment. We have already seen an increase in data traffic, and our priority is to make sure that our customers continue to enjoy brilliant experience. Our people were on the field to continue installation/repair activities and ensure that networks were up and running, even during the lockdown. We made sure that all our Network and Engineering Operating centers as well as data centers could be operated with minimum workforce on site and rest were enabled virtually. We also made all necessary arrangements at the NOC to be ready for all eventualities.
- **Distribution:** Given the lockdown, most shops were shut. To ensure that our customers were able to recharge, we activated several new channels – Pharmacies, Groceries, Bank ATMs and Post Offices and enabled recharges at points that continued to be available during the lockdown. Further, we encouraged all our customers to use the digital channels. We undertook several campaigns to educate users to pay/recharge online and also encouraged customers to recharge for others.
- Airtel announced special measures to assist low-income group customers impacted by the **COVID-19** crisis. Airtel extended **pre-paid pack validity for over 80 million customers** and credited an additional **Rs 10** to their **prepaid talk-time** enabling customers to seamlessly make calls or send SMS and therefore stay connected with their loved ones.

- **Airtel** decided to pay the basic income for April to nearly 25,000 employees of its distribution partners and retail franchise network to help them tide over the unprecedented situation arising out of the ongoing lockdown to contain the spread of Covid-19.
- **Airtel Business** extended its support in adopting robust and flexible business continuity arrangements to continue to communicate and collaborate securely, through bandwidth upgrades, **work-from-home** solutions based on DSL and 4G, Collaboration services and security solutions.
- Airtel enabled free access to thousands of titles on its e-books platform – **Juggernaut Books** (formerly known as Airtel Books) to all its customers. Airtel customers can access top books and novels for free by simply downloading the Juggernaut Books app on their smartphones while they are at home during the nationwide lockdown to curb the spread of COVID-19.
- **Airtel** and **Apollo 24/7**, the digital arm of Apollo Hospitals Group, launched a free digital self-assessment tool on the Airtel Thanks app that allowed users to check their Covid-19 risk profile by answering a few questions. Based on the user responses, the digital tool generates a risk score and suggests follow-up actions, including free online consultation on Apollo 24/7, non-prescription helpline number, self-care tips, social distancing norms and other preventive actions.
- **Airtel** launched a new prepaid data pack for the people in quarantine. The Rs 401 data pack comes with a free subscription to Disney + Hotstar VIP with a validity of 365 days and 3GB data per day for 28 days.
- **Airtel** has kept its commitment to onboard 50 summer interns from top business schools for its flagship Airtel Young Leaders Summer Internship Programme. Airtel has redesigned its internship program to make it completely virtual. Right from induction to mentorship to final reviews, the entire program will run virtually.
- **Airtel** rolled out Airtel **Super Hero** feature on its Airtel Thanks app that allows users to enroll themselves as superheroes and earn commission on recharging other Airtel numbers.
- As a responsible corporate, Bharti Enterprises and its companies Bharti Airtel, Bharti Infratel and others have committed over **Rs 100 crore** for India's fight against COVID-19. A significant portion of the corpus was contributed to the PM - CARES Fund and the balance amount has been directed towards sourcing of masks, PPE and other key equipment.

**B. Digital Innovations & Customer Delight:** Airtel is consistently working on fine-tuning its strategies and strengthening its innovative core to anticipate and lead change in the global digital landscape.

- Airtel launched high speed 4G along with 2G services in 26 villages in **Ladakh**. Airtel is the first operator to bring high-speed mobile broadband to these villages and connect them to the digital superhighway.
- In one of the fastest uptakes of a new network technology in India, **Airtel Wi-Fi Calling** crossed five million users in March 2020. Bharti Airtel was the first mobile operator to introduce Voice over Wi-Fi across India. The new technology has dramatically improved indoor network experience for Airtel mobile customers through seamless coverage.
- Airtel re-defined **international roaming** with yet another innovation that allows customers to track usage real time and enable / disable IR service with one click on Airtel Thanks

app. Furthermore, customers can pre-book IR packs (also available for prepaid customers) covering most travelled countries.

**C. Strategic Alliances & Partnerships:**

- **Airtel** and **Nokia** partnered to offer private LTE based Industry 4.0 solution to enterprises. The partnership addresses the emerging requirements of enterprises across banking, financial services and insurance (BFSI), information technology enabled services (ITES), media and services, manufacturing and distribution with technologies such as cloud, IoT, artificial intelligence and machine learning, and edge computing concepts. In addition, the two companies will explore the development of 5G use-cases for the enterprises.
- **Airtel**, in partnership with **Bharti AXA Life Insurance**, launched Rs. 179 Prepaid Bundle with built-in life insurance cover of Rs. 2 lakhs. The partnership aims to leverage Airtel's innovation leadership and deep distribution reach to make insurance more accessible & affordable.
- The Company has **renewed and enhanced its on-going relationship** with Nokia to boost its network capacity and customer experience, in particular 4G. The rollout will also lay foundation for providing **5G connectivity** in the future, with approximately 300,000 radio units deployed across several spectrum bands, including 900 Mhz, 1800 Mhz, 2100 Mhz and 2300 Mhz.
- **Airtel** has collaborated with **Cisco** to launch India's largest 5G-ready, 100G IP and optical integrated network designed to enhance network availability, capacity and scale. The deployment is part of Airtel's initiatives to build a 5G ready network that continues to serve the growing demand for high-speed data services in the country.

**D. Fund Raising:**

- The company has successfully **raised Rs 215,017 Mn** of additional long term financing through a combination of Rs.144,000 Mn in the form of qualified institutional placement (QIP) of equity shares (approximately 323.60 Mn fully paid up equity shares of face value Rs. 5 each were issued and allotted at a price of Rs. 445 per equity share) and Rs. 71,017 Mn in the form of 1.50% Foreign Currency Convertible Bond offerings (FCCBs) (issued at par and repayable in 2025 at 102.66% of their outstanding principal amount).

The transaction is the largest ever dual tranche Equity and FCCB offering in Asia-Pacific, largest QIP ever by a private sector issuer in India, largest FCCB offering from an India issuer in the last 12 years.

The overall allotment is pre-dominantly to long only investors, thereby also ensuring diversification of the shareholder base of Bharti Airtel.

- **Airtel** through its Mauritius-based wholly owned subsidiary - Network i2i **raised \$250 million** through issuance of a subordinated perpetual bond.

**E. Mergers and Acquisitions:**

Bharti Airtel acquired a strategic stake in **Spectacom** Global Pvt Ltd (“Spectacom”) under the Airtel Start-up Accelerator Program, which focuses on supporting growth of early stage Indian start-ups. Spectacom has been conceptualized to produce path breaking digital content on health & fitness training programmes. Airtel will work closely with Spectacom to help increase awareness and adoption of this platform.

**F. Awards and Recognition**

Mobile analytics firm **OpenSignal** said in **April 2020** that, **Airtel** has demonstrated best video experience, voice app experience, download speeds and latency experience. (Opensignal Awards - India: Mobile Network Experience Report published in April 2020).

**5.3 Africa**

**A. COVID-19**

In the countries where we operate, the spread of the COVID-19 has lagged the rest of the world. The situation is rapidly evolving, and in the last few weeks several governments in Africa have taken decisive actions to reduce the risk of contagion, including banning all commercial flights, closing educational facilities and in some case all non-essential establishments, limiting social gatherings and encouraging social distancing and working from home.

During these unprecedented times, governments have recognized the telecoms industry as a critical and essential service. We are working closely with them to keep people connected and the wheels of the economy turning.

**B. KEY COMPANY DEVELOPMENTS**

- On February 24, 2020, Airtel Malawi made its debut on the Malawi Stock Exchange as the largest IPO in Malawi’s history. The listing, which debuted at a price of MK12.69 (\$2 cents) per ordinary share, consisted of secondary offer of 2.2 billion shares, representing 20% of issued share capital. Gross proceeds amounted to MK27.92 Bn (\$37.5 Mn) and the price implies a market capitalisation on admission of MK139.59 Bn (\$187.4 Mn).
- In March 2020, Airtel Networks Limited (Airtel Nigeria) acquired from Intercellular Nigeria Limited 10 MHz spectrum in the 900 band for \$70 Mn, excluding the Nigerian Communications Commission (\$94 Mn including NCC fees, in line with the NCC Spectrum trading guidelines).
- Additional spectrum has been acquired in Chad (5 MHz in 1800 band) and Malawi (10 MHz in 2100 and 5 MHz in 1800 band) during the year.
- On October 9, 2019, the Group announced a partnership with Mastercard, which allows Airtel Money customers to make online payments globally using a virtual Airtel Money Mastercard. Airtel Money customers, even those using a feature phone, are also able to make in-person payments at outlets using QR codes. To date, there are over 1 million shops across Africa that accept Mastercard QR payments. Approximately 700,000 are in Nigeria, our largest market and where we have applied for a payment service bank license.

- In January 2020, the Group signed a strategic partnership with Western Union. This will allow Airtel Money customers to reliably send and receive international money transfers directly from their phones using our mobile money wallet. This paves the way for Airtel Africa to further cater to the needs of local and global community members to move money and enable international cross-border payments. This partnership helps Airtel Africa to take an active part in the international money transfer business that happens to and from its operating countries.
- In February 2019, we launched Airtel TV in Uganda. Now we have more than half a million installations across Nigeria, Uganda and Zambia. We also launched Hollywood and premium international content on our platform, with movies and TV shows from MGM, Lionsgate, BBC and NBC Universal as well as local content, primarily Nollywood. Hollywood content has brought high-quality marketing promotions and trailers, increasing registrations and product loyalty.

**5.4 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 is the first operator to launch 4.5G service in all the 64 districts of the country and has also successfully conducted the trial run of 5G and Voice over LTE technology.

Key operational and financial performance:

| Bangladesh  | Unit  | Quarter Ended |         |         |        |
|---|-------|---------------|---------|---------|--------|
|   |       | Dec-19*       | Sep-19* | Jun-19* | Mar-19 |
| <b>Operational Performance</b>                              |       |               |         |         |        |
| Customer Base   | 000's | 49,004        | 48,194  | 47,939  | 47,341 |
| Data Customer as % of Customer Base                         | %     | 63.8%         | 63.8%   | 62.8%   | 61.3%  |
| ARPU  | BDT   | 121           | 125     | 124     | 122    |
| <b>Financial Highlights</b> (proportionate share of Airtel) |       |               |         |         |        |
| Total revenues  | Rs Mn | 3,957         | 3,945   | 3,823   | 3,844  |
| EBITDA  | Rs Mn | 1,245         | 1,495   | 1,748   | 1,117  |
| EBITDA / Total revenues                                     | %     | 31.5%         | 37.9%   | 45.7%   | 29.1%  |
| Net Income  | Rs Mn | (203)         | 354     | (66)    | 24     |

\* Financials for the Quarter are post IFRS

## 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-20        | Dec-19 | Sep-19 | Jun-19 |
| <b>Operational Performance</b>                              |       |               |        |        |        |
| Customer Base   | 000's | 4727          | 4888   | 4811   | 4821   |
| Data Customer as % of Customer Base                         | %     | 61.3%         | 59.2%  | 61.3%  | 59.1%  |
| ARPU  | GHS   | 14.2          | 13.1   | 13.2   | 13.1   |
| <b>Financial Highlights (proportionate share of Airtel)</b> |       |               |        |        |        |
| Total revenues  | Rs Mn | 1,334         | 1,212  | 1,224  | 1,247  |
| EBITDA  | Rs Mn | 179           | 149    | 164    | 131    |
| EBITDA / Total revenues                                     | %     | 13.4%         | 12.3%  | 13.4%  | 10.5%  |
| Net Income*   | Rs Mn | -             | (530)  | (655)  | (928)  |

\*The share of loss in JV has been restricted to the remaining value of the investment.

## C. Airtel Payments Bank Limited

Airtel Payment Bank Limited became an associate of Bharti Airtel Limited w.e.f November 1, 2018.

Key operational and financial performance:

| Airtel Payments Bank Limited                                | Unit  | Quarter ended |        |        |        |
|---|-------|---------------|--------|--------|--------|
|   |       | Mar-20        | Dec-19 | Sep-19 | Jun-19 |
| <b>Operational Performance</b>                              |       |               |        |        |        |
| Active users  | 000's | 14,055        | 12,208 | 9,895  | 8,307  |
| <b>Financial Highlights (proportionate share of Airtel)</b> |       |               |        |        |        |
| Total revenues  | Rs Mn | 1,006         | 1,030  | 853    | 909    |
| EBITDA  | Rs Mn | (1,083)       | (943)  | (811)  | (722)  |
| EBITDA / Total revenues                                     | %     | -107.6%       | -91.5% | -95.0% | -79.4% |
| Net Income  | Rs Mn | (1,131)       | (992)  | (843)  | (755)  |

## 5.5 Results of Operations

The financial results presented in this section are compiled based on the audited consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind-AS) and the underlying information.

### Key Highlights – For the full year ended March 31, 2020

- Consolidated mobile data traffic at 6,688 Bn MBs (up 74.3% YoY)
- Total revenues of Rs 237.2 Bn; up 15.1% YoY (up 18.2% on comparable basis)
- EBITDA at Rs 103.3 Bn; up 51.7% YoY; EBITDA margin up 10.5 p.p. YoY
- EBIT at Rs 32.5 Bn; up 172.1% YoY; EBIT margin up 7.9 p.p. YoY
- Consolidated net loss (before EI) of Rs 4.7 Bn vis-à-vis loss of Rs 11.9 Bn in the corresponding quarter last year
- Consolidated net loss (after EI) of Rs 52.4 Bn (Net loss of Rs 10.4 Bn in Q3'20) vis-à-vis profit of Rs 1.1 Bn in the corresponding quarter last year

### Key Highlights – For the quarter ended March 31, 2020

- Overall customer base at 423 Mn across 16 countries (up 4.9% YoY)
- Total revenues of Rs 875.4 Bn; up 8.4% YoY (up 10.7% on comparable basis)
- EBITDA at Rs 371.1 Bn; up 41.1% YoY; EBITDA margin up 9.8 p.p. YoY
- EBIT at Rs 92.4 Bn; up 94.1% YoY; EBIT margin up by 4.7 p.p. YoY
- Consolidated net loss (before EI) of Rs 40.7 Bn vis-à-vis loss of Rs 34.9 Bn in the last year
- Consolidated net loss (after EI) of Rs 321.8 Bn vis-à-vis profit of Rs 4.1 Bn in the last year

## Results for the quarter ended March 31, 2020

### 5.5.1 Bharti Airtel Consolidated

The quarter saw an unprecedented scenario with the outbreak of COVID-19 and the situation is rapidly evolving. Telecommunication services have been recognized as an 'Essential Service' which continued to operate during the lockdown period. As connectivity providers, the company is playing a vital role in keeping the nation and the customers connected.

As on March 31<sup>st</sup>, 2020, the Company had 423 Mn customers, an increase of 4.9% as compared to 404 Mn in the corresponding quarter last year. Total minutes of usage on the network during the quarter were 902 Bn, representing a growth of 13.3% as compared to 796 Bn in the corresponding quarter last year. Mobile Data traffic grew 74.3% to 6,688 Bn MBs during the quarter as compared to 3,836 Bn MBs in the corresponding quarter last year.

Consolidated revenues for the quarter stood at Rs 237,227 Mn, up 15.1% (up 18.2% on a comparable basis) compared to Rs 206,022 Mn in the corresponding quarter last year.

India revenues for the quarter stood at Rs 174,383 Mn, up 14.4% (up 18.5% on a comparable basis) compared to Rs 152,408 Mn in the corresponding quarter last year.

Consolidated net revenues, after netting off access costs, license fees and cost of goods sold, stood at Rs 185,018 Mn, up 14.2% (up 18.1% on comparable basis) as compared to Rs 161,958 Mn in the corresponding quarter last year.

There is a decrease in consolidated opex (excluding access costs, costs of goods sold and license fees) by 12.5% YoY (up 5.4% QoQ) to Rs 82,750 Mn for the quarter ending March 31, 2020.

Consolidated EBITDA was at Rs 103,263 Mn during the quarter, compared to Rs 68,064 Mn in the corresponding quarter last year (up 51.7% YoY) and Rs 93,501 Mn in the previous quarter (up 10.4% QoQ). EBITDA margin for the quarter was at 43.5% as compared to 33.0% in the corresponding quarter last year and 42.6% in the previous quarter. India EBITDA margin for the quarter was at 42.7% as compared to 30.5% in the corresponding quarter last year and 41.2% in the previous quarter.

Depreciation and amortization expenses were at Rs 70,548 Mn vis-à-vis Rs 54,933 Mn in the corresponding quarter last year (up 28.4% YoY) and Rs 69,408 Mn in the previous quarter (up 1.6% QoQ). EBIT for the quarter was at Rs 32,464 Mn as compared to Rs 11,932 Mn in the corresponding quarter last year and the resultant EBIT margin was at 13.7% as compared to 5.8% in the corresponding quarter last year. Cash profits from operations (before derivative and exchange fluctuations) for the quarter were at Rs 75,123 Mn as compared to Rs 41,252 Mn in the corresponding quarter last year and Rs 64,961 Mn in the previous quarter.

Net finance costs for the quarter were at Rs 33,075 Mn as compared to Rs 25,322 Mn (up 30.6% YoY) in the corresponding quarter last year and Rs 29,846 Mn in the previous quarter (up 10.8% QoQ) largely led by higher derivative and forex loss during the quarter.

The resultant loss before tax and exceptional items for the quarter ended March 31, 2020 was Rs 65 Mn as compared to loss of Rs 13,086 Mn in the corresponding quarter last year and a loss of Rs 4,526 Mn in the previous quarter.

The consolidated income tax expense for the period of twelve months ended March 31, 2020 was (negative) Rs 7,602 Mn as compared to (negative) Rs 25,021 Mn in the corresponding period of last year. The underlying effective tax rate (ETR) in India for the period was at 35.3% vs 34.9% for the full year ended March 31, 2019.

Net loss before exceptional items for the quarter ended March 31, 2020 was Rs 4,708 Mn as compared to loss of Rs 11,882 Mn in the corresponding quarter last year and loss of Rs 10,805 in the previous quarter. After accounting for charge of Rs 47,661 Mn towards exceptional items (net of tax and non-controlling interests) (details provided below in 5.5.2), the resultant net loss for the quarter ended March 31, 2020 came in at Rs 52,370 Mn, compared to profit of Rs 1,072 Mn in the corresponding quarter last year and net loss of Rs 10,353 Mn in the previous quarter.

The capital expenditure for the quarter was Rs 113,385 Mn as compared to Rs 62,735 Mn in the corresponding quarter last year and Rs 51,831 Mn in the previous quarter.

Consolidated net debt excluding lease obligations for the company stands at Rs 882,512 Mn as on March 31, 2020 compared to Rs



1,082,346 Mn as on March 31, 2019. Consolidated net debt for the company including the impact of leases stands at Rs 1,188,590 Mn as on March 31, 2020. The Net Debt-EBITDA ratio (annualized) and including the impact of leases for the quarter March 31, 2020 was at 2.88 times as compared to 4.15 times as on March 31, 2019 and 3.07 times in the previous quarter. The Net Debt-Equity ratio was at 1.54 times as on March 31, 2020 as compared to 1.58 times as on March 31, 2019 and 1.67 times as on December 31, 2019.

