

Rating Rationale

July 22, 2024 | Mumbai

Bharti Airtel Limited

Rating outlook revised to 'Positive'; Ratings Reaffirmed

Rating Action

Total Bank Loan Facilities Rated	Rs.20000 Crore
Long Term Rating	CRISIL AA+/Positive (Outlook revised from 'Stable'; Rating Reaffirmed)
Short Term Rating	CRISIL A1+ (Reaffirmed)

Rs.3500 Crore Non Convertible Debentures	CRISIL AA+/Positive (Outlook revised from 'Stable'; Rating Reaffirmed)
Rs.15000 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has revised its outlook on the long-term bank facilities and non convertible debentures of Bharti Airtel Ltd (BAL) to '**Positive**' from 'Stable' while reaffirming the rating at '**CRISIL AA+**', The short term rating and commercial paper has been reaffirmed at 'CRISIL A1+'.

The outlook revision reflects directionally positive developments leading to expected improvement in both the business and financial risk profiles of BAL.

The improvement in the business risk profile is supported by recent broad-based tariff hikes of 17-19% on average taken by BAL in June 2024, which is expected to boost the average revenue per user (ARPU). This, accompanied with rising data usage with the adoption of 5G services leading to subscribers up-trading, will continue to drive growth in ARPU over the near to medium term. CRISIL Ratings does not estimate any major change in the market share of BAL, given the tariff hikes have been taken near-simultaneously by all three major telecom companies (telcos). However, consolidation of the overall subscriber base due to an increase in tariffs and any consequent impact on revenue will remain monitorable.

The operating performance of the company has improved sequentially over the past few years, resulting in healthy business as well as financial risk profiles. Consolidated revenue and earnings before interest, tax, depreciation and amortisation (EBITDA) grew at compound annual growth rate (CAGR) of ~14% and ~20% over fiscals 2021 to 2024, respectively. This was largely driven by continued strong growth in the India mobile business (accounting for ~60% of consolidated EBITDA). The company had the highest ARPU in the India mobile services industry at Rs 209 during the quarter ended March 2024.

Besides, BAL also benefits from diversified operations in Africa along with presence in enterprise services, home broadband and dish-to-home (DTH) segments in India. Business segments such as home broadband and enterprise services are expected to see strong growth momentum, as seen over the last few years. BAL also continued to maintain strong EBITDA margins in these businesses. Therefore, going forward, the business risk profile is expected to be driven by expectation of sustenance of strong operating performance across segments.

The improvement in the business risk profile will also be accompanied by improvement in the financial risk profile due to moderation in capital expenditure (capex) over the near to medium term, resulting in better debt protection metrics.

The net leverage^[1] of BAL improved to ~2.6 times in fiscal 2024 (compared with 3.0 times in fiscal 2023), despite large dues pertaining to spectrum purchase and adjusted gross revenue (AGR) led liabilities. Furthermore, with the part payment of the Department of Telecommunications (DOT) liabilities in the first quarter of this fiscal, the net leverage is likely to improve to ~2.5 times. As strong cash flow from the business is expected to contribute towards steady deleveraging, net leverage is expected to improve to even below 2.5 times in the near term.

Capex intensity^[2] averaged 26% over the past two fiscals and is expected to moderate over the medium term as mass 5G networks have been established. Similarly, spectrum capex is also likely to reduce as most of the spectrum purchase was completed in fiscal 2023. BAL had acquired significant spectrum for a total consideration of Rs 43,084 crore in the spectrum auction held in August 2022 to initiate pan-India 5G rollout. Compared with that, in the latest auction in June 2024, BAL has won Rs 6,857 crore worth of spectrum, of which the majority was for renewal of expiring licenses.

Spectrum investment may continue in Africa, and overall, capex outlay for the Africa mobile business is expected to be stable. A higher-than-expected outgo towards network layout or on spectrum acquisition, which could have a bearing on the overall financial risk profile, will continue to remain a key rating sensitivity factor.

Overall, the ratings continue to reflect the company's strong market position and healthy, as well as improving, operating performance of the domestic mobile and non-mobile segments, diversification across businesses, resilient operations in Africa, healthy debt protection metrics and high financial flexibility. These strengths are partially offset by exposure to technological risks.

^[1]Net leverage is calculated on the basis of gross debt including deferred payment liabilities, lease obligations minus cash and equivalents.