In line with our policy of passing through dividends received from Infratel, the Board of Directors is pleased to recommend a dividend of Rs. 2 per share for FY 2019-20. This is subject to shareholders' approval.

### 5.5.2 Exceptional Items

The exceptional charge of Rs 70,040 Mn during the quarter ended March 31, 2020 comprises of a charge on account of re-assessment of regulatory cost based on a recent judgment on OTSC related matter of Rs. 56,420 Mn; interest on the provision of license fee and spectrum usage charges of Rs. 8,706 Mn; charge on account of regulatory fees based on a recent judgment on a related matter Rs. 1,681 Mn; charge on account of rates and taxes in one of the subsidiaries Rs. 1,659 Mn; accelerated depreciation on 3G network equipment of Rs. 808 Mn and other miscellaneous items amounting to Rs. 766 Mn. Net tax benefit due to the above exceptional items; re-assessment of tax provisions; charge on undistributed earnings of JVC of a subsidiary of the Company and tax credit arising from deferred tax asset pertaining to one of the subsidiaries, aggregating Rs. 19,545 Mn is included under tax expense/ (credit). As a result, the overall net exceptional charge (after tax) is Rs. 50,496 Mn. The net charge allocated to non-controlling interests on the above exceptional items is Rs. 2,835 Mn.

#### **\*Note:**

Pursuant to the judgment of the Hon'ble Supreme Court of India on October 24, 2019 ("Court Judgment") and in the absence of any potential reliefs, the Group carried a liability/provision of Rs. 355,229 Mn as at December 31, 2019. The Hon'ble Supreme Court in a Supplementary Order of the same date directed the affected parties to pay amounts due to Department of Telecommunications ('DoT') within a period of three months, which ended on January 23, 2020.

Subsequent to the Court Judgment, DoT had issued letters dated November 13, 2019 and February 3, 2020 to the Group to carry out own-assessment of the liability and afforded certain guidelines/clarifications to compute the amounts payable based on the Hon'ble Supreme Court Judgment. Accordingly, in February 2020, the Group based on its interpretation and assessment of the guidelines/clarifications, and the principles laid down in the Court Judgment, made payments aggregating Rs. 127,490 Mn to the DoT, and an additional Rs. 50,000 Mn as a deposit (subject to subsequent refund/ adjustment) to cover differences resulting from re-verification /reconciliation by DoT.

On March 16, 2020, the DoT had filed an application with respect to giving reasonable time to the affected parties (a period of 20 years with 8% interest on unpaid amounts to duly protect the net present value) and to cease the currently applicable interest after a particular date. The Hon'ble Supreme Court, in a hearing on March 18, 2020, ordered that no exercise of self-assessment/ re-assessment is to be done and the dues which were placed before the Court have to be paid including interest and penalty. At the same hearing, the Hon'ble Supreme Court stated that the DoT application would be considered on the next date of hearing, which

is pending disposal.

The Group, without prejudice and given the matter is still being considered by the Hon'ble Supreme Court, has continued to recognize, in the same manner, its obligations under the judgments/ orders. Accordingly, during the quarter, the Group has further recorded interest of Rs. 8,706 Mn, which has been presented as exceptional item.

### 5.5.3 B2C Services – India

#### 5.5.3.1 Mobile Services

With a decreased customer churn of 2.6% compared to 2.8% in corresponding quarter last year, the Company had 283.7 Mn customers as on March 31, 2020, compared to 283.0 Mn in the previous quarter, an increase of 0.2% QoQ. Voice traffic on the network grew 12.4% YoY to 822 Bn Minutes during the quarter as compared to 731 Bn Minutes in the corresponding quarter last year.

The current quarter witnessed an addition of 10.1 Mn data customers compared to previous quarter. 4G data customer base stood at 136.3 Mn, increasing 12.5 QoQ. Strong data customer additions along with increased bundle penetration led to an exponential data traffic growth of 74.2% YoY. Total data traffic on the network stood at 6,453 Bn MBs as compared to 3,705 Bn MBs in the corresponding quarter last year. Average mobile data usage per customer increased by 35.5% YoY to 14.6 GBs as compared to 10.8 GBs in the corresponding quarter last year.

To serve the evolving needs of millions of customers in the rapidly digitizing economy, Airtel continued to re-farm its 3G spectrum for 4G and modernize it for increasing 4G coverage and capacities thereby providing its customers with an industry leading network experience. By the end of the quarter, the Company had 194,409 network towers as compared to 181,079 network towers in the corresponding quarter last year. Out of the total number of towers, 192,068 are mobile broadband towers. The Company has total 503,883 mobile broadband base stations as compared to 417,613 mobile broadband base stations at the end of the corresponding quarter last year and 473,859 at the end of the previous quarter.

Revenue from mobile services increased by 21.8% to Rs 129,529 Mn as compared to Rs 106,322 Mn in the corresponding quarter last year. QoQ revenue increased by 16.0%; led by increase in 4G customer base and improved tariffs. Overall ARPU for the quarter was Rs 154 as compared to Rs 123 in the corresponding quarter last year.

EBITDA for the quarter was Rs 50,796 Mn as compared to Rs 25,657 Mn in the corresponding quarter last year and Rs 40,109 Mn in the previous quarter. EBITDA margin was 39.2% during the quarter as compared to 24.1% in the corresponding quarter last year and 35.9% in the previous quarter.

EBIT during the quarter was at Rs 265 Mn as compared to (negative) Rs 13,778 Mn in the corresponding quarter last year and (negative) Rs 8,249 Mn in the previous quarter. The resultant EBIT margin was at 0.2% as compared to (negative) 13.0% in corresponding quarter last year and (negative) 7.4% in the previous quarter.

During the quarter, the Company has incurred a capex of Rs 69,968 Mn, primarily to enhance its indoor coverage, voice quality and data capacities.

#### 5.5.3.2 Homes Services

As on March 31, 2020, the Company had Homes operations in 111 cities with 2.41 Mn customers.

For the quarter ended March 31, 2020, revenues from Homes operations were Rs 5,725 Mn as compared to Rs 5,536 Mn in the corresponding quarter last year. During the quarter, the company continued to upgrade its copper network to FTTH and also re-tooled the online feasibility process to help online acquisitions.

EBITDA for the quarter stood at Rs 3,012 Mn as compared to Rs 2,450 Mn in the corresponding quarter last year and Rs 3,302 Mn in the previous quarter. EBITDA margin stood at 52.6% during the quarter as against 44.3% in the corresponding quarter last year and 59.5% in the previous quarter. EBIT for the quarter ended March 31, 2020 was Rs 1,768 Mn as compared to Rs 487 Mn in the corresponding quarter last year and Rs 1,094 Mn in the previous quarter. The resultant EBIT margin was at 30.9% as compared to 8.8% in corresponding quarter last year and 19.7% in the previous quarter.

During the quarter ended March 31, 2020, the company incurred capital expenditure of Rs 973 Mn primarily on account of expansion of high speed fiber.

#### 5.5.3.3 Digital TV Services

As on March 31, 2020, the Company had its Digital TV operations in 639 districts. DTH had 16.6 Mn customers at the end of the quarter, which represents an increase of 7.9%, as compared to the corresponding quarter last year. Reported ARPU for the quarter was at Rs 123 (Rs 250 on comparable basis) as compared to Rs 233 in the corresponding quarter last year, an increase of 7.2% YoY on comparable basis.

Revenue from Digital TV services on a comparable basis was at Rs 12,276 Mn vis-à-vis Rs 10,506 Mn in the corresponding quarter last year. Reported EBITDA for this segment was at Rs 3,648 Mn as compared to Rs 3,926 Mn in the corresponding quarter last year and Rs 5,441 Mn in the previous quarter. The reported EBITDA margin was at 60.5% (40.8% on comparable basis) in the current quarter as compared to 37.4% in the corresponding quarter last year. EBIT for the quarter was Rs 1,465 Mn as compared to Rs 1,853 Mn in the corresponding quarter last year and Rs 3,011 Mn in the previous quarter. The resultant EBIT margin was at 24.3% as compared to 17.6% in the corresponding quarter last year and 38.0% in the previous quarter.

During the current quarter, the company incurred a capital expenditure of Rs 2,514 Mn.

#### 5.5.4 B2B Services – India: Airtel Business

Airtel Business segment revenues for the current quarter was at Rs 33,762 Mn as compared to Rs 30,040 Mn in the corresponding quarter last year, an increase of 12.4% YoY.

EBITDA stood at Rs 13,466 Mn during the quarter as compared to Rs 9,587 Mn in the corresponding quarter last year, growth of 40.5% YoY and 11.1% QoQ. The EBITDA margin stood at 39.9% in the current quarter, as compared to 31.9% in the corresponding quarter last year and 36.5% in the previous quarter. EBIT for the current quarter has increased by 74.7% to Rs 9,824 Mn as compared to Rs 5,623 Mn during the corresponding quarter last year and the resultant EBIT margin was at 29.1% during the quarter as compared to 18.7% in the corresponding quarter last year.

The Company incurred a capital expenditure of Rs 18,814 Mn in Airtel Business as compared to Rs 1,385 Mn in the corresponding

quarter last year and Rs 7,628 Mn in the previous quarter.

#### 5.5.5 Tower Infrastructure Services

The financials of this segment reflect standalone operations of Bharti Infratel Limited (Infratel), a subsidiary of the company, with the interest in Indus Tower Ltd (Indus) disclosed under share of profits from Joint Ventures/ Associates.

Revenues of Infratel for the quarter ended March 31, 2020 has increased by 0.7% to Rs 16,826 Mn as compared to Rs 16,705 Mn in the corresponding quarter last year. EBITDA during the quarter was at Rs 9,032 Mn compared to Rs 8,167 Mn in the corresponding quarter last year, up 10.6% YoY, and Rs 8,782 Mn in the previous quarter, up 2.8% QoQ. EBIT for the quarter was at Rs 5,557 Mn as compared to Rs 5,193 Mn in the corresponding quarter last year, up 7.0% YoY, and Rs 5,686 Mn in the previous quarter, down 2.3% QoQ.

As at the end of the quarter, Infratel had 42,053 towers with average sharing factor of 1.82 times compared to 1.91 times in the corresponding quarter last year. Including proportionate share of Indus in which Infratel holds 42% of stake, on a consolidated basis, Infratel had 95,372 towers with an average sharing factor of 1.84 times as compared to 1.88 times in the corresponding quarter last year.

Bharti Infratel incurred a capital expenditure of Rs 2,937 Mn during the quarter on a standalone basis. The share of profits of Indus during the quarter came in at Rs 2,445 Mn as compared to Rs 2,639 Mn in the corresponding quarter last year and Rs 3,852 Mn in the previous quarter.

#### 5.5.6 Africa

As on March 31, 2020, the Company had an aggregate customer base of 110.6 Mn as compared to 98.9 Mn in the corresponding quarter last year, an increase of 11.9% YoY. Customer churn for the quarter has increased to 5.3% as compared to 5.2% in the previous quarter. Total minutes on network during the quarter registered a growth of 30.3% to 68.9 Bn as compared to 52.9 Bn in the corresponding quarter last year.

Data customers during the quarter increased by 5.4 Mn to 35.4 Mn as compared to 30.0 Mn in the corresponding quarter last year. Data customers now represent 32.0% of the total customer base, as compared to 30.4% in the corresponding quarter last year. The total MBs on the network grew at a healthy growth rate of 81.5% to 219.0 Bn MBs compared to 120.7 Bn MBs in the corresponding quarter last year. Data usage per customer during the quarter was at 2,145 MBs as compared to 1,375 MBs in the corresponding quarter last year, an increase of 56.1% YoY.

The total customer base using the Airtel Money platform increased by 28.7% to 18.3 Mn as compared to 14.2 Mn in the corresponding quarter last year. Total value of transactions on the Airtel money platform has witnessed a growth of 33.2% to \$8,623 Mn in the current quarter as compared to \$6,474 Mn in the corresponding quarter last year. Airtel Money revenue is at \$86.1 Mn as compared to \$66.5 Mn in the corresponding quarter last year reflecting a growth of 29.5%.

The Company had 22,909 network towers at end of the quarter as compared to 21,059 network towers in the corresponding quarter last year. Out of the total number of towers, 20,378 are mobile broadband towers. The Company has total 47,082 mobile broadband base stations as compared to 32,501 mobile broadband base stations at the end of the corresponding quarter last year.

Africa revenues at \$922 Mn in constant currency grew by 17.9% as compared to \$782 Mn in the corresponding quarter last year as a result of continued strong performance in Nigeria and East Africa and an improvement in the performance of Francophone.

Opex for the quarter is at \$329 Mn in constant currency as compared to \$317 Mn in the corresponding quarter last year and \$313 Mn in the previous quarter. EBITDA in constant currency was at \$407 Mn as compared to \$307 Mn in the corresponding quarter last year and \$404 Mn in the previous quarter. EBITDA margin was at 44.1% for the quarter (up 4.9 YoY, down 1.0 p.p. QoQ). Depreciation and amortization charges in constant currency were at \$155 Mn as compared to \$119 Mn in the corresponding quarter last year and \$155 Mn in the previous quarter. EBIT in constant currency for the quarter was at \$251 Mn as compared to \$186 Mn in the corresponding quarter last year and \$248 Mn in the previous quarter.

The resultant profit before tax and exceptional items for the quarter was at \$179 Mn as compared to \$129 Mn in the corresponding quarter last year and \$175 Mn in the previous quarter. Capital expenditure during the quarter was \$246 Mn for Africa operations.

## Results for the full year ended March 31, 2020

### 5.5.7 Consolidated Financials

The year witnessed massive fund raise initiatives totaling to more than US \$8 billion. The year started with one of India's biggest rights issue where the company raised Rs 249,390 Mn by issuing approximately 1,134 Mn fully paid up equity shares and utilizing the proceeds materially towards deleveraging the balance sheet. The rights issue saw an enthusiastic response from the investors and the issue was oversubscribed. In June 2019, the company concluded the initial public offering (IPO) of Airtel Africa plc on the London Stock Exchange and the Nigerian Stock Exchange and raised net proceed of US \$674 Mn. Airtel Africa plc was admitted to the premium listing segment of London Stock Exchange and later was added to the FTSE 250 index. In October 2019, company's wholly-owned subsidiary Network i2i Limited raised US \$750 Mn through 5.650% Subordinated Perpetual Securities. The transaction was company's inaugural hybrid securities offering and was the 1<sup>st</sup> pure play telecommunications G3 hybrid securities from Asia Pacific (ex-Japan) and 1<sup>st</sup> subordinated perpetual by an Investment Grade Corporate out of India. The issue received a strong response, for our inaugural hybrid securities offering, from investors across Asia, Europe and the United States underlining the future growth potential of the business. The same Subordinated Perpetual Securities were additionally issued later to further raise US \$250 million. In January 2020, company successfully raised US \$3 billion through a combination of QIP (US \$2 billion) and FCCB (US \$1 billion). The transaction was the largest dual tranche Equity and FCCB offering ever in Asia-Pacific, the largest QIP by a private sector issuer ever in India and the largest FCCB offering from an India issuer in the last 12 years. The FCCB offering re-opened the Indian FCCB market after a 3-year absence of such issuances. Both the offerings were oversubscribed and anchored by many existing and new shareholders. Several of the large Global long only funds, Sovereign Wealth Funds, Domestic Mutual Funds, and Insurance Companies participated in the offering. The overall allotment was pre-dominantly to long-only investors, thereby also ensuring diversification of the shareholder base of Bharti Airtel. All these fund raising initiatives demonstrate the strong support of market participants and have helped the company in improving its balance sheet strength.

The company's consolidated revenues stood at Rs 875,390 Mn for

the year ended March 31, 2020, as compared to Rs 807,802 Mn in the previous year, an increase of 8.4% (an increase of 10.7% on a comparable basis).

The Company incurred operating expenditure (excluding access charges, cost of goods sold, license fees and CSR costs) of Rs 314,670 Mn representing a decrease of 16.0% over the previous year. Consolidated EBITDA at Rs 371,053 Mn increased by 41.1% over the previous year on reported basis. The Company's EBITDA margin for the year increased to 42.4% as compared to 32.5% in the previous year.

Depreciation and amortization costs for the year were higher by 29.7% to Rs 276,893 Mn. Consequently, EBIT for the year was at Rs 92,447 Mn increased by 94.1% resulting in margin of 10.6% vis-à-vis 5.9% in the previous year.

Net finance costs at Rs 123,819 Mn were higher by Rs 27,926 Mn compared to previous year mainly due to higher interest on lease obligation and higher forex losses during the year.

Consequently, the consolidated loss before taxes and exceptional items at Rs 26,121 Mn compared to loss of Rs 46,606 for the previous year.

Exceptional items during the year accounted for impact of Rs 288,123 Mn (net of tax). Exceptional items hits majorly comprises of charge on account of license fees and SUC including interest there on (AGR Matter), accelerated depreciation on 3G network equipment / operating costs on network re-farming and up-gradation program, hit pertaining to customary indemnities to a clutch of investors of Airtel Africa plc determined on the basis of methodology settled prior to listing, charge on account of re-assessment of regulatory cost based on a recent judgment on an OTSC related matter.

After accounting for exceptional items, the resultant consolidated net loss for the year ended March 31, 2020 came in at Rs 321,832 Mn as compared to net income of Rs 4,095 Mn in the previous year.

The capital expenditure for the full year was Rs 253,586 Mn as compared to Rs 287,427 Mn in the previous year.

### 5.5.8 India & South Asia

As per Companies (Indian Accounting Standards) Amendment Rules, 2019, issued by Ministry of Corporate Affairs on March 30, 2019, leasing standard Ind AS 116 'Leases', replaced existing standard (Ind AS 17), applicable to Companies from financial year beginning on or after April 1, 2019. The Company has complied and accordingly presented its financial results. Financial results presented in this report for the year and quarter ended March 31, 2020 are in accordance with the new leasing standard Ind AS 116.

The television broadcast industry also saw a key regulatory development wherein TRAI implemented the New Tariff Order (NTO-1) w.e.f March 31, 2019. The NTO allows customers to select the channels and bouquets they want to subscribe to and pay accordingly. Subsequent to the new tariff order (NTO-1), the service providers are responsible only for re-transmission and are not in a position to control content and pricing. Accordingly, the Gross revenue is only to the extent of net value retained i.e. customer payments received net of broadcaster's fee (erstwhile content charges) w.e.f April 1, 2019.

During the year, Airtel completed 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 with effect from July 1, 2019.

Operations pertaining to optical fiber were transferred from the company to its wholly owned subsidiary Telesonic Networks

Limited with effect from August 1, 2019 under the Scheme of Arrangement. Subsequently the business was reorganized, whereby, assets and liabilities pertaining to bandwidth capacities were allocated to Mobile, Airtel business and Homes segment. Previously, these operations were part of Mobile segment and bandwidth capacities were billed by Mobile Services Segment to Airtel Business and Homes Services segments.

The company has reviewed its accounting policy of acquisition revenue in DTH business and accordingly deferred the onboarding, installation and rental revenue over the life of the customer. The impact for full year FY19-20 for the same has been considered in Q4'20.

The company continues to expand its reach within the digital space. In line with the "high speed and high value acquisition strategy", the company unveiled a new umbrella brand identity 'Airtel Xstream'. Within this, the broadband business launched its ultra-fast broadband offering - Airtel Xstream Fiber, which offers unlimited broadband at 1Gbps speed. In the digital TV business 4K Android Box was launched, to serve content from modern day OTT platforms with access to Google Play store and Google Assistant. The streaming platform Airtel TV was also rebranded as Airtel Xstream.

On the digital platforms as on March 31, 2020, Wynk Music crossed 170 Mn app installs and Airtel Xstream crossed 138 Mn underlining its growing popularity amongst smartphone users as the go to destination for digital content. It features over 400+ Live TV channels, and a rich assortment of Movies and TV shows across 14 languages.

As on March 31, 2020, the Company had 283.7 Mn mobile customers in India. Customer churn decreased to 2.5% in the current year, compared to 3.3% in the previous year. Voice traffic on the network increased by 7.9% YoY to 3,035 Bn minutes. The Company had 148.6 Mn data customers at the end of March 31, 2020, of which 136.3 Mn were mobile 4G customers. Data traffic on the network grew by 79.2% YoY to 21,020 Bn MBs supported by high data customer additions and increased bundle penetration.

Supported by premium HD content offerings and 4K android box the digital TV business witnessed a step up in customer additions of 1.2 Mn during the year.

Integrated home offering has been launched in 10 cities as on March 31, 2020. Under the new offering, our customers can opt for multiple services from Airtel i.e. Postpaid, Broadband and DTH under one bill. Customers under this scheme are eligible for the following benefits – One Bill & one call center, complimentary service visits, Wi-Fi router at no extra cost, Airtel Xstream box at discount and extended warranty on DTH box. For the cities Airtel is not present in Broadband space, the company has launched its broadband services through franchise tie-ups to tap the opportunity in those markets. As of March 2020, the operations have been launched in 11 cities and wired ~180k homes through tie-ups. Airtel will continue to increase its presence in newer cities.

Airtel Business witnessed a year of growth led by surge in global and domestic data revenues. Revenues for the year grew by 6.3% with increase in EBITDA by 4.9% YoY. 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.

Full year revenue of South Asia was at Rs 4,552 Mn as compared to Rs 4,436 Mn in the previous year. EBITDA for the year was at Rs 430 Mn. EBITDA margin is at 9.4% vis-à-vis 2.9% last year.

Full year revenues of India and South Asia stood at Rs 643,598 Mn as compared to Rs 602,647 Mn in the previous year, an increase of 6.8% (up 9.9% on a comparable basis). EBITDA increased by 47.1% to Rs 263,763 Mn, with the EBITDA margin moving up from 29.8% to 41.0%.

After accounting for depreciation and amortization, EBIT was at Rs 28,282 Mn as compared to (negative) Rs 4,423 Mn in the previous year, and the EBIT margin for the year was at 4.4% as compared to (negative) 0.7% in the previous year.

We continue to invest in our network in terms of capacity and new geographical coverage along with significant investment in data centres, home broadband and other lines of business. Our continuous investment has resulted into overall capex in India & South Asia for the full year at Rs 207,748 Mn compared to Rs 243,051 Mn in the previous year.

The investments were to strengthen our network to provide world class experience to our customers. Network is now fully 4G and investments have gone into building high capacities across network layers of RAN, Core and Fiber. The extensive fiber rollout has strengthened our backhaul and last mile connectivity. Supported by this our broadband business is now having reach in more than 111 cities in India and we continue to expand in new geographies. Our investments in Airtel Business segment has led to improve data capacities and has made us one of India's leading providers of data center services, including co-location, managed services and cloud solutions, through our subsidiary, Nextra Data. We are also investing in Internet of Things ("IoT") platforms, and telco-grade networks to drive IoT in the country. Significant investments made over the last couple of years has strengthen our network and capabilities and is now helping the nation and our customers connected during this unprecedented event of COVID-19. We continue to provide better speed & experience meeting the huge surge in data demand during this lockdown period.

#### 5.5.9 Africa

Airtel Africa revenues in constant currency grew by 13.8% to \$3,474 Mn as compared to \$3,052 Mn in the previous year. Opex for the year is at \$1,236 Mn as compared to \$1,257 Mn in the previous year. EBITDA at \$1,537 Mn for the year as compared to \$1,187 Mn in the previous year, increase of 29.5%. Consequently, EBITDA margin improved by 5.4 p.p. to 44.3% compared to 38.9% in the previous year. Depreciation and amortization charges were at \$614 Mn as compared to \$443 Mn in the previous year. EBIT for the year was at \$919 Mn as compared to \$740 Mn in the previous year. PBT for the full year was at \$617 Mn as compared to \$463 Mn in the previous year. Capex for the full year was at \$643 Mn as compared to \$630 Mn in the previous year.

### 5.6 Bharti's Three Line Graph

The Company tracks its performance on a three-line graph.

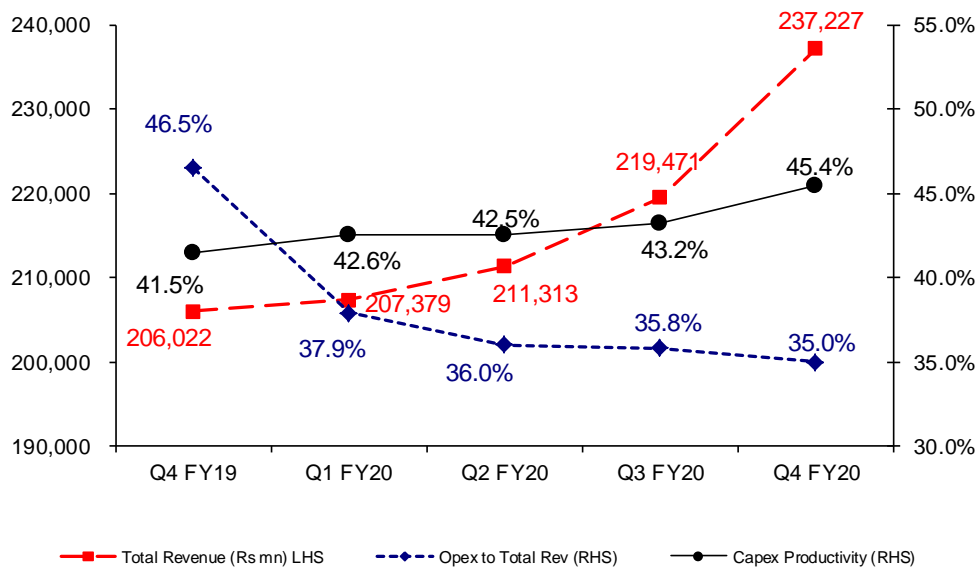
The parameters considered for the three-line graph are:

1. Total Revenues i.e. absolute turnover/sales
2. Opex Productivity – this is computed by dividing operating expenses by the total revenues for the respective period. Operating expenses is the sum of (i) employee costs (ii) network operations costs and (iii) selling, general and administrative costs. This ratio depicts the operational efficiencies in the Company
3. Capex Productivity – this is computed by dividing revenue for the quarter (annualized) by gross cumulative capex (gross fixed assets and capital work in progress) till date i.e. the physical investments made in the assets creation of the Company. This ratio depicts the asset productivity of the Company.

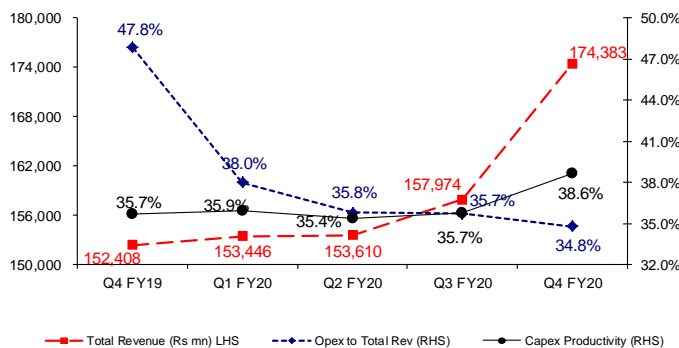
Given below are the graphs for the last five quarters of the Company:

(\*With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.)

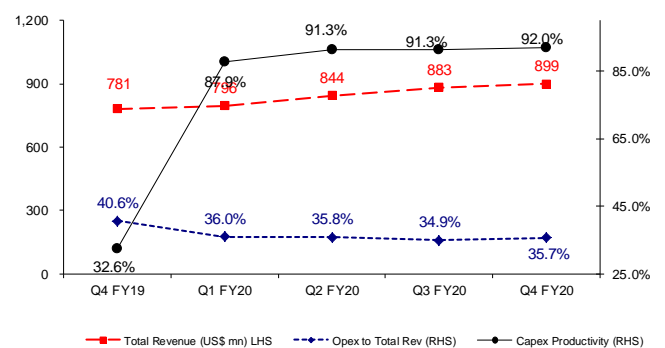
#### 5.6.1 Bharti Airtel – Consolidated



#### 5.6.2 Bharti Airtel – India



#### 5.6.3 Bharti Airtel – Africa



## SECTION 6

### STOCK MARKET HIGHLIGHTS

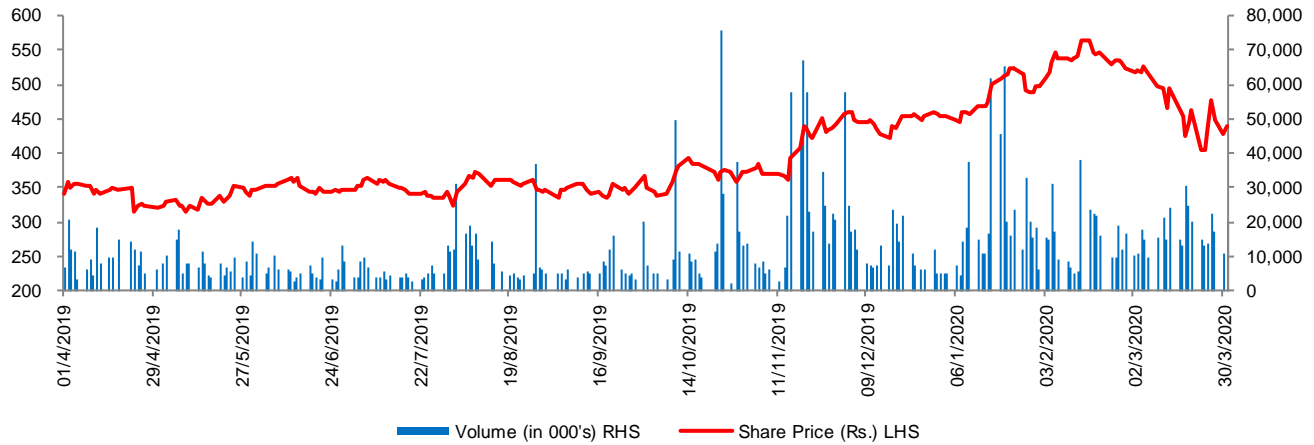
#### 6.1 General Information

| Shareholding and Financial Data                   | Unit          |                   |
|---|---------------|-------------------|
| Code/Exchange                                     |               | 532454/BSE        |
| Bloomberg/Reuters                                 |               | BHARTI INVBRTI.BO |
| No. of Shares Outstanding (31/03/20)              | Mn Nos        | 5,456             |
| Closing Market Price - BSE (31/03/20)             | Rs /Share     | 441               |
| Combined Volume (NSE & BSE) (01/04/19 - 31/03/20) | Nos in Mn/day | 13.08             |
| Combined Value (NSE & BSE) (01/04/19 - 31/03/20)  | Rs Mn /day    | 5,512             |
| Market Capitalization                             | Rs Bn         | 2,404             |
| Market Capitalization                             | US\$ Bn       | 31.76             |
| Book Value Per Equity Share                       | Rs /share     | 141.41            |
| Market Price/Book Value                           | Times         | 3.12              |
| Enterprise Value                                  | Rs Bn         | 3,592             |
| Enterprise Value                                  | US\$ Bn       | 47.47             |
| Enterprise Value/ EBITDA                          | Times         | 8.70              |
| P/E Ratio   | Times         | (6.95)            |

#### 6.2 Summarized Shareholding pattern as of Mar 31, 2020

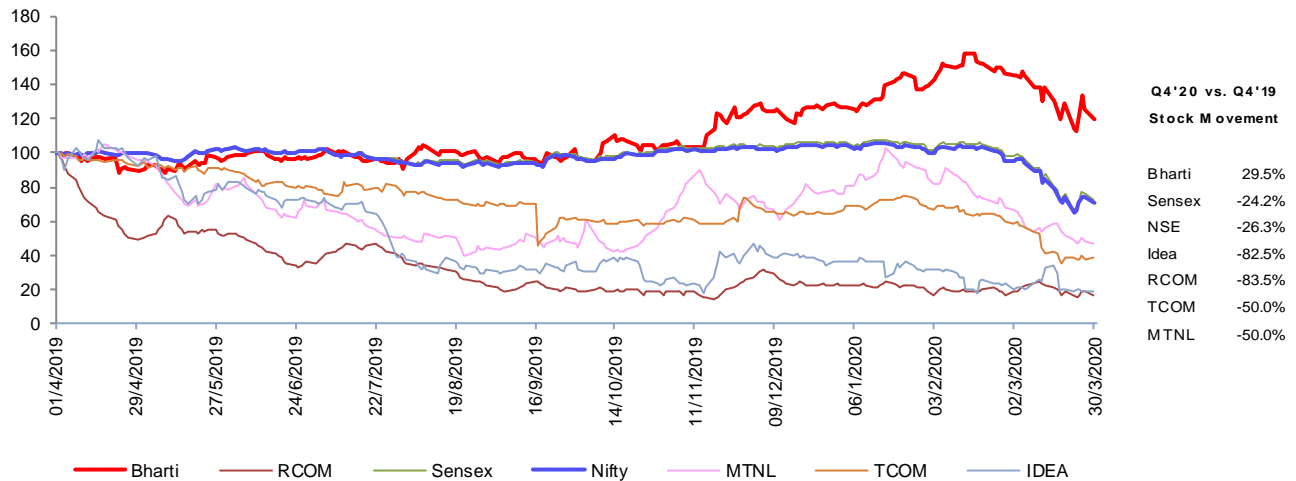
| Category                             | Number of Shares     | %              |
|--------------------------------------|----------------------|----------------|
| <b>Promoter &amp; Promoter Group</b> |                      |                |
| Indian                               | 2,116,236,438        | 38.79%         |
| Foreign                              | 1,101,344,767        | 20.19%         |
| <b>Sub total</b>                     | <b>3,217,581,205</b> | <b>58.98%</b>  |
| <b>Public Shareholding</b>           |                      |                |
| Institutions                         | 1,970,307,248        | 36.12%         |
| Non-institutions                     | 265,449,869          | 4.87%          |
| <b>Sub total</b>                     | <b>2,235,757,117</b> | <b>40.98%</b>  |
| <b>Others</b>                        | <b>2,219,033</b>     | <b>0.04%</b>   |
| <b>Total</b>                         | <b>5,455,557,355</b> | <b>100.00%</b> |

### 6.3 Bharti Airtel Daily Stock price (BSE) and Volume (BSE & NSE Combined) Movement



Source: Bloomberg

### 6.4 Comparison of Domestic Telecom Stock movement with Sensex and Nifty



Source: Bloomberg

## SECTION 7

### DETAILED FINANCIAL AND RELATED INFORMATION

#### 7.1 Extracts from Audited Consolidated Financial Statements prepared in accordance with Indian Accounting Standards (Ind-As)

##### 7.1.1 Consolidated Summarized Statement of Income (net of inter segment eliminations)

*Amount in Rs Mn, except ratios*

| Particulars   | Quarter Ended   |                 |               | Year Ended       |                 |               |
|---|-----------------|-----------------|---------------|------------------|-----------------|---------------|
|   | Mar-20          | Mar-19          | Y-on-Y Growth | Mar-20           | Mar-19          | Y-on-Y Growth |
| <b>Income</b>   |                 |                 |               |                  |                 |               |
| Revenue   | 237,227         | 206,022         | 15%           | 875,390          | 807,802         | 8%            |
| Other income  | 994             | 707             | 41%           | 3,248            | 3,463           | -6%           |
| <b>Total</b>  | <b>238,221</b>  | <b>206,729</b>  | <b>15%</b>    | <b>878,638</b>   | <b>811,265</b>  | <b>8%</b>     |
| <b>Expenses</b>   |                 |                 |               |                  |                 |               |
| Network operating expenses  | 52,015          | 59,507          | -13%          | 197,685          | 225,132         | -12%          |
| Access Charges  | 28,270          | 24,410          | 16%           | 107,395          | 93,521          | 15%           |
| License fee / spectrum charges (revenue share)  | 20,201          | 17,288          | 17%           | 72,561           | 69,426          | 5%            |
| Employee benefits   | 10,316          | 9,429           | 9%            | 38,072           | 37,975          | 0%            |
| Sales and marketing expenses  | 9,355           | 10,391          | -10%          | 34,325           | 41,568          | -17%          |
| Other expenses  | 15,049          | 18,842          | -20%          | 59,257           | 82,542          | -28%          |
| <b>Total</b>  | <b>135,206</b>  | <b>139,867</b>  | <b>-3%</b>    | <b>509,295</b>   | <b>550,164</b>  | <b>-7%</b>    |
| <b>Profit from operating activities before depreciation, amortization and exceptional items</b> | <b>103,015</b>  | <b>66,862</b>   | <b>54%</b>    | <b>369,343</b>   | <b>261,101</b>  | <b>41%</b>    |
| Depreciation and amortisation   | 70,550          | 54,934          | 28%           | 276,896          | 213,475         | 30%           |
| Finance costs   | 41,302          | 26,743          | 54%           | 139,918          | 106,222         | 32%           |
| Finance income  | (8,226)         | (1,420)         | 479%          | (16,098)         | (10,328)        | 56%           |
| Non-operating income / expenses, (net)  | 369             | 59              | 525%          | 1,272            | 1,894           | -33%          |
| Share of results of joint ventures and associates   | (915)           | (368)           | 149%          | (6,524)          | (3,556)         | 83%           |
| <b>Profit before exceptional items and tax</b>  | <b>(65)</b>     | <b>(13,086)</b> | <b>100%</b>   | <b>(26,121)</b>  | <b>(46,606)</b> | <b>44%</b>    |
| Exceptional items   | 70,040          | (20,221)        | 446%          | 402,344          | (29,288)        | 1474%         |
| <b>Profit before tax</b>  | <b>(70,105)</b> | <b>7,135</b>    | <b>-1083%</b> | <b>(428,465)</b> | <b>(17,318)</b> | <b>-2374%</b> |
| <b>Tax expense</b>  |                 |                 |               |                  |                 |               |
| Current tax   | 4,385           | 3,034           | 45%           | 23,738           | 19,391          | 22%           |
| Deferred tax  | (24,720)        | (1,660)         | -1389%        | (145,561)        | (53,584)        | -172%         |
| <b>Profit for the period</b>  | <b>(49,770)</b> | <b>5,761</b>    | <b>-964%</b>  | <b>(306,642)</b> | <b>16,875</b>   | <b>-1917%</b> |

*\*With the adoption of IndAS 116 and pursuant to reporting changes in DTH, effective April 1, 2019; the results and ratios of period commencing April 1, 2019 are not comparable with previous periods.*

*\* Please refer section 5.1 on Page no. 19 for "Reporting changes".*



### 7.1.2 Consolidated Statement of Comprehensive Income

Amount in Rs Mn, except ratios

| Particulars   | Quarter Ended   |              |                | Year Ended       |                 |               |
|---|-----------------|--------------|----------------|------------------|-----------------|---------------|
|   | Mar-20          | Mar-19       | Y-on-Y Growth  | Mar-20           | Mar-19          | Y-on-Y Growth |
| <b>Profit for the period</b>  | <b>(49,770)</b> | <b>5,761</b> | <b>-964%</b>   | <b>(306,642)</b> | <b>16,875</b>   | <b>-1917%</b> |
| <b>Other comprehensive income ('OCI'):</b>                                  |                 |              |                |                  |                 |               |
| Items to be reclassified subsequently to profit or loss :                   |                 |              |                |                  |                 |               |
| Net gains / (losses) due to foreign currency translation differences        | 2,001           | (2,028)      | 199%           | 4,814            | (15,739)        | 131%          |
| Gains / (losses) on net investments hedge                                   | (8,532)         | 1,289        | -762%          | (10,856)         | (1,754)         | -519%         |
| Gains / (Losses) on cash flow hedge   | (136)           | 45           | -402%          | (109)            | (833)           | 87%           |
| Gains / (losses) on fair value through OCI investments                      | (1)             | (11)         | 91%            | (108)            | (45)            | -140%         |
| Tax credit / (charge)   | 2,324           | 670          | 247%           | 2,883            | 5,428           | -47%          |
|   | <b>(4,344)</b>  | <b>(35)</b>  | <b>-12311%</b> | <b>(3,376)</b>   | <b>(12,943)</b> | <b>74%</b>    |
| Items not to be reclassified to profit or loss :                            |                 |              |                |                  |                 |               |
| Re-measurement gains / (losses) on defined benefit plans                    | 34              | (43)         | 180%           | (76)             | 47              | -262%         |
| Share of joint ventures and associates                                      | 11              | (3)          | 445%           | 15               | (12)            | 228%          |
| Tax credit / (charge)   | (99)            | 0            |                | (41)             | (62)            | 33%           |
|   | <b>(54)</b>     | <b>(46)</b>  | <b>-18%</b>    | <b>(102)</b>     | <b>(28)</b>     | <b>-265%</b>  |
| <b>Other comprehensive income / (loss) for the period</b>                   | <b>(4,398)</b>  | <b>(81)</b>  | <b>-5330%</b>  | <b>(3,478)</b>   | <b>(12,970)</b> | <b>73%</b>    |
| <b>Total comprehensive income / (loss) for the period</b>                   | <b>(54,168)</b> | <b>5,680</b> | <b>-1054%</b>  | <b>(310,120)</b> | <b>3,905</b>    | <b>-8042%</b> |
| <b>Profit for the period Attributable to:</b>                               | <b>(49,770)</b> | <b>5,761</b> | <b>-964%</b>   | <b>(306,642)</b> | <b>16,875</b>   | <b>-1917%</b> |
| Owners of the Parent  | (52,370)        | 1,072        | -4985%         | (321,832)        | 4,095           | -7959%        |
| Non-controlling interests   | 2,600           | 4,689        | -45%           | 15,190           | 12,780          | 19%           |
| <b>Other comprehensive income / (loss) for the period attributable to :</b> | <b>(4,398)</b>  | <b>(81)</b>  | <b>-5330%</b>  | <b>(3,478)</b>   | <b>(12,970)</b> | <b>73%</b>    |
| Owners of the Parent  | (9,847)         | 982          | -1103%         | (11,748)         | (10,216)        | -15%          |
| Non-controlling interests   | 5,449           | (1,063)      | 613%           | 8,270            | (2,754)         | 400%          |
| <b>Total comprehensive income / (loss) for the period attributable to :</b> | <b>(54,168)</b> | <b>5,680</b> | <b>-1054%</b>  | <b>(310,120)</b> | <b>3,905</b>    | <b>-8042%</b> |
| Owners of the Parent  | (62,217)        | 2,054        | -3129%         | (333,579)        | (6,121)         | -5349%        |
| Non-controlling interests   | 8,049           | 3,626        | 122%           | 23,460           | 10,026          | 134%          |
| <b>Earnings per share (Face value : Rs. 5/- each)<br/>(In Rupees)</b>       |                 |              |                |                  |                 |               |
| Basic   | (9.69)          | 0.25         | -3976%         | (63.41)          | 0.96            | -6705%        |
| Diluted   | (9.69)          | 0.25         | -3976%         | (63.41)          | 0.96            | -6705%        |

### 7.1.3 Consolidated Summarized Balance Sheet

| Particulars                                      | Amount in Rs Mn       |                       |
|--|-----------------------|-----------------------|
|  | As at<br>Mar 31, 2020 | As at<br>Mar 31, 2019 |
| <b>Assets</b>                                    |                       |                       |
| <b>Non-current assets</b>                        |                       |                       |
| Property, plant and equipment (inc CWIP and ROU) | 1,176,594             | 903,661               |
| Intangible assets                                | 1,158,784             | 1,200,996             |
| Investment in joint ventures and associates      | 96,808                | 88,937                |
| <b>Financial Assets</b>                          |                       |                       |
| - Investments                                    | 20,278                | 21,941                |
| - Others   | 23,465                | 28,799                |
| Income & Deferred tax assets (net)               | 291,248               | 107,073               |
| Other non-current assets                         | 74,181                | 71,511                |
|  | <b>2,841,358</b>      | <b>2,422,918</b>      |
| <b>Current assets</b>                            |                       |                       |
| <b>Financial Assets</b>                          |                       |                       |
| - Investments                                    | 137,679               | 46,232                |
| - Trade receivables                              | 46,058                | 43,006                |
| - Cash and bank balances                         | 135,507               | 62,121                |
| - Other bank balances                            | 23,420                | 18,519                |
| - Others   | 213,315               | 20,769                |
| Other current assets                             | 210,453               | 137,995               |
|  | <b>766,432</b>        | <b>328,642</b>        |
| <b>Total Assets</b>                              | <b>3,607,790</b>      | <b>2,751,560</b>      |
| <b>Equity and liabilities</b>                    |                       |                       |
| <b>Equity</b>                                    |                       |                       |
| Equity attributable to owners of the Parent      | 771,448               | 714,222               |
| Non-controlling interests ('NCI')                | 249,847               | 135,258               |
|  | <b>1,021,295</b>      | <b>849,480</b>        |
| <b>Non-current liabilities</b>                   |                       |                       |
| <b>Financial Liabilities</b>                     |                       |                       |
| - Borrowings                                     | 1,154,470             | 872,454               |
| - Others   | 67,691                | 62,957                |
| Deferred tax liabilities (net)                   | 16,877                | 11,297                |
| Other non-current liabilities                    | 32,581                | 25,238                |
|  | <b>1,271,619</b>      | <b>971,946</b>        |
| <b>Current liabilities</b>                       |                       |                       |
| <b>Financial Liabilities</b>                     |                       |                       |
| - Borrowings                                     | 327,811               | 381,829               |
| - Trade Payables                                 | 250,199               | 263,138               |
| - Others   | 168,922               | 187,881               |
| Current tax liabilities (net)                    | 13,519                | 8,228                 |
| Other current liabilities                        | 554,425               | 89,058                |
|  | <b>1,314,876</b>      | <b>930,134</b>        |
| <b>Total liabilities</b>                         | <b>2,586,495</b>      | <b>1,902,080</b>      |
| <b>Total equity and liabilities</b>              | <b>3,607,790</b>      | <b>2,751,560</b>      |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

### 7.1.4 Consolidated Statement of Cash Flows

| Particulars   | Amount in Rs Mn |                 |                  |                  |
|---|-----------------|-----------------|------------------|------------------|
|   | Quarter Ended   |                 | Year Ended       |                  |
|   | Mar-20          | Mar-19          | Mar-20           | Mar-19           |
| <b>Cash flows from operating activities</b>   |                 |                 |                  |                  |
| <b>Profit before tax</b>  | <b>(70,105)</b> | <b>7,135</b>    | <b>(428,465)</b> | <b>(17,318)</b>  |
| <b>Adjustments for -</b>  |                 |                 |                  |                  |
| Depreciation and amortisation   | 70,549          | 54,934          | 276,896          | 213,475          |
| Finance costs   | 39,043          | 26,743          | 137,261          | 110,134          |
| Finance income  | (8,226)         | (1,420)         | (16,098)         | (14,240)         |
| Other non-cash items  | 69,956          | (18,005)        | 400,594          | (24,269)         |
| <b>Operating cash flow before changes in working capital</b>                            | <b>101,217</b>  | <b>69,387</b>   | <b>370,188</b>   | <b>267,783</b>   |
| <b>Changes in working capital -</b>   |                 |                 |                  |                  |
| Trade receivables   | 7,888           | 5,667           | (8,925)          | 8,427            |
| Trade payables  | (15,629)        | 4,657           | (2,477)          | 21,580           |
| Other assets and liabilities  | (168,809)       | (22,242)        | (154,562)        | (85,381)         |
| <b>Net cash generated from operations before tax and dividend</b>                       | <b>(75,333)</b> | <b>57,469</b>   | <b>204,224</b>   | <b>212,408</b>   |
| Income tax (paid) / refund  | (4,148)         | (5,593)         | (22,937)         | (11,706)         |
| <b>Net cash generated from operating activities (a)</b>                                 | <b>(79,481)</b> | <b>51,876</b>   | <b>181,287</b>   | <b>200,702</b>   |
| <b>Cash flows from investing activities</b>   |                 |                 |                  |                  |
| Net (Purchase) / proceeds from sale of PPE  | (45,078)        | (47,619)        | (190,585)        | (259,746)        |
| Purchase of intangible assets, spectrum- DPL  | (15,177)        | (11,304)        | (30,690)         | (45,524)         |
| Net movement in current investments   | 58,554          | (9,801)         | (85,236)         | 18,158           |
| Net (Purchase) / Sale of non-current investments  | (1)             | 2,442           | 2,950            | (12,091)         |
| Consideration / advance for acquisitions, net of cash acquired                          | (1,345)         | (4,800)         | (1,345)          | (5,083)          |
| Sale of tower assets  | 0               | 0               | 0                | 3,051            |
| Investment in joint venture / associate   | (25)            | 0               | (4,761)          | (60)             |
| Dividend received   | 0               | 53              | 0                | 11,493           |
| Interest received   | 1,208           | 342             | 4,748            | 4,793            |
| <b>Net cash (used in) / generated from investing activities (b)</b>                     | <b>(1,864)</b>  | <b>(70,687)</b> | <b>(304,919)</b> | <b>(285,009)</b> |
| <b>Cash flows from financing activities</b>   |                 |                 |                  |                  |
| Net Proceeds / (repayments) from borrowings   | (84,452)        | (4,180)         | (62,413)         | 7,782            |
| Net (repayment of) / proceeds from short-term borrowings                                | 4,336           | 65,391          | (117,140)        | 98,101           |
| Repayment of lease liabilities and proceeds from sale and finance leaseback of towers   | (13,266)        | (1,329)         | (47,740)         | (3,389)          |
| Purchase of treasury shares and proceeds from exercise of share                         | 0               | 2               | (492)            | (238)            |
| Net proceeds from issue of shares to QIB  | 143,055         | 0               | 143,055          | 0                |
| Net proceeds from issuance of FCCB  | 70,456          | 0               | 70,456           | 0                |
| Interest and other finance charges paid   | (30,530)        | (26,620)        | (109,993)        | (76,171)         |
| Dividend paid (including tax)   | (328)           | 0               | (18,263)         | (46,617)         |
| Proceeds from issuance of equity shares / perpetual bonds to Non-controlling interest   | 20,410          | 13,993          | 128,514          | 104,341          |
| Sale of interest in a subsidiary  | 0               | 0               | 0                | 16,238           |
| Others  | (1,782)         | 0               | (1,782)          | 0                |
| Purchase of shares from NCI   | 0               | (20)            | 0                | (5,409)          |
| Net proceeds from issue of shares   | (377)           | 0               | 248,759          | 0                |
| Payment towards derivatives   | 0               | 0               | (41,517)         | 0                |
| <b>Net cash (used in) / generated from financing activities (c)</b>                     | <b>107,522</b>  | <b>47,237</b>   | <b>191,444</b>   | <b>94,638</b>    |
| <b>Net increase / (decrease) in cash and cash equivalents during the period (a+b+c)</b> | <b>26,176</b>   | <b>28,426</b>   | <b>67,812</b>    | <b>10,331</b>    |
| Effect of exchange rate on cash and cash equivalents                                    | 6,476           | 284             | 8,934            | 2,153            |
| Cash and cash equivalents as at beginning of the period                                 | 97,887          | 25,083          | 53,793           | 41,309           |
| <b>Cash and cash equivalents as at end of the period</b>                                | <b>130,539</b>  | <b>53,793</b>   | <b>130,539</b>   | <b>53,793</b>    |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

## 7.2 Consolidated Schedule of Net Debt & Finance Cost

### 7.2.1 Schedule of Net Debt in INR

| Particulars   | Amount in Rs Mn       |                       |
|---|-----------------------|-----------------------|
|   | As at<br>Mar 31, 2020 | As at<br>Mar 31, 2019 |
| Long term debt, net of current portion                      | 474,200               | 407,938               |
| Short-term borrowings and current portion of long-term debt | 265,428               | 360,779               |
| Deferred payment liability                                  | 433,493               | 440,853               |
| <b>Less:</b>  |                       |                       |
| Cash and Cash Equivalents                                   | 135,508               | 62,121                |
| Investments & Receivables                                   | 155,102               | 65,101                |
| <b>Net Debt</b>   | <b>882,512</b>        | <b>1,082,346</b>      |
| Lease Obligation  | 306,078               | 47,553                |
| <b>Net Debt including Lease Obligations</b>                 | <b>1,188,590</b>      | <b>1,129,899</b>      |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

### 7.2.2 Schedule of Net Debt in US\$

| Particulars   | Amount in US\$ Mn     |                       |
|---|-----------------------|-----------------------|
|   | As at<br>Mar 31, 2020 | As at<br>Mar 31, 2019 |
| Long term debt, net of current portion                      | 6,266                 | 5,899                 |
| Short-term borrowings and current portion of long-term debt | 3,507                 | 5,217                 |
| Deferred payment liability                                  | 5,728                 | 6,375                 |
| <b>Less:</b>  |                       |                       |
| Cash and Cash Equivalents                                   | 1,791                 | 898                   |
| Investments & Receivables                                   | 2,050                 | 941                   |
| <b>Net Debt</b>   | <b>11,662</b>         | <b>15,651</b>         |
| Lease Obligation  | 4,045                 | 688                   |
| <b>Net Debt including Lease Obligations</b>                 | <b>15,707</b>         | <b>16,339</b>         |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

### 7.2.3 Schedule of Finance Cost

| Particulars                              | Amount in Rs Mn, except ratios |               |                |               |
|--|--------------------------------|---------------|----------------|---------------|
|  | Quarter Ended                  |               | Year Ended     |               |
|  | Mar-20                         | Mar-19        | Mar-20         | Mar-19        |
| Interest on borrowings & Finance charges | 25,329                         | 25,922        | 98,497         | 94,667        |
| Interest on Lease Obligations            | 6,436                          | 1,312         | 25,662         | 5,410         |
| Derivatives and exchange (gain)/ loss    | 5,555                          | (227)         | 10,702         | 4,466         |
| Investment (income)/ loss                | (4,245)                        | (1,685)       | (11,042)       | (8,650)       |
| <b>Finance cost (net)</b>                | <b>33,075</b>                  | <b>25,322</b> | <b>123,819</b> | <b>95,893</b> |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

### 7.3 Use of Non-GAAP Financial Information

In presenting and discussing the Company's reported financial position, operating results and cash flows, certain information is derived from amounts calculated in accordance with Ind-AS, but this information is not in itself an expressly permitted GAAP measure. Such non - GAAP measures should not be viewed in isolation as alternatives to the equivalent GAAP measures.

A summary of non - GAAP measures included in this report, together with details where additional information and reconciliation to the nearest equivalent GAAP measure can be found, is shown below.

| Non – GAAP measure   | Equivalent GAAP measure          | Location in this results announcement of reconciliation and further information |
|--|----------------------------------|---|
| Earnings before Interest, Taxation, Depreciation and Amortization (EBITDA) | Profit from operating activities | Page 37   |
| Cash Profit from Operations before Derivative & Exchange (Gain)/Loss       | Profit from operating activities | Page 37   |
| Capex  | NA                               | NA  |
| Operating Free Cash flow   | NA                               | NA  |
| Cumulative investments   | NA                               | NA  |

#### 7.3.1 Reconciliation of Non-GAAP financial information based on Ind-AS

Amount in Rs Mn, except ratios

| Particulars  | Quarter Ended  |               | Year Ended     |                |
|--|----------------|---------------|----------------|----------------|
|  | Ind AS         |               | Ind AS         |                |
|  | Mar-20         | Mar-19        | Mar-20         | Mar-19         |
| <b>Profit / (loss) from operating activities before depreciation, amortization and exceptional items To EBITDA</b> |                |               |                |                |
| Profit / (Loss) from Operating Activities  | 103,015        | 66,862        | 369,343        | 261,101        |
| Add: CSR Costs (Inc charity donation)  | 251            | 1,199         | 1,713          | 1,834          |
| <b>EBITDA</b>  | <b>103,263</b> | <b>68,064</b> | <b>371,053</b> | <b>262,937</b> |

| <b>Reconciliation of Finance Cost</b> |               |               |                |               |
|---------------------------------------|---------------|---------------|----------------|---------------|
| Finance Cost                          | 41,302        | 26,743        | 139,918        | 106,222       |
| Less: Finance Income                  | (8,226)       | (1,420)       | (16,098)       | (10,328)      |
| <b>Finance Cost (net)</b>             | <b>33,075</b> | <b>25,322</b> | <b>123,819</b> | <b>95,893</b> |

| <b>Profit / (loss) from operating activities before depreciation, amortization and exceptional items to Cash Profit from Operations before Derivative &amp; Exchange Fluctuation</b> |               |               |                |                |
|--|---------------|---------------|----------------|----------------|
| Profit / (Loss) from Operating Activities  | 103,015       | 66,862        | 369,343        | 261,101        |
| Less: Finance cost (net)   | 33,075        | 25,322        | 123,819        | 95,893         |
| Less: Non Operating Expense  | 369           | 59            | 1,272          | 1,894          |
| Add: Derivatives and exchange (gain)/loss  | 5,555         | (227)         | 10,702         | 4,466          |
| <b>Cash Profit from Operations before Derivative &amp; Exchange Fluctuation</b>  | <b>75,123</b> | <b>41,252</b> | <b>254,951</b> | <b>167,777</b> |

## SECTION 8

### REGION WISE COST SCHEDULES

#### 8.1 India

##### 8.1.1 Schedule of Operating Expenses

| Particulars                                    | Quarter Ended  |                | Year Ended     |                |
|--|----------------|----------------|----------------|----------------|
|  | Mar-20         | Mar-19         | Mar-20         | Mar-19         |
|  |                |                |                |                |
| Access charges                                 | 23,087         | 20,457         | 88,567         | 78,148         |
| Licence fees, revenue share & spectrum charges | 16,352         | 14,033         | 58,567         | 56,169         |
| Network operations costs                       | 40,627         | 46,527         | 153,662        | 175,674        |
| Cost of goods sold                             | 948            | 382            | 3,033          | 3,112          |
| Employee costs                                 | 5,961          | 5,305          | 22,040         | 21,476         |
| Selling, general and administration expense    | 14,115         | 21,089         | 54,784         | 88,950         |
| <b>Operating Expenses</b>                      | <b>101,091</b> | <b>107,792</b> | <b>380,652</b> | <b>423,529</b> |

\*With the adoption of IndAS 116 and pursuant to reporting changes in DTH, effective April 1, 2019, the results of period commencing April 1, 2019 are not comparable with previous periods.

##### 8.1.2 Schedule of Depreciation & Amortization

| Particulars                            | Quarter Ended |               | Year Ended     |                |
|--|---------------|---------------|----------------|----------------|
|  | Mar-20        | Mar-19        | Mar-20         | Mar-19         |
|  |               |               |                |                |
| Depreciation                           | 44,112        | 31,338        | 172,263        | 121,775        |
| Amortization                           | 15,135        | 14,902        | 60,363         | 59,268         |
| <b>Depreciation &amp; Amortization</b> | <b>59,247</b> | <b>46,239</b> | <b>232,626</b> | <b>181,042</b> |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

##### 8.1.3 Schedule of Income Tax

| Particulars                     | Quarter Ended  |                | Year Ended      |                 |
|---------------------------------|----------------|----------------|-----------------|-----------------|
|                                 | Mar-20         | Mar-19         | Mar-20          | Mar-19          |
|                                 |                |                |                 |                 |
| Current tax expense             | 1,346          | 1,846          | 11,224          | 13,160          |
| Deferred tax expense / (income) | (6,398)        | (10,766)       | (38,450)        | (48,306)        |
| <b>Income tax expense</b>       | <b>(5,052)</b> | <b>(8,920)</b> | <b>(27,225)</b> | <b>(35,146)</b> |

## 8.2 South Asia

### 8.2.1 Schedule of Operating Expenses

*Amount in Rs Mn*

| Particulars                                    | Quarter Ended |              | Year Ended   |              |
|--|---------------|--------------|--------------|--------------|
|  | Mar-20        | Mar-19       | Mar-20       | Mar-19       |
| Access charges                                 | 143           | 145          | 563          | 517          |
| Licence fees, revenue share & spectrum charges | 166           | 105          | 639          | 521          |
| Network operations costs                       | 366           | 442          | 1,440        | 1,758        |
| Cost of goods sold                             | 1             | 0            | 3            | 2            |
| Employee costs                                 | 99            | 92           | 395          | 407          |
| Selling, general and administration expense    | 282           | 295          | 1,083        | 1,105        |
| <b>Operating Expenses</b>                      | <b>1,056</b>  | <b>1,080</b> | <b>4,124</b> | <b>4,310</b> |

\* With the adoption of IndAS 116, effective April 1, 2019, the results of periods commencing April 1, 2019 are not comparable with previous periods.

### 8.2.2 Schedule of Depreciation & Amortization

*Amount in Rs Mn*

| Particulars                            | Quarter Ended |            | Year Ended   |              |
|--|---------------|------------|--------------|--------------|
|  | Mar-20        | Mar-19     | Mar-20       | Mar-19       |
| Depreciation                           | 339           | 244        | 1,395        | 1,108        |
| Amortization                           | 25            | 20         | 90           | 88           |
| <b>Depreciation &amp; Amortization</b> | <b>364</b>    | <b>265</b> | <b>1,485</b> | <b>1,196</b> |

\* With the adoption of IndAS 116, effective April 1, 2019, the results of periods commencing April 1, 2019 are not comparable with previous periods.

### 8.3 Africa

#### 8.3.1 Schedule of Operating Expenses (In Constant Currency)

Amount in US\$ Mn

| Particulars                                    | Quarter Ended |            | Year Ended   |              |
|--|---------------|------------|--------------|--------------|
|  | Mar-20        | Mar-19     | Mar-20       | Mar-19       |
| Access charges                                 | 96            | 88         | 381          | 343          |
| Licence fees, revenue share & spectrum charges | 52            | 45         | 192          | 180          |
| Network operations costs                       | 171           | 175        | 624          | 687          |
| Cost of goods sold                             | 40            | 29         | 145          | 110          |
| Employee costs                                 | 67            | 62         | 253          | 245          |
| Selling, general and administration expense    | 92            | 81         | 364          | 329          |
| <b>Operating Expenses</b>                      | <b>519</b>    | <b>480</b> | <b>1,959</b> | <b>1,895</b> |

\* With the adoption of IndAS 116, effective April 1, 2019, the results of periods commencing April 1, 2019 are not comparable with previous periods.

#### 8.3.2 Schedule of Depreciation & Amortization (In Constant Currency)

Amount in US\$ Mn

| Particulars                            | Quarter Ended |            | Year Ended |            |
|--|---------------|------------|------------|------------|
|  | Mar-20        | Mar-19     | Mar-20     | Mar-19     |
| Depreciation                           | 134           | 99         | 530        | 364        |
| Amortization                           | 21            | 20         | 84         | 78         |
| <b>Depreciation &amp; Amortization</b> | <b>155</b>    | <b>119</b> | <b>614</b> | <b>443</b> |

\* With the adoption of IndAS 116, effective April 1, 2019, the results of periods commencing April 1, 2019 are not comparable with previous periods.

#### 8.3.3 Schedule of Income Tax (In USD Reported Currency)

Amount in US\$ Mn

| Particulars                     | Quarter Ended |           | Year Ended |            |
|---------------------------------|---------------|-----------|------------|------------|
|                                 | Mar-20        | Mar-19    | Mar-20     | Mar-19     |
| Current tax expense             | 42            | 15        | 175        | 102        |
| Deferred tax expense / (income) | (15)          | 19        | 62         | 27         |
| <b>Income tax expense</b>       | <b>28</b>     | <b>34</b> | <b>238</b> | <b>129</b> |



## SECTION 9

### TRENDS AND RATIO ANALYSIS

#### 9.1 Based on Statement of Operations Consolidated

*Amount in Rs Mn, except ratios*

| Particulars  | Quarter Ended   |                 |                  |                 |                 |
|--|-----------------|-----------------|------------------|-----------------|-----------------|
|  | Mar-20          | Dec-19          | Sep-19           | Jun-19          | Mar-19          |
| <b>Total revenues</b>  | <b>237,227</b>  | <b>219,471</b>  | <b>211,313</b>   | <b>207,379</b>  | <b>206,022</b>  |
| Access charges   | 28,270          | 27,109          | 26,389           | 25,627          | 24,411          |
| Cost of goods sold   | 3,738           | 3,418           | 3,420            | 2,383           | 2,366           |
| Licence Fee  | 20,201          | 17,667          | 16,763           | 17,930          | 17,288          |
| <b>Net revenues</b>  | <b>185,018</b>  | <b>171,278</b>  | <b>164,741</b>   | <b>161,438</b>  | <b>161,958</b>  |
| Operating Expenses (Excl Access Charges, cost of goods sold & License Fee) | 82,750          | 78,522          | 76,055           | 77,344          | 94,601          |
| <b>EBITDA</b>  | <b>103,263</b>  | <b>93,501</b>   | <b>89,363</b>    | <b>84,926</b>   | <b>68,064</b>   |
| Cash profit from operations before Derivative and Exchange Fluctuations    | 75,123          | 64,961          | 60,980           | 53,886          | 41,252          |
| EBIT   | 32,464          | 24,008          | 19,930           | 16,046          | 11,932          |
| Share of results of Joint Ventures/Associates                              | 915             | 1,523           | 3,154            | 931             | 368             |
| Profit before Tax  | (65)            | (4,526)         | (6,231)          | (15,298)        | (13,086)        |
| <b>Profit after Tax (before exceptional items)</b>                         | <b>726</b>      | <b>(5,419)</b>  | <b>(4,357)</b>   | <b>(9,469)</b>  | <b>(7,235)</b>  |
| Non Controlling Interest   | 5,434           | 5,386           | 6,872            | 4,533           | 4,647           |
| <b>Net income (before exceptional items)</b>                               | <b>(4,708)</b>  | <b>(10,805)</b> | <b>(11,228)</b>  | <b>(14,002)</b> | <b>(11,881)</b> |
| Exceptional items (net of tax)   | 50,496          | (770)           | 223,944          | 14,454          | (12,996)        |
| <b>Profit after tax (after exceptional items)</b>                          | <b>(49,770)</b> | <b>(4,649)</b>  | <b>(228,301)</b> | <b>(23,922)</b> | <b>5,761</b>    |
| Non Controlling Interest   | 2,599           | 5,704           | 2,148            | 4,738           | 4,689           |
| <b>Net income</b>  | <b>(52,370)</b> | <b>(10,353)</b> | <b>(230,449)</b> | <b>(28,660)</b> | <b>1,072</b>    |
| Capex  | 113,385         | 51,831          | 37,901           | 50,468          | 62,735          |
| Operating Free Cash Flow (EBITDA - Capex)                                  | (10,122)        | 41,670          | 51,461           | 34,458          | 5,329           |
| Cumulative Investments   | 3,630,640       | 3,569,521       | 3,514,674        | 3,432,802       | 3,473,673       |

|   | Mar-20 | Dec-19 | Sep-19  | Jun-19 | Mar-19 |
|---|--------|--------|---------|--------|--------|
| <b>As a % of Total revenues</b>   |        |        |         |        |        |
| Access charges  | 11.9%  | 12.4%  | 12.5%   | 12.4%  | 11.8%  |
| Cost of goods sold  | 1.6%   | 1.6%   | 1.6%    | 1.1%   | 1.1%   |
| Licence Fee   | 8.5%   | 8.0%   | 7.9%    | 8.6%   | 8.4%   |
| Net revenues  | 78.0%  | 78.0%  | 78.0%   | 77.8%  | 78.6%  |
| Operating Expenses (excluding access charges, cost of goods sold & license fee) | 34.9%  | 35.8%  | 36.0%   | 37.3%  | 45.9%  |
| EBITDA  | 43.5%  | 42.6%  | 42.3%   | 41.0%  | 33.0%  |
| Cash profit from operations before Derivative and Exchange Fluctuations         | 31.7%  | 29.6%  | 28.9%   | 26.0%  | 20.0%  |
| EBIT  | 13.7%  | 10.9%  | 9.4%    | 7.7%   | 5.8%   |
| Share of results of JV / Associates   | 0.4%   | 0.7%   | 1.5%    | 0.4%   | 0.2%   |
| Profit before Tax   | 0.0%   | -2.1%  | -2.9%   | -7.4%  | -6.4%  |
| Profit after Tax (before exceptional items)                                     | 0.3%   | -2.5%  | -2.1%   | -4.6%  | -3.5%  |
| Non Controlling Interest  | 2.3%   | 2.5%   | 3.3%    | 2.2%   | 2.3%   |
| Net income (before exceptional items)   | -2.0%  | -4.9%  | -5.3%   | -6.8%  | -5.8%  |
| Profit after tax (after exceptional items)                                      | -21.0% | -2.1%  | -108.0% | -11.5% | 2.8%   |
| Non Controlling Interest  | 1.1%   | 2.6%   | 1.0%    | 2.3%   | 2.3%   |
| Net income  | -22.1% | -4.7%  | -109.1% | -13.8% | 0.5%   |

\* With the adoption of IndAS 116 and pursuant to reporting changes in DTH, effective April 1, 2019, the results and ratios of period commencing April 1, 2019 are not comparable with previous periods.

\* Please refer section 5.1 on Page no. 19 for "Reporting changes".

**India & South Asia**
*Amount in Rs Mn, except ratios*

| Particulars   | Quarter Ended   |                |                 |                 |                 |
|---|-----------------|----------------|-----------------|-----------------|-----------------|
|   | Mar-20          | Dec-19         | Sep-19          | Jun-19          | Mar-19          |
| <b>Total revenues</b>   | <b>175,540</b>  | <b>159,002</b> | <b>154,608</b>  | <b>154,448</b>  | <b>153,433</b>  |
| Access charges  | 23,303          | 22,124         | 21,952          | 21,581          | 20,519          |
| Cost of goods sold  | 949             | 743            | 1,047           | 269             | 382             |
| Licence Fee   | 16,518          | 14,533         | 13,407          | 14,748          | 14,138          |
| <b>Net revenues</b>   | <b>134,770</b>  | <b>121,602</b> | <b>118,202</b>  | <b>117,850</b>  | <b>118,394</b>  |
| Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs) | 61,154          | 57,158         | 55,697          | 57,856          | 72,608          |
| <b>EBITDA</b>   | <b>74,622</b>   | <b>65,119</b>  | <b>63,298</b>   | <b>60,723</b>   | <b>46,510</b>   |
| EBIT  | 14,835          | 6,559          | 4,601           | 2,287           | (1,120)         |
| Profit before Tax   | (15,814)        | (12,097)       | (17,071)        | (20,536)        | (19,757)        |
| <b>Profit after Tax (before exceptional items)</b>                                    | <b>(10,762)</b> | <b>(6,072)</b> | <b>(10,163)</b> | <b>(11,313)</b> | <b>(10,843)</b> |
| Non Controlling Interest  | 1,840           | 2,726          | 3,878           | 2,669           | 2,213           |
| <b>Net income (before exceptional items)</b>  | <b>(12,602)</b> | <b>(8,799)</b> | <b>(14,041)</b> | <b>(13,982)</b> | <b>(13,056)</b> |
| Capex   | 95,476          | 41,155         | 27,576          | 43,542          | 41,239          |
| Operating Free Cash Flow (EBITDA - Capex)   | (20,854)        | 23,964         | 35,723          | 17,181          | 5,271           |
| Cumulative Investments  | 2,978,435       | 2,938,934      | 2,903,597       | 2,838,517       | 2,840,219       |

|   | Mar-20 | Dec-19 | Sep-19 | Jun-19 | Mar-19 |
|---|--------|--------|--------|--------|--------|
| <b>As a % of Total revenues</b>   |        |        |        |        |        |
| Access charges  | 13.3%  | 13.9%  | 14.2%  | 14.0%  | 13.4%  |
| Cost of goods sold  | 0.5%   | 0.5%   | 0.7%   | 0.2%   | 0.2%   |
| Licence Fee   | 9.4%   | 9.1%   | 8.7%   | 9.5%   | 9.2%   |
| Net revenues  | 76.8%  | 76.5%  | 76.5%  | 76.3%  | 77.2%  |
| Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs) | 34.8%  | 35.9%  | 36.0%  | 37.5%  | 47.3%  |
| EBITDA  | 42.5%  | 41.0%  | 40.9%  | 39.3%  | 30.3%  |
| EBIT  | 8.5%   | 4.1%   | 3.0%   | 1.5%   | -0.7%  |
| Profit before Tax   | -9.0%  | -7.6%  | -11.0% | -13.3% | -12.9% |
| Profit after Tax (before exceptional items)   | -6.1%  | -3.8%  | -6.6%  | -7.3%  | -7.1%  |
| Non Controlling Interest  | 1.0%   | 1.7%   | 2.5%   | 1.7%   | 1.4%   |
| Net income (before exceptional items)   | -7.2%  | -5.5%  | -9.1%  | -9.1%  | -8.5%  |

<sup>†</sup> With the adoption of IndAS 116 and pursuant to reporting changes in DTH, effective April 1, 2019, the results and ratios of period commencing April 1, 2019 are not comparable with previous periods.

\* Please refer section 5.1 on Page no. 19 for "Reporting changes".

**India**
*Amount in Rs Mn, except ratios*

| Particulars   | Quarter Ended   |                |                 |                 |                 |
|---|-----------------|----------------|-----------------|-----------------|-----------------|
|   | Mar-20          | Dec-19         | Sep-19          | Jun-19          | Mar-19          |
| <b>Total revenues</b>   | <b>174,383</b>  | <b>157,974</b> | <b>153,610</b>  | <b>153,446</b>  | <b>152,408</b>  |
| Access charges  | 23,087          | 22,067         | 21,904          | 21,508          | 20,457          |
| Cost of goods sold  | 948             | 770            | 1,047           | 268             | 382             |
| Licence Fee   | 16,352          | 14,368         | 13,251          | 14,595          | 14,033          |
| <b>Net revenues</b>   | <b>133,996</b>  | <b>120,769</b> | <b>117,408</b>  | <b>117,074</b>  | <b>117,536</b>  |
| Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs) | 60,526          | 56,428         | 54,988          | 57,172          | 71,795          |
| <b>EBITDA</b>   | <b>74,475</b>   | <b>65,015</b>  | <b>63,213</b>   | <b>60,630</b>   | <b>46,466</b>   |
| EBIT  | 15,052          | 6,861          | 4,878           | 2,547           | (898)           |
| Profit before Tax   | (15,319)        | (11,621)       | (16,583)        | (20,119)        | (19,538)        |
| <b>Profit after Tax (before exceptional items)</b>                                    | <b>(10,267)</b> | <b>(5,590)</b> | <b>(9,669)</b>  | <b>(10,889)</b> | <b>(10,618)</b> |
| Non Controlling Interest  | 1,840           | 2,726          | 3,878           | 2,669           | 2,213           |
| <b>Net income (before exceptional items)</b>  | <b>(12,107)</b> | <b>(8,316)</b> | <b>(13,547)</b> | <b>(13,558)</b> | <b>(12,831)</b> |
| Capex   | 95,207          | 40,823         | 27,469          | 43,223          | 41,075          |
| Operating Free Cash Flow (EBITDA - Capex)   | (20,732)        | 24,191         | 35,744          | 17,407          | 5,390           |
| Cumulative Investments  | 2,962,082       | 2,923,204      | 2,888,882       | 2,823,790       | 2,825,696       |

|   | Mar-20 | Dec-19 | Sep-19 | Jun-19 | Mar-19 |
|---|--------|--------|--------|--------|--------|
| <b>As a % of Total revenues</b>   |        |        |        |        |        |
| Access charges  | 13.2%  | 14.0%  | 14.3%  | 14.0%  | 13.4%  |
| Cost of goods sold  | 0.5%   | 0.5%   | 0.7%   | 0.2%   | 0.3%   |
| Licence Fee   | 9.4%   | 9.1%   | 8.6%   | 9.5%   | 9.2%   |
| Net revenues  | 76.8%  | 76.4%  | 76.4%  | 76.3%  | 77.1%  |
| Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs) | 34.7%  | 35.7%  | 35.8%  | 37.3%  | 47.1%  |
| EBITDA  | 42.7%  | 41.2%  | 41.2%  | 39.5%  | 30.5%  |
| EBIT  | 8.6%   | 4.3%   | 3.2%   | 1.7%   | -0.6%  |
| Profit before Tax   | -8.8%  | -7.4%  | -10.8% | -13.1% | -12.8% |
| Profit after Tax (before exceptional items)   | -5.9%  | -3.5%  | -6.3%  | -7.1%  | -7.0%  |
| Non Controlling Interest  | 1.1%   | 1.7%   | 2.5%   | 1.7%   | 1.5%   |
| Net income (before exceptional items)   | -6.9%  | -5.3%  | -8.8%  | -8.8%  | -8.4%  |

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\* Please refer section 5.1 on Page no. 19 for "Reporting changes".

**South Asia**
*Amount in Rs Mn, except ratios*

| Particulars  | Quarter Ended |              |              |              |              |
|--|---------------|--------------|--------------|--------------|--------------|
|  | Mar-20        | Dec-19       | Sep-19       | Jun-19       | Mar-19       |
| <b>Total revenues</b>  | <b>1,203</b>  | <b>1,155</b> | <b>1,106</b> | <b>1,089</b> | <b>1,124</b> |
| Access charges   | 143           | 140          | 139          | 142          | 145          |
| Cost of goods sold   | 1             | 1            | 1            | 1            | 0            |
| Licence Fee  | 166           | 165          | 156          | 153          | 105          |
| <b>Net revenues</b>  | <b>894</b>    | <b>849</b>   | <b>810</b>   | <b>794</b>   | <b>874</b>   |
| Operating Expenses (Excl Access Charges, cost of goods sold & License Fee) | 747           | 744          | 726          | 702          | 830          |
| <b>EBITDA</b>  | <b>147</b>    | <b>106</b>   | <b>84</b>    | <b>92</b>    | <b>45</b>    |
| EBIT   | (217)         | (301)        | (277)        | (260)        | (220)        |
| Profit before Tax  | (495)         | (475)        | (489)        | (418)        | (218)        |
| <b>Profit after Tax (before exceptional items)</b>                         | <b>(495)</b>  | <b>(481)</b> | <b>(494)</b> | <b>(423)</b> | <b>(224)</b> |
| Non Controlling Interest   | 0             | 0            | 0            | 0            | 0            |
| <b>Net income (before exceptional items)</b>                               | <b>(495)</b>  | <b>(481)</b> | <b>(494)</b> | <b>(423)</b> | <b>(224)</b> |
| Capex  | 269           | 331          | 107          | 318          | 164          |
| Operating Free Cash Flow (EBITDA - Capex)                                  | (122)         | (225)        | (22)         | (226)        | (119)        |
| Cumulative Investments   | 16,352        | 15,730       | 14,715       | 14,727       | 14,523       |

|   | Mar-20 | Dec-19 | Sep-19 | Jun-19 | Mar-19 |
|---|--------|--------|--------|--------|--------|
| <b>As a % of Total revenues</b>   |        |        |        |        |        |
| Access charges  | 11.9%  | 12.1%  | 12.6%  | 13.0%  | 12.9%  |
| Cost of goods sold  | 0.1%   | 0.1%   | 0.0%   | 0.1%   | 0.0%   |
| Licence Fee   | 13.8%  | 14.3%  | 14.1%  | 14.0%  | 9.3%   |
| Net revenues  | 74.3%  | 73.5%  | 73.3%  | 72.9%  | 77.8%  |
| Operating Expenses (excluding access charges, cost of goods sold & license fee) | 62.1%  | 64.5%  | 65.6%  | 64.4%  | 73.8%  |
| EBITDA  | 12.2%  | 9.2%   | 7.6%   | 8.5%   | 4.0%   |
| EBIT  | -18.0% | -26.1% | -25.1% | -23.9% | -19.6% |
| Profit before Tax   | -41.1% | -41.1% | -44.2% | -38.4% | -19.4% |
| Profit after Tax (before exceptional items)                                     | -41.1% | -41.6% | -44.7% | -38.9% | -19.9% |
| Non Controlling Interest  | 0.0%   | 0.0%   | 0.0%   | 0.0%   | 0.0%   |
| Net income (before exceptional items)   | -41.1% | -41.6% | -44.7% | -38.9% | -19.9% |

<sup>†</sup> With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

**Africa: In INR**
*Amount in Rs Mn, except ratios*

| Particulars  | Quarter Ended |               |               |               |               |
|--|---------------|---------------|---------------|---------------|---------------|
|  | Mar-20        | Dec-19        | Sep-19        | Jun-19        | Mar-19        |
| <b>Total revenues</b>  | <b>64,888</b> | <b>62,692</b> | <b>59,157</b> | <b>55,433</b> | <b>55,115</b> |
| Access charges   | 6,803         | 6,951         | 6,623         | 6,266         | 6,192         |
| Cost of goods sold   | 2,789         | 2,703         | 2,404         | 2,115         | 2,055         |
| Licence Fee  | 3,683         | 3,134         | 3,356         | 3,183         | 3,150         |
| <b>Net revenues</b>  | <b>51,613</b> | <b>49,904</b> | <b>46,773</b> | <b>43,870</b> | <b>43,718</b> |
| Operating Expenses (Excl Access Charges, cost of goods sold & License Fee) | 23,179        | 21,878        | 21,159        | 19,944        | 22,401        |
| <b>EBITDA</b>  | <b>28,640</b> | <b>28,331</b> | <b>26,082</b> | <b>24,206</b> | <b>21,608</b> |
| EBIT   | 17,627        | 17,398        | 15,344        | 13,762        | 13,107        |
| Profit before Tax  | 6,922         | 11,829        | 10,633        | 8,055         | 9,203         |
| <b>Profit after Tax (before exceptional items)</b>                         | <b>4,984</b>  | <b>5,107</b>  | <b>5,880</b>  | <b>4,734</b>  | <b>6,808</b>  |
| Non Controlling Interest   | 2,707         | 2,644         | 2,832         | 1,810         | 2,466         |
| <b>Net income (before exceptional items)</b>                               | <b>2,277</b>  | <b>2,463</b>  | <b>3,048</b>  | <b>2,924</b>  | <b>4,342</b>  |
| Capex  | 17,909        | 10,677        | 10,326        | 6,927         | 21,496        |
| Operating Free Cash Flow (EBITDA - Capex)                                  | 10,731        | 17,654        | 15,756        | 17,279        | 112           |
| Cumulative Investments   | 626,556       | 606,434       | 586,118       | 569,702       | 607,892       |

|   | Mar-20 | Dec-19 | Sep-19 | Jun-19 | Mar-19 |
|---|--------|--------|--------|--------|--------|
| <b>As a % of Total revenues</b>   |        |        |        |        |        |
| Access charges  | 10.5%  | 11.1%  | 11.2%  | 11.3%  | 11.2%  |
| Cost of goods sold  | 4.3%   | 4.3%   | 4.1%   | 3.8%   | 3.7%   |
| Licence Fee   | 5.7%   | 5.0%   | 5.7%   | 5.7%   | 5.7%   |
| Net revenues  | 79.5%  | 79.6%  | 79.1%  | 79.1%  | 79.3%  |
| Operating Expenses (excluding access charges, cost of goods sold & license fee) | 35.7%  | 34.9%  | 35.8%  | 36.0%  | 40.6%  |
| EBITDA  | 44.1%  | 45.2%  | 44.1%  | 43.7%  | 39.2%  |
| EBIT  | 27.2%  | 27.8%  | 25.9%  | 24.8%  | 23.8%  |
| Profit before Tax (before exceptional items)                                    | 10.7%  | 18.9%  | 18.0%  | 14.5%  | 16.7%  |
| Profit after Tax (before exceptional items)                                     | 7.7%   | 8.1%   | 9.9%   | 8.5%   | 12.4%  |
| Non Controlling Interest  | 4.2%   | 4.2%   | 4.8%   | 3.3%   | 4.5%   |
| Net income (before exceptional items)   | 3.5%   | 3.9%   | 5.2%   | 5.3%   | 7.9%   |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

**Africa: In USD Constant Currency**
*Amount in US\$ Mn, except ratios*

| Particulars  | Quarter Ended |            |            |            |            |
|--|---------------|------------|------------|------------|------------|
|  | Mar-20        | Dec-19     | Sep-19     | Jun-19     | Mar-19     |
| <b>Total revenues</b>  | <b>922</b>    | <b>896</b> | <b>853</b> | <b>802</b> | <b>782</b> |
| Access charges   | 96            | 99         | 95         | 90         | 88         |
| Cost of goods sold   | 40            | 39         | 35         | 31         | 29         |
| Licence Fee  | 52            | 45         | 49         | 46         | 45         |
| <b>Net revenues</b>  | <b>733</b>    | <b>713</b> | <b>674</b> | <b>635</b> | <b>620</b> |
| Operating Expenses (Excl Access Charges, cost of goods sold & License Fee) | 329           | 313        | 305        | 288        | 317        |
| <b>EBITDA</b>  | <b>407</b>    | <b>404</b> | <b>376</b> | <b>350</b> | <b>307</b> |
| EBIT   | 251           | 248        | 221        | 199        | 186        |
| Profit before tax (before exceptional items)                               | 179           | 175        | 143        | 120        | 129        |
| Capex  | 246           | 150        | 147        | 99         | 305        |
| Operating Free Cash Flow (EBITDA - Capex)                                  | 161           | 254        | 228        | 251        | 2          |
| Cumulative Investments   | 8,280         | 8,498      | 8,306      | 8,254      | 8,791      |

|   | Mar-20 | Dec-19 | Sep-19 | Jun-19 | Mar-19 |
|---|--------|--------|--------|--------|--------|
| <b>As a % of Total revenues</b>   |        |        |        |        |        |
| Access charges  | 10.4%  | 11.0%  | 11.2%  | 11.3%  | 11.3%  |
| Cost of goods sold  | 4.4%   | 4.4%   | 4.1%   | 3.8%   | 3.7%   |
| Licence Fee   | 5.7%   | 5.0%   | 5.7%   | 5.8%   | 5.7%   |
| Net revenues  | 79.5%  | 79.6%  | 79.0%  | 79.1%  | 79.3%  |
| Operating Expenses (excluding access charges, cost of goods sold & license fee) | 35.7%  | 34.9%  | 35.8%  | 36.0%  | 40.6%  |
| EBITDA  | 44.1%  | 45.1%  | 44.0%  | 43.7%  | 39.2%  |
| EBIT  | 27.2%  | 27.7%  | 25.9%  | 24.8%  | 23.8%  |
| Profit before tax (before exceptional items)                                    | 19.4%  | 19.6%  | 16.7%  | 15.0%  | 16.5%  |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

Note 9: Closing currency rates as on March 1, 2019 (AOP FY 19-20 currency) considered for above financials up to PBT. Actual currency rates are taken for Capex & Cumulative Investments.

Note 10: PBT excludes any realized / unrealized derivatives and exchange (gain) / loss for the period.

**Africa: In USD Reported Currency**
*Amount in US\$ Mn, except ratios*

| Particulars  | Quarter Ended |            |            |            |            |
|--|---------------|------------|------------|------------|------------|
|  | Mar-20        | Dec-19     | Sep-19     | Jun-19     | Mar-19     |
| <b>Total revenues</b>  | <b>899</b>    | <b>883</b> | <b>844</b> | <b>796</b> | <b>781</b> |
| Access charges   | 94            | 98         | 94         | 90         | 88         |
| Cost of goods sold   | 39            | 38         | 34         | 30         | 29         |
| Licence Fee  | 51            | 44         | 48         | 46         | 45         |
| <b>Net revenues</b>  | <b>715</b>    | <b>703</b> | <b>667</b> | <b>630</b> | <b>620</b> |
| Operating Expenses (Excl Access Charges, cost of goods sold & License Fee) | 321           | 308        | 302        | 286        | 317        |
| <b>EBITDA</b>  | <b>397</b>    | <b>399</b> | <b>372</b> | <b>348</b> | <b>306</b> |
| EBIT   | 244           | 245        | 219        | 198        | 186        |
| Profit before Tax  | 97            | 167        | 151        | 116        | 131        |
| <b>Profit after Tax (before exceptional items)</b>                         | <b>69</b>     | <b>73</b>  | <b>84</b>  | <b>68</b>  | <b>97</b>  |
| Non Controlling Interest   | 38            | 37         | 40         | 26         | 35         |
| <b>Net income (before exceptional items)</b>                               | <b>32</b>     | <b>36</b>  | <b>43</b>  | <b>42</b>  | <b>62</b>  |
| Capex  | 246           | 150        | 147        | 99         | 305        |
| Operating Free Cash Flow (EBITDA - Capex)                                  | 151           | 248        | 224        | 248        | 2          |
| Cumulative Investments   | 8,280         | 8,498      | 8,306      | 8,254      | 8,791      |

|   | Mar-20 | Dec-19 | Sep-19 | Jun-19 | Mar-19 |
|---|--------|--------|--------|--------|--------|
| <b>As a % of Total revenues</b>   |        |        |        |        |        |
| Access charges  | 10.5%  | 11.1%  | 11.2%  | 11.3%  | 11.2%  |
| Cost of goods sold  | 4.3%   | 4.3%   | 4.1%   | 3.8%   | 3.7%   |
| Licence Fee   | 5.7%   | 5.0%   | 5.7%   | 5.7%   | 5.7%   |
| Net revenues  | 79.5%  | 79.6%  | 79.1%  | 79.1%  | 79.3%  |
| Operating Expenses (excluding access charges, cost of goods sold & license fee) | 35.7%  | 34.9%  | 35.8%  | 36.0%  | 40.6%  |
| EBITDA  | 44.1%  | 45.2%  | 44.1%  | 43.7%  | 39.2%  |
| EBIT  | 27.2%  | 27.7%  | 25.9%  | 24.8%  | 23.8%  |
| Profit before Tax   | 10.8%  | 19.0%  | 18.0%  | 14.5%  | 16.7%  |
| Profit after Tax (before exceptional items)                                     | 7.7%   | 8.3%   | 9.9%   | 8.5%   | 12.4%  |
| Non Controlling Interest  | 4.2%   | 4.2%   | 4.8%   | 3.3%   | 4.5%   |
| Net income (before exceptional items)   | 3.5%   | 4.0%   | 5.1%   | 5.2%   | 7.9%   |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

### 9.3 Financial Trends of Business Operations

#### Mobile Services India

Amount in Rs Mn, except ratios

| Particulars                               | Quarter Ended  |                |                |                |                |
|---|----------------|----------------|----------------|----------------|----------------|
|   | Mar-20         | Dec-19         | Sep-19         | Jun-19         | Mar-19         |
| <b>Total revenues</b>                     | <b>129,529</b> | <b>111,653</b> | <b>109,814</b> | <b>108,667</b> | <b>106,322</b> |
| EBITDA                                    | 50,796         | 40,109         | 39,913         | 38,742         | 25,657         |
| EBITDA / Total revenues                   | 39.2%          | 35.9%          | 36.3%          | 35.7%          | 24.1%          |
| EBIT                                      | 265            | (8,249)        | (11,449)       | (12,419)       | (13,778)       |
| Capex                                     | 69,968         | 25,415         | 19,639         | 36,426         | 34,632         |
| Operating Free Cash Flow (EBITDA - Capex) | (19,173)       | 14,694         | 20,274         | 2,316          | (8,975)        |
| Cumulative Investments                    | 2,370,219      | 2,350,313      | 2,392,024      | 2,334,818      | 2,319,107      |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

#### Homes Services

Amount in Rs Mn, except ratios

| Particulars                               | Quarter Ended |              |              |              |              |
|---|---------------|--------------|--------------|--------------|--------------|
|   | Mar-20        | Dec-19       | Sep-19       | Jun-19       | Mar-19       |
| <b>Total revenues</b>                     | <b>5,725</b>  | <b>5,546</b> | <b>5,475</b> | <b>5,705</b> | <b>5,536</b> |
| EBITDA                                    | 3,012         | 3,302        | 2,471        | 2,524        | 2,450        |
| EBITDA / Total revenues                   | 52.6%         | 59.5%        | 45.1%        | 44.2%        | 44.3%        |
| EBIT                                      | 1,768         | 1,094        | 1,233        | 1,034        | 487          |
| Capex                                     | 973           | 2,661        | 1,023        | 1,169        | 1,431        |
| Operating Free Cash Flow (EBITDA - Capex) | 2,038         | 642          | 1,447        | 1,355        | 1,019        |
| Cumulative Investments                    | 85,959        | 94,119       | 78,756       | 77,727       | 75,782       |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

#### Digital TV Services

Amount in Rs Mn, except ratios

| Particulars                               | Quarter Ended |              |              |              |               |
|---|---------------|--------------|--------------|--------------|---------------|
|   | Mar-20        | Dec-19       | Sep-19       | Jun-19       | Mar-19        |
| <b>Total revenues</b>                     | <b>6,035</b>  | <b>7,922</b> | <b>7,893</b> | <b>7,389</b> | <b>10,506</b> |
| EBITDA                                    | 3,648         | 5,441        | 5,607        | 5,263        | 3,926         |
| EBITDA / Total revenues                   | 60.5%         | 68.7%        | 71.0%        | 71.2%        | 37.4%         |
| EBIT                                      | 1,465         | 3,011        | 3,243        | 3,612        | 1,853         |
| Capex                                     | 2,514         | 3,509        | 2,052        | 2,437        | 1,917         |
| Operating Free Cash Flow (EBITDA - Capex) | 1,134         | 1,931        | 3,556        | 2,826        | 2,009         |
| Cumulative Investments                    | 98,585        | 96,553       | 93,046       | 90,987       | 88,570        |

\* With the adoption of IndAS 116 and pursuant to reporting changes in DTH, effective April 1, 2019, the results and ratios of period commencing April 1, 2019 are not comparable with previous periods.

\* Please refer section 5.1 on Page no. 19 for "Reporting changes".



## Airtel Business

Amount in Rs Mn, except ratios

| Particulars                               | Quarter Ended |               |               |               |               |
|---|---------------|---------------|---------------|---------------|---------------|
|   | Mar-20        | Dec-19        | Sep-19        | Jun-19        | Mar-19        |
| <b>Total revenues</b>                     | <b>33,762</b> | <b>33,176</b> | <b>33,312</b> | <b>32,080</b> | <b>30,040</b> |
| EBITDA                                    | 13,466        | 12,125        | 9,396         | 7,655         | 9,587         |
| <i>EBITDA / Total revenues</i>            | 39.9%         | 36.5%         | 28.2%         | 23.9%         | 31.9%         |
| EBIT                                      | 9,824         | 8,075         | 7,706         | 6,149         | 5,623         |
| Capex                                     | 18,814        | 7,628         | 2,620         | 1,155         | 1,385         |
| Operating Free Cash Flow (EBITDA - Capex) | (5,347)       | 4,498         | 6,776         | 6,500         | 8,201         |
| Cumulative Investments                    | 182,902       | 160,565       | 107,229       | 105,826       | 129,829       |

\*With the adoption of IndAS 116, effective April 1, 2019, the results for the quarter ended June 30, 2019 onwards are not comparable with previous periods

## Tower Infrastructure Services

Amount in Rs Mn, except ratios

| Particulars                                     | Quarter Ended |               |               |               |               |
|---|---------------|---------------|---------------|---------------|---------------|
|   | Mar-20        | Dec-19        | Sep-19        | Jun-19        | Mar-19        |
| <b>Total revenues</b>                           | <b>16,826</b> | <b>16,662</b> | <b>16,674</b> | <b>17,262</b> | <b>16,705</b> |
| EBITDA  | 9,032         | 8,782         | 9,268         | 10,055        | 8,167         |
| <i>EBITDA / Total revenues</i>                  | 53.7%         | 52.7%         | 55.6%         | 58.3%         | 48.9%         |
| EBIT  | 5,557         | 5,686         | 6,125         | 6,357         | 5,193         |
| Share of results of Joint ventures / Associates | 2,445         | 3,852         | 4,866         | 2,642         | 2,639         |
| Capex   | 2,937         | 1,611         | 2,136         | 2,036         | 1,710         |
| Operating Free Cash Flow (EBITDA - Capex)       | 6,095         | 7,171         | 7,132         | 8,019         | 6,457         |
| Cumulative Investments                          | 214,277       | 210,237       | 206,935       | 202,120       | 201,760       |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

## 9.4 Based on Statement of Financial Position

### Consolidated

Amount in Rs Mn, except ratios

| Particulars   | As at        |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|
|   | Mar 31, 2020 | Dec 31, 2019 | Sep 30, 2019 | Jun 30, 2019 | Mar 31, 2019 |
| Equity attributable to equity holders of parent                               | 771,448      | 688,287      | 699,833      | 913,746      | 714,222      |
| Net Debt  | 1,188,590    | 1,149,193    | 1,181,065    | 1,166,458    | 1,129,899    |
| Net Debt (US\$ Mn)  | 15,707       | 16,104       | 16,738       | 16,900       | 16,339       |
| Capital Employed = Equity attributable to equity holders of parent + Net Debt | 1,960,038    | 1,837,480    | 1,880,898    | 2,080,204    | 1,844,121    |
|   | Mar 31, 2020 | Dec 31, 2019 | Sep 30, 2019 | Jun 30, 2019 | Mar 31, 2019 |
| Return on Equity attributable to equity holders of parent                     | -44.1%       | -38.7%       | -31.9%       | -2.6%        | 0.6%         |
| Return on Capital Employed  | -11.2%       | -9.0%        | -8.2%        | 3.2%         | 5.1%         |
| Net Debt to EBITDA (Annualised)   | 2.88         | 3.07         | 3.30         | 3.43         | 4.15         |
| Assets Turnover ratio   | 40.2%        | 40.7%        | 38.6%        | 37.0%        | 45.4%        |
| Interest Coverage ratio (times)   | 3.70         | 3.44         | 3.43         | 3.05         | 2.90         |
| Net debt to Equity attributable to equity holders of parent (Times)           | 1.54         | 1.67         | 1.69         | 1.28         | 1.58         |
| <b>Per share data (for the period)</b>  |              |              |              |              |              |
| Net profit/(loss) per common share (in Rs)                                    | (9.69)       | (2.02)       | (44.92)      | (6.18)       | 0.25         |
| Net profit/(loss) per diluted share (in Rs)                                   | (9.69)       | (2.02)       | (44.92)      | (6.18)       | 0.25         |
| Book Value Per Equity Share (in Rs)   | 141.4        | 134.1        | 136.4        | 178.1        | 178.7        |
| Market Capitalization (Rs Bn)   | 2,404        | 2,339        | 1,885        | 1,779        | 1,331        |
| Enterprise Value (Rs Bn)  | 3,592        | 3,488        | 3,066        | 2,945        | 2,461        |

\* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

## 9.5 Operational Performance – India

| Parameters                               | Unit         | Mar-20         | Dec-19         | Sep-19         | Jun-19         | Mar-19         |
|--|--------------|----------------|----------------|----------------|----------------|----------------|
| <b>Total Customers Base</b>              | <b>000's</b> | <b>309,754</b> | <b>308,738</b> | <b>304,703</b> | <b>301,451</b> | <b>302,206</b> |
| <b>Mobile Services</b>                   |              |                |                |                |                |                |
| Customer Base*                           | 000's        | 283,667        | 283,036        | 279,430        | 276,817        | 282,640        |
| Net Additions                            | 000's        | 631            | 3,606          | 2,613          | (1,533)        | (1,585)        |
| Pre-Paid (as a % of total Customer Base) | %            | 94.8%          | 94.9%          | 94.9%          | 94.9%          | 93.5%          |
| Monthly Churn                            | %            | 2.6%           | 2.6%           | 2.1%           | 2.6%           | 2.8%           |
| Average Revenue Per User (ARPU)          | Rs           | 154            | 135            | 128            | 129            | 123            |
| Average Revenue Per User (ARPU)          | US\$         | 2.1            | 1.9            | 1.8            | 1.9            | 1.7            |
| Revenue per towers per month             | Rs           | 227,659        | 202,375        | 195,769        | 196,584        | 196,178        |
| <b>Revenues</b>                          |              |                |                |                |                |                |
| Mobile Services #                        | Rs Mn        | 131,222        | 113,969        | 108,118        | 107,240        | 104,870        |
| <b>Voice</b>                             |              |                |                |                |                |                |
| Minutes on the network                   | Mn           | 821,900        | 758,897        | 716,642        | 737,108        | 731,187        |
| Voice Usage per customer                 | min          | 965            | 898            | 848            | 888            | 858            |
| <b>Data</b>                              |              |                |                |                |                |                |
| Data Customer Base                       | 000's        | 148,578        | 138,443        | 124,242        | 120,047        | 115,147        |
| Of which 4G data customers               | 000's        | 136,309        | 123,793        | 103,111        | 95,173         | 86,808         |
| As % of Customer Base                    | %            | 52.4%          | 48.9%          | 44.5%          | 43.4%          | 40.7%          |
| Total MBs on the network                 | Mn MBs       | 6,452,825      | 5,547,223      | 4,828,577      | 4,191,715      | 3,705,034      |
| Data Usage per customer                  | MBs          | 14,972         | 13,928         | 13,116         | 11,930         | 11,048         |
| <b>Homes Services</b>                    |              |                |                |                |                |                |
| Homes Customers                          | 000's        | 2,414          | 2,352          | 2,350          | 2,342          | 2,270          |
| Net Additions                            | 000's        | 63             | 2              | 8              | 72             | 25             |
| Average Revenue Per User (ARPU)          | Rs           | 803            | 787            | 777            | 825            | 815            |
| Average Revenue Per User (ARPU)          | US\$         | 11.2           | 11.1           | 11.1           | 11.8           | 11.5           |
| <b>Digital TV Services</b>               |              |                |                |                |                |                |
| Digital TV Customers                     | 000's        | 16,613         | 16,308         | 16,207         | 16,027         | 15,392         |
| Net additions                            | 000's        | 304            | 101            | 181            | 634            | 391            |
| Average Revenue Per User (ARPU)^         | Rs           | 123            | 162            | 162            | 157            | 233            |
| Average Revenue Per User (ARPU)          | US\$         | 1.7            | 2.3            | 2.3            | 2.2            | 3.3            |
| Monthly Churn                            | %            | 1.0%           | 1.8%           | 1.6%           | 1.0%           | 0.8%           |

\* M2M base has been reclassified to Airtel Business wef April 2019.

^ Pursuant to reporting changes effective April 1, 2019 (content cost becoming a pass through expense), ARPU before Q1'20 not comparable.

^ DTH Q4'20 ARPU Normalized for change in accounting policy is Rs 163 (Refer Section 5.1 on page no.19)

## 9.6 Network and Coverage Trends - India

| Parameters                                       | Unit  | Mar-20  | Dec-19  | Sep-19  | Jun-19  | Mar-19  |
|--|-------|---------|---------|---------|---------|---------|
| <b>Mobile Services</b>                           |       |         |         |         |         |         |
| Census Towns                                     | Nos   | 7,907   | 7,906   | 7,906   | 7,906   | 7,906   |
| Non-Census Towns & Villages                      | Nos   | 788,185 | 786,719 | 786,268 | 786,246 | 786,192 |
| Population Coverage                              | %     | 95.4%   | 95.3%   | 95.3%   | 95.3%   | 95.3%   |
| Optic Fibre Network                              | R Kms | 304,907 | 299,592 | 294,867 | 286,662 | 280,534 |
| Network towers                                   | Nos   | 194,409 | 189,857 | 185,582 | 182,600 | 181,079 |
| <i>Of which Mobile Broadband towers</i>          | Nos   | 192,068 | 187,240 | 181,825 | 177,141 | 172,627 |
| Total Mobile Broadband Base stations             | Nos   | 503,883 | 473,859 | 461,891 | 443,804 | 417,613 |
| <b>Homes Services - Cities covered</b>           | Nos   | 111     | 103     | 100     | 99      | 93      |
| <b>Airtel Business - Submarine cable systems</b> | Nos   | 7       | 7       | 7       | 7       | 7       |
| <b>Digital TV Services</b>                       |       |         |         |         |         |         |
| Districts Covered                                | Nos   | 639     | 639     | 639     | 639     | 639     |
| Coverage   | %     | 99.8%   | 99.8%   | 99.8%   | 99.8%   | 99.8%   |

\* Districts covered is as per 2011 census.

## 9.7 Tower Infrastructure Services

### 9.7.1 Bharti Infratel Standalone

| Parameters                                     | Unit  | Mar-20 | Dec-19 | Sep-19 | Jun-19 | Mar-19 |
|--|-------|--------|--------|--------|--------|--------|
| Total Towers                                   | Nos   | 42,053 | 41,471 | 41,050 | 40,636 | 40,388 |
| Total Co-locations                             | Nos   | 75,715 | 76,322 | 76,176 | 76,119 | 76,341 |
| <b>Key Indicators</b>                          |       |        |        |        |        |        |
| Sharing Revenue per sharing operator per month | Rs    | 45,715 | 45,018 | 46,095 | 44,623 | 42,143 |
| Average Sharing Factor                         | Times | 1.82   | 1.85   | 1.86   | 1.88   | 1.91   |

### Additional Information

#### 9.7.2 Indus Towers

| Parameters             | Unit  | Mar-20  | Dec-19  | Sep-19  | Jun-19  | Mar-19  |
|------------------------|-------|---------|---------|---------|---------|---------|
| Total Towers           | Nos   | 126,949 | 125,649 | 124,692 | 123,799 | 123,546 |
| Total Co-locations     | Nos   | 235,396 | 232,924 | 231,500 | 231,256 | 229,483 |
| Average Sharing Factor | Times | 1.85    | 1.86    | 1.86    | 1.86    | 1.86    |

#### 9.7.3 Bharti Infratel Consolidated

| Parameters             | Unit  | Mar-20  | Dec-19  | Sep-19  | Jun-19  | Mar-19  |
|------------------------|-------|---------|---------|---------|---------|---------|
| Total Towers           | Nos   | 95,372  | 94,244  | 93,421  | 92,632  | 92,277  |
| Total Co-locations     | Nos   | 174,581 | 174,150 | 173,406 | 173,247 | 172,724 |
| Average Sharing Factor | Times | 1.84    | 1.85    | 1.86    | 1.87    | 1.88    |

## 9.8 Human Resource Analysis - India

| Parameters                            | Unit | Mar-20    | Dec-19    | Sep-19    | Jun-19    | Mar-19    |
|---------------------------------------|------|-----------|-----------|-----------|-----------|-----------|
| Total Employees                       | Nos  | 15,872    | 15,777    | 15,854    | 16,218    | 16,194    |
| Number of Customers per employee      | Nos  | 19,516    | 19,569    | 19,219    | 18,321    | 18,662    |
| Personnel Cost per employee per month | Rs   | 125,189   | 114,429   | 117,612   | 104,185   | 109,196   |
| Gross Revenue per employee per month  | Rs   | 3,662,279 | 3,337,637 | 3,229,674 | 3,153,819 | 3,137,134 |

## 9.9 Africa

### 9.9.1 Operational Performance (In Constant Currency)

| Parameters                            | Unit    | Mar-20  | Dec-19  | Sep-19  | Jun-19  | Mar-19  |
|---------------------------------------|---------|---------|---------|---------|---------|---------|
| Customer Base                         | 000's   | 110,604 | 107,140 | 103,881 | 99,670  | 98,851  |
| Net Additions                         | 000's   | 3,464   | 3,258   | 4,211   | 819     | 929     |
| Monthly Churn                         | %       | 5.3%    | 5.2%    | 4.5%    | 5.0%    | 5.4%    |
| Average Revenue Per User (ARPU)       | US\$    | 2.8     | 2.8     | 2.8     | 2.7     | 2.6     |
| <b>Voice</b>                          |         |         |         |         |         |         |
| Voice Revenue                         | \$ Mn   | 523     | 513     | 491     | 472     | 482     |
| Minutes on the network                | Mn      | 68,870  | 65,086  | 60,795  | 55,329  | 52,866  |
| Voice Average Revenue Per User (ARPU) | US\$    | 1.6     | 1.6     | 1.6     | 1.6     | 1.6     |
| Voice Usage per customer              | min     | 211     | 206     | 199     | 186     | 179     |
| <b>Data</b>                           |         |         |         |         |         |         |
| Data Revenue                          | \$ Mn   | 260     | 247     | 229     | 209     | 187     |
| Data Customer Base                    | 000's   | 35,443  | 32,887  | 31,910  | 30,001  | 30,024  |
| As % of Customer Base                 | %       | 32.0%   | 30.7%   | 30.7%   | 30.1%   | 30.4%   |
| Total MBs on the network              | Mn MBs  | 219,015 | 189,798 | 162,394 | 139,303 | 120,674 |
| Data Average Revenue Per User (ARPU)  | US\$    | 2.5     | 2.6     | 2.5     | 2.3     | 2.1     |
| Data Usage per customer               | MBs     | 2,145   | 1,967   | 1,748   | 1,550   | 1,375   |
| <b>Mobile Money</b>                   |         |         |         |         |         |         |
| Transaction Value                     | US\$ Mn | 8,623   | 8,576   | 7,978   | 7,208   | 6,474   |
| Transaction Value per Subs            | US\$    | 167     | 177     | 178     | 163     | 157     |
| Airtel Money Revenue                  | \$ Mn   | 86      | 84      | 79      | 69      | 66      |
| Active Customers                      | 000's   | 18,294  | 16,634  | 15,521  | 14,600  | 14,216  |
| Airtel Money ARPU                     | US\$    | 1.7     | 1.7     | 1.8     | 1.6     | 1.6     |
| <b>Network &amp; coverage</b>         |         |         |         |         |         |         |
| Network towers                        | Nos     | 22,909  | 22,253  | 21,936  | 21,385  | 21,059  |
| Owned towers                          | Nos     | 4,548   | 4,454   | 4,461   | 4,500   | 4,422   |
| Leased towers                         | Nos     | 18,361  | 17,799  | 17,475  | 16,885  | 16,637  |
| Of which Mobile Broadband towers      | Nos     | 20,378  | 19,133  | 18,274  | 17,049  | 16,426  |
| Total Mobile Broadband Base stations  | Nos     | 47,082  | 43,174  | 40,187  | 35,283  | 32,501  |
| Revenue Per site Per Month            | US\$    | 13,577  | 13,485  | 13,100  | 12,565  | 12,487  |

### 9.9.2 Human Resources Analysis

| Parameters                            | Unit | Mar-20 | Dec-19 | Sep-19 | Jun-19 | Mar-19 |
|---------------------------------------|------|--------|--------|--------|--------|--------|
| Total Employees                       | Nos  | 3,363  | 3,286  | 3,184  | 3,100  | 3,075  |
| Number of Customers per employee      | Nos  | 32,888 | 32,605 | 32,626 | 32,152 | 32,147 |
| Personnel Cost per employee per month | US\$ | 6,608  | 6,694  | 6,933  | 5,812  | 6,744  |
| Gross Revenue per employee per month  | US\$ | 91,395 | 90,912 | 89,335 | 86,225 | 84,747 |

## SECTION 10

### KEY ACCOUNTING POLICIES AS PER Ind-AS

- **Property, plant and equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation and impairment loss. All direct costs relating to the acquisition and installation of property and equipment are capitalised.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets.

| Assets                                   | Years  |
|--|--|
| Building                                 | 20   |
| Building on leased land                  | 20 or lease term whichever is lower                                  |
| Network equipment                        | 3-25   |
| Customer premises equipment              | 3-7  |
| Computer equipment                       | 3  |
| Furniture & Fixture and office equipment | 1 – 5  |
| Vehicles                                 | 3 – 5  |
| Leasehold improvements                   | Period of the lease or 10/20 years, as applicable, whichever is less |
| Leasehold Land                           | Period of the lease  |

Freehold land is not depreciated. The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at-least as at each reporting date so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Costs of additions and substantial improvements to property and equipment are capitalised. The costs of maintenance and repairs of property and equipment are charged to operating expenses.

- **Goodwill**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition.

Goodwill is not subject to amortisation but is tested for impairment annually and when circumstances indicate, the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than their carrying amount an impairment loss is recognised. Impairment losses relating to goodwill are not reversed in future periods.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss recognised in the statement of profit and loss on disposal.

- **Other Intangible assets**

Identifiable intangible assets are recognised when the Group controls the asset, it is probable that future economic benefits

attributed to the asset will flow to the Group and the cost of the asset can be measured reliably.

The intangible assets that are acquired in a business combination are recognised at its fair value there at. Other intangible assets are recognised at cost. These assets having finite useful life are carried at cost less accumulated amortisation and any impairment losses. Amortisation is computed using the straight-line method over the expected useful life of intangible assets.

The Group has established the estimated useful lives of different categories of intangible assets as follows:

- a. **Licenses (including spectrum)**

Acquired licenses and spectrum are amortised commencing from the date when the related network is available for intended use in the relevant jurisdiction. The useful lives range from two years to twenty five years.

The revenue-share based fee on licenses / spectrum is charged to the statement of profit and loss in the period such cost is incurred.

- b. **Software:** Software are amortised over the period of license, generally not exceeding three years.

- c. **Other acquired intangible assets:** Other acquired intangible assets include the following:

Rights acquired for unlimited license access: Over the period of the agreement which ranges upto five years.

Distribution network: One year to two years

Customer base: Over the estimated life of such relationships which ranges from one year to five years.

Non-compete fee: Over the period of the agreement which ranges upto five years.

The useful lives and amortisation method are reviewed, and adjusted appropriately, at least at each financial year end so as to ensure that the method and period of amortisation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives and / or amortisation method is accounted prospectively, and accordingly the amortisation is calculated over the remaining revised useful life.

Further, the cost of intangible assets under development includes the borrowing costs that are directly attributable to the acquisition or construction of qualifying assets and are presented separately in the balance sheet.

- **Investment in Joint Ventures and Associates**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only

when decisions about the relevant activities require unanimous consent of the parties sharing control.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Joint ventures and associates are accounted for using equity method from the date on which Group obtains joint control over the joint venture / starts exercising significant influence over the associate.

Accounting policies of the respective 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 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 loss as adjusted for post-acquisition changes in the Group's share of the net assets of investees. Losses of a joint venture or an associate in excess of the Group's interest in that joint venture or associate are not recognised. However, additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate.

At each reporting date, the Group determines whether there is objective evidence that the investment is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of investment and its carrying value.

- **Leases**

Effective April 1, 2019, the Group adopted Ind AS 116 'Leases' using the modified retrospective method, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019. Accordingly, the comparative information has not been restated.

The Group, at the inception of a contract, assesses the contract as, or containing, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether the contract involves the use of an identified asset, the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and the Group has the right to direct the use of the asset.

### **Group as a lessee**

On initial application of Ind AS 116, the Group recognised a lease liability measured at the present value of all the remaining lease payments, discounted using the Group's incremental borrowing rate at April 1, 2019 whereas the Group has elected to measure right-of-use asset at its carrying amount as if Ind AS 116 had been applied since the lease commencement date, but discounted using the lessee's incremental borrowing rate at April 1, 2019. The Group has elected not to recognise a lease liability and a right-of-use asset for leases for which the lease term ends within twelve months of April 1, 2019 and has accounted for

these leases as short-term leases. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term.

For new lease contracts, the Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee in the balance sheet. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using incremental borrowing rate. Lease liabilities include the net present value of fixed payments (including any in-substance fixed payments), any variable lease payments that are based on consumer price index ('CPI'), the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments including due to changes in CPI or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or when the lease contract is modified and the lease modification is not accounted for as a separate lease. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the related right-of-use asset has been reduced to zero.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date, any initial direct costs less any lease incentives received.

Subsequent to initial recognition, right-of-use asset are stated at cost less accumulated depreciation and any impairment losses and adjusted for certain remeasurements of the lease liability. Depreciation is computed using the straight-line method from the commencement date to the end of the useful life of the underlying asset or the end of the lease term, whichever is shorter. The estimated useful lives of right-of-use assets are determined on the same basis as those of the underlying property and equipment. In the balance sheet, the right-of-use assets and lease liabilities are presented separately.

When a contract includes lease and non-lease components, the Group allocates the consideration in the contract on the basis of the relative stand-alone prices of each lease component and the aggregate stand-alone price of the non-lease components.

### **Short-term leases and leases of low-value assets**

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

## Group as a lessor

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under a finance lease are recognised as receivables at an amount equal to the net investment in the leased assets. Finance lease income is allocated to the periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the finance lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

When a contract includes lease and non-lease components, the Group applies Ind AS 115 to allocate the consideration under the contract to each component.

The Group enters into 'Indefeasible right to use' ('IRU') arrangements wherein the right to use the assets is given over the substantial part of the asset life. However, as the title to the assets and the significant risks associated with the operation and maintenance of these assets remains with the Group, such arrangements are recognised as operating lease. The contracted price is recognised as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the balance sheet.

- **Derivative financial instruments**

Derivative financial instruments, including separated embedded derivatives, that are not designated as hedging instruments in a hedging relationship are classified as financial instruments at fair value through profit or loss - Held for trading. Such derivative financial instruments are initially recognised at fair value. They are subsequently re-measured at their fair value, with changes in fair value being recognised in the statement of profit and loss within finance income / finance costs.

- **Hedging activities**

### i. Fair value hedge

Some of the group entities use certain type of derivative financial instruments (viz. interest rate / currency swaps) to manage / mitigate their exposure to the risk of change in fair value of the borrowings. The Group designates certain interest rate swaps to hedge the risk of changes in fair value of recognised borrowings attributable to the hedged interest rate risk. The effective portion of changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss within finance income / finance costs, together with any changes in the fair value of the hedged liability that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item is amortised to profit or loss over the period to remaining maturity of the hedged item.

### ii. Cash flow hedge

The Group designates certain derivative financial instruments (or its components) as hedging instruments for hedging the exchange rate fluctuation risk attributable either to a recognised item or a highly probable forecast transaction. The effective portion of changes in the fair value of derivative financial instruments (or its components), that are designated and qualify as Cash flow hedges, are recognised in the other comprehensive income and held in Cash flow hedge reserve. Any gains / (losses) relating to the ineffective portion, are recognised immediately in the statement of profit and loss. The amounts accumulated in Equity are re-classified to the statement of profit and loss in the periods when the hedged item affects profit / (loss).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gains / (losses) existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. However, at any point of time, when a forecast transaction is no longer expected to occur, the cumulative gains / (losses) that were reported in equity is immediately transferred to the statement of profit and loss.

### iii. Net investment hedge

The Group hedges its certain net investment in foreign subsidiaries which are accounted for similar to cash flow hedges. Accordingly, any foreign exchange differences on the hedging instrument (viz. borrowings) relating to the effective portion of the hedge is recognised in other comprehensive income and held in foreign currency translation reserve, so as to offset the change in the value of the net investment being hedged. The ineffective portion of the gain or loss on these hedges is immediately recognised in the statement of profit and loss. The amounts accumulated in equity are included in the statement of profit and loss when the foreign operation is disposed or partially disposed.

- **Revenue recognition**

Revenue is recognised upon transfer of control of promised products or services to customer at the consideration which the Group has received or expects to receive in exchange of those products or services, net of any taxes / duties, discounts and process waivers. In order to determine if it is acting as a principal or as an agent, the Group assesses whether it is primarily responsible for fulfilling the performance obligation and whether it controls the promised service before transfer to customers.

#### (i) Service revenues

Service revenues mainly pertain to usage, subscription and activation charges for voice, data, messaging and value added services. It also includes revenue from interconnection / roaming charges for usage of the Group's network by other operators for voice, data, messaging and signaling services.

Usage charges are recognised based on actual usage. Subscription charges are recognised over the estimated customer relationship period or subscription pack validity period, whichever is lower. Customer onboarding revenue and associated cost is recognised upon successful onboarding of customer i.e. upfront. Revenues in excess of invoicing are classified as unbilled revenue while invoicing / collection in excess of revenue are classified as deferred revenue / advance from customer.



The billing / collection in excess of revenue recognised is presented as deferred revenue in the Balance Sheet whereas unbilled revenue is recognised under other current financial assets.

Certain business services revenue include revenue from registration and installation, which are amortised over the period of agreement since the date of activation of service.

Revenues from long distance operations comprise of voice services and bandwidth services (including installation), which are recognised on provision of services and over the period of respective arrangements.

As part of the mobile money services, the Group earns commission from merchants for facilitating recharges, bill payments and other merchant payments. It also earns commission on transfer of monies from one customer wallet to another. Such commissions are recognised as revenue at a point in time on fulfilment of those services by the Group.

#### **(ii) Multiple element arrangements**

The Group has entered into certain multiple-element revenue arrangements which involve the delivery or performance of multiple products, services or rights to use assets. At the inception of the arrangement, all the deliverables therein are evaluated to determine whether they represent distinct performance obligations.

Total consideration related to the multiple element arrangements is allocated to each performance obligation based on their standalone selling prices.

#### **(iii) Equipment sales**

Equipment sales mainly pertain to sale of telecommunication equipment and related accessories, for which revenue is recognised when the control of such equipment is transferred to the customer. However, in case of equipment sale forming part of multiple-element revenue arrangements which is not distinct performance obligation, revenue is recognised over the customer relationship period.

- **Interest income**

The interest income is recognised using the effective interest rate method.

- **Cost to obtain or fulfill a contract with a customer**

The Group incurs certain cost or fulfill contract with the customer viz. intermediary commission, etc. where based on Group's estimate of historic average customer life derived from customer churn rate is longer than 12 months, such costs are deferred and are recognised over the average expected customer life.

- **Dividend income**

Dividend income is recognised when the Company's right to receive the payment is established.

- **Exceptional items**

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are

non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

- **Foreign currency transactions**

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognised in the statement of profit and loss. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value).

The assets and liabilities of foreign operations (including the goodwill and fair value adjustments arising on the acquisition of foreign entities) are translated into Rupees (functional currency of parent) at the exchange rates prevailing at the reporting date whereas their statements of profit and loss are translated into Rupees at monthly average exchange rates and the equity is recorded at the historical rate. The resulting exchange differences arising on the translation are recognised in other comprehensive income and held in foreign currency translation reserve. On disposal of a foreign operation (that is, disposal involving loss of control), the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.

- **Income-taxes**

Income tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date in the respective countries where the Group entities operate and generate taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. However, deferred tax are not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Further, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Moreover, deferred tax is recognised on temporary differences arising on investments in subsidiaries, joint ventures and associates - unless the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The unrecognised deferred tax assets / carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately.

- **Transactions with non-controlling interests**

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The differences between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

## SECTION 11

### GLOSSARY

#### Technical and Industry Terms

| Company Related  |   |
|--|---|
| Asset Turnover   | Asset Turnover is defined as total revenues, for the preceding (last) 12 months from the end of the relevant period, divided by average assets. Asset is defined as the sum of non-current assets and net current assets. Net current assets are computed by subtracting current liabilities from current assets. Average assets are calculated by considering average of quarterly average for the preceding (last) four quarters from the end of the relevant period. For the Jun'19 onward quarters average assets is calculated by considering average of Opening and closing assets for the relevant period. |
| Average Customers  | Average customers are derived by computing the average of the monthly average customers for the relevant period.  |
| Average Co-locations   | Average co-locations are derived by computing the average of the Opening and Closing co-locations for the relevant period.  |
| Average Sharing Factor   | It is calculated as the average of the opening and closing number of co-locations divided by the average of the opening and closing number of towers for the relevant period.   |
| Average Towers   | Average towers are derived by computing the average of the Opening and Closing towers for the relevant period.  |
| Book Value Per Equity Share  | Total stockholder's equity as at the end of the relevant period divided by outstanding equity shares as at the end of the relevant period.  |
| Capex  | It includes investment in gross fixed assets and capital work in progress for the period.   |
| Capital Employed   | Capital Employed is defined as sum of equity attributable to equity holders of parent and net debt.   |
| Cumulative Investments   | Cumulative Investments comprises of gross value of property, plant & equipment (including CWIP & capital advances) and intangibles including investment in associates.  |
| Cash Profit From Operations before Derivative & Exchange Fluctuation | It is not an Ind-AS measure and is defined as profit from operating activities before depreciation, amortization and exceptional items adjusted for interest expense, interest income and non-operating expenses before adjusting for derivative & exchange (gain)/ loss.   |
| Churn  | Churn is calculated by dividing the total number of disconnections during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.   |
| Co-locations   | Co-location is the total number of sharing operators at a tower, and where there is a single operator at a tower, 'co-location' refers to that single operator. Co-locations as referred to are revenue generating Co-locations.  |
| Customer Base  | Customers generating revenue through recharge, billing or any outgoing activity.  |
| Customers Per Employee   | Number of customers on networks of a business unit as at end of the relevant period divided by number of employees in the respective business unit as at end of the relevant period.  |
| Data Customer Base   | A customer who used at least 1 MB on GPRS / 3G / 4G network in the last 30 days.  |
| Data Usage per Customer  | It is calculated by dividing the total MBs consumed on the network during the relevant period by the average data customer base; and dividing the result by the number of months in the relevant period.  |
| DTH / Digital TV Services  | Direct to Home broadcast service  |
| Earnings Per Basic Share   | It is computed by dividing net income attributable to ordinary shareholders by the weighted average number  |

|                                      |  |
|--------------------------------------|--|
|                                      | of ordinary shares outstanding during the period.  |
|                                      | The calculation of Net Profit/ (loss) per diluted share adjusts net profit or loss and the weighted average number of ordinary shares outstanding, to give effect to all dilutive potential ordinary shares that were outstanding during the year.   |
| Earnings Per Diluted Share           | Net profit or loss attributable to ordinary shareholders is adjusted for the after-tax effect of the following: (1) dividends on potential ordinary shares (for example, dilutive convertible preferred shares); (2) interest recognized on potential ordinary shares (for example, dilutive convertible debt); and (3) any other changes in income or expense resulting from the conversion of dilutive potential ordinary shares (e.g., an entity's contribution to its non-discretionary employee profit-sharing plan may be revised based on changes in net profit due to the effects of items discussed above). |
| EBITDA                               | Earnings/ (loss) before interest, taxation, depreciation and amortization. It is not an Ind-AS measure and is defined as profit from operating activities before depreciation, amortization and exceptional items adjusted for CSR costs.  |
| EBITDA Margin                        | It is computed by dividing EBITDA for the relevant period by total revenues for the relevant period.   |
| EBIT                                 | EBITDA adjusted for depreciation and amortization.   |
| Enterprise Valuation (EV)            | Calculated as sum of Market Capitalization, Net Debt and finance lease obligations as at the end of the relevant period.   |
| EV / EBITDA (times)                  | For full year ended March 31 2018, 2019 and 2020, It is computed by dividing Enterprise Valuation as at the end of the relevant period (EV) by EBITDA for the relevant period (LTM). For quarterly computation, Computed by dividing Enterprise Valuation as at the end of the relevant period (EV) by annualized EBITDA for the relevant period.  |
| Finance Lease Obligation (FLO)       | Finance Lease Obligation represents present value of future obligation for assets taken on finance lease.  |
| Gross Revenue per Employee per month | It is computed by dividing the Gross Revenue (net of inter-segment eliminations) by the closing number of employees in a given business unit and number of months in the relevant period.  |
| Interest Coverage Ratio              | EBITDA for the relevant period divided by interest on borrowing for the relevant period.   |
| Market Capitalization                | Number of issued and outstanding shares as at end of the period multiplied by closing market price (BSE) as at end of the period.  |
| Mobile Broadband Base stations       | It includes all the 3G and 4G Base stations deployed across all technologies i.e. 900/1800/2100/2300 Mhz bands.  |
| 4G Data Customer                     | A customer who used at least 1 MB on 4G network in the last 30 days.   |
| Mobile Broadband Towers              | It means the total number of network towers (defined below) in which unique number of either 3G or 4G Base stations are deployed, irrespective of their technologies. Total numbers of Mobile Broadband Towers are subset of Total Network Towers.   |
| Minutes on the network               | Duration in minutes for which a customer uses the network. It is typically expressed over a period of one month. It includes incoming, outgoing and in-roaming minutes.  |
| Network Towers                       | Comprises of Base Transmission System (BTS) which holds the radio transceivers (TRXs) that define a cell and coordinates the radio links protocols with the mobile device. It includes all the Ground based, Roof top and In Building Solutions as at the end of the period.   |
| Net Debt                             | It is not an Ind-AS measure and is defined as the long-term debt, net of current portion plus short-term borrowings, current portion of long-term debt and lease liabilities minus cash and cash equivalents. The debt   |

origination cost and Bond fair value hedge are not included in the borrowings

|   |  |
|---|--|
| Net Debt to EBITDA (Annualized)                           | For the full year ended March 31 2018,2019 and 2020, it is Computed by dividing net debt at the end of the relevant period by EBITDA for the relevant period (LTM).For Quarterly computation, It is computed by dividing net debt as at the end of the relevant period by EBITDA for the relevant period (annualized).   |
| Net Debt to Funded Equity Ratio                           | It is computed by dividing net debt as at the end of the relevant period by Equity attributable to equity holders of parent as at the end of the relevant period.  |
| Net Revenues  | It is not an Ind-AS measure and is defined as total revenues adjusted for access charges, cost of goods sold and license fees for the relevant period.   |
| Operating Free Cash flow                                  | It is computed by subtracting capex from EBITDA.   |
| Personnel Cost per Employee per month                     | It is computed by dividing the Personnel Cost by the closing number of employees in a given business unit and number of months in the relevant period.   |
| Price-Earnings Ratio – P/E Ratio                          | It is computed by dividing the closing market price (BSE) as at end of the relevant period by the earnings per basic share for the relevant period (LTM).  |
| Profit / (Loss) after current tax expense                 | It is not an Ind-AS measure and is defined as Profit / (Loss) before taxation adjusted for current tax expense.  |
| Return On Capital Employed (ROCE)                         | For the full year ended March 31, 2018, 2019 and 2020, ROCE is computed by dividing the sum of net profit and finance cost (net) excluding finance charges for the period by average (of opening and closing) capital employed. For the quarterly computation, it is computed by dividing the sum of net profit and finance cost (net) excluding finance charges for the preceding (last) 12 months from the end of the relevant period by average capital employed. Average capital employed is calculated by considering average of quarterly average for the preceding (last) four quarters from the end of the relevant period. For Jun'19 onward quarters ended, it is computed by dividing the sum of net profit and finance cost (net) excluding finance charges for the preceding (last) 12 months from the end of the relevant period by average capital employed (Average capital employed is calculated by considering average of opening and closing capital employed for the relevant period.). |
| Return On Equity attributable to equity holders of parent | For the full year ended March 31, 2018, 2019 and 2020, it is computed by dividing net profit for the period by the average (of opening and closing) Equity attributable to equity holders of parent. For the quarterly computations, it is computed by dividing net profit for the preceding (last) 12 months from the end of the relevant period by the average Stockholder's equity for the preceding (last) 12 months. Average Stockholder's equity is calculated by considering average of quarterly average for the preceding (last) four quarters from the end of the relevant period. For Jun'19 onward quarter ended, it is computed by dividing net profit for the preceding (last) 12 months from the end of the relevant period by average stockholder's equity (Average stockholder's equity is calculated by considering average of opening and closing stockholder's equity for the relevant period).  |
| Revenue per Site per month                                | Revenue per Site per month is computed by: dividing the total mobile revenues, excluding sale of goods (if any) during the relevant period by the average sites; and dividing the result by the number of months in the relevant period.   |
| Sharing revenue per Sharing Operator per month            | It is calculated on the basis of the total revenues less energy and other pass through accrued during the relevant period divided by the average number of co-locations for the period, determined on the basis of the opening and closing number of co-locations for the relevant period.   |
| Submarine Cable   | Submarine cable system refers to owned cables and excludes cable capacity purchased on IRU.  |
| Total Employees   | Total on-roll employees as at the end of respective period and excludes 42% of Indus Towers employees in India.  |
| Total MBs on Network                                      | Includes total MBs consumed on the network (uploaded & downloaded) on our network during the relevant period.  |
| Towers  | Infrastructure located at a site which is permitted by applicable law to be shared, including, but not limited to,   |

the tower, shelter, diesel generator sets and other alternate energy sources, battery banks, air conditioners and electrical works. Towers as referred to are revenue generating Towers.

**Total Operating Expenses** It is defined as sum of employee costs, network operations costs and selling, general and administrative cost for the relevant period.

**Voice Minutes of Usage per Customer per month** It is calculated by dividing the voice minutes of usage on our network during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.

### Regulatory & Others

|        |   |
|--------|---|
| 3G     | Third - Generation Technology   |
| 4G     | Fourth - Generation Technology  |
| BSE    | The Stock Exchange, Mumbai  |
| RBI    | Reserve Bank of India   |
| GSM    | Global System for Mobile Communications.                                  |
| ICT    | Information and Communication Technology                                  |
| GAAP   | Generally Accepted Accounting Principles                                  |
| KYC    | Know Your Customer  |
| IAS    | International Accounting Standards  |
| IFRS   | International Financial Reporting Standards                               |
| Ind-AS | Indian Accounting Standards   |
| NSE    | The National Stock Exchange of India Limited.                             |
| Sensex | Sensex is a stock index introduced by The Stock Exchange, Mumbai in 1986. |
| PPE    | Property, plant and equipment   |
| VoIP   | Voice over Internet Protocol  |
| SA     | South Asia  |
| KPI    | Key Performance Indicator   |
| LTM    | Last twelve month   |
| FTTH   | Fiber-to-the home   |
| VAS    | Value added service   |
| MPLS   | Multi-Protocol Label Switching  |

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