^[2]Capex (as reported by the company) as percentage of revenue

Analytical Approach

CRISIL Ratings has combined the business and financial risk profiles of BAL's India, South Asia and Africa operations. This is because BAL has majority ownership (more than 50%) in these entities.

Please refer Annexure - List of Entities Consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

- **Strong market position and continued healthy operating performance of the domestic mobile services segment:** BAL has a healthy subscriber base and revenue market share with pan-India network. As per the Telecom Regulatory Authority of India, the company had a wireless subscriber base of 35.2 crore as on March 31, 2024 (market share of ~33%). Revenue market share (including national and international long distance) was strong at ~39% for the quarter ended March 2024. Furthermore, BAL has large spectrum holdings spread across various bands which fortify its market position.

As on March 31, 2024, 4G/5G subscribers accounted for over 90% of BAL's data customer base. It continues to sustain the highest ARPU over the last couple of fiscals. It is expected to continue to improve, led by rising data usage and planned tariff hikes, thereby aiding cash flow generation over the medium term, which will be monitored.

- **Healthy and diversified operations in African and non-mobile businesses in India:** The consistent improvement in Africa operations is demonstrated by the increase in revenue (on a constant currency basis) on account of the increasing subscriber base and stable ARPU. In fiscal 2024, the operating profit of the African business improved by ~21% (on a constant currency basis) while operating margin remained at 48-49%. However, currency devaluations in key geographies continue to impact overall revenue and EBITDA. Devaluation of Nigerian Naira twice in fiscal 2024 (Nigeria accounts for ~40% of the African mobile business) affected the performance in rupee terms due to currency translation impact. While fundamental growth is expected to continue over the medium term, led by growth in data and mobile money businesses, the extent of impact of currency fluctuations will be monitored.

Operating performance and scaling of non-mobility businesses in India (accounting for ~15% of consolidated EBITDA), especially, home broadband and Airtel business services, has also remained strong. Home broadband and Airtel business services had healthy EBITDA margin at ~50% and ~40%, respectively, in fiscal 2024, despite competition. Along with improvement in the mobile business in India, this will continue to generate strong cash accrual.

- **Healthy financial risk profile aided by strong debt protection metrics and financial flexibility:** Overall gross debt of BAL stood at Rs 2,15,631 crore as on March 31, 2024, of which 48% were for deferred spectrum and AGR dues to DOT, 30% were in the form of lease liabilities and only balance 22% was external debt. Despite substantial spectrum liabilities, the financial risk profile of BAL remained healthy, aided by improving operating performance. With strong cash accrual expected, going forward, the cash flow is expected to be utilised for deleveraging.

Moreover, diversification across businesses and the strong reputation of the promoters continue to support financial flexibility. The company has a track record of raising significant funds at competitive rates in the domestic and overseas markets. Besides, the management has also demonstrated its financial flexibility by raising significant equity over the past few years. For instance, in August 2021, BAL announced fundraising of ~Rs 21,000 crore through partly paid rights issue, of which only 25% have been utilised so far and the balance can still be called. That said, any larger-than-expected acquisition will be a key monitorable.

Weakness:

- **Exposure to regulatory and technological risks:** Regulatory and policy changes play a central role in defining the risk characteristics of the Indian telecom sector. Its presence in multiple geographies exposes BAL to international regulatory risks as well. In Africa alone, operations are spread across 14 markets, with the top five countries accounting for about 2/3rd of the total revenue. Each market has its own regulatory environment and distinct consumer behavior patterns, which could have a bearing on the company's business as well as financial risk profiles. That said, BAL has taken concrete steps in hedging the African balance sheet by paying off the holding company debt and converting the operating company debt into local currency.

The telecom sector also remains susceptible to technological changes, with capex cycles every 8-10 years. New technology in the telecom sector could necessitate fresh investments or overhaul of existing networks. For instance, with the launch of 5G services, players were required to significantly invest in laying networks even after incurring significant capex for 4G networks few years preceding that.

Liquidity: Strong

Cash and equivalent of around Rs 10,192 crore as on March 31, 2024, were entirely unencumbered. Strong cash accrual and existing liquidity should sufficiently cover debt obligation over the medium term. Capex (including the spends on acquiring new spectrum, if any) is likely to remain moderate over the medium term. Network capex is expected to be funded through internal accrual and liquidity.

Environment, social and governance (ESG) profile

CRISIL Ratings believes that Environment, Social and Governance (ESG) profile of BAL supports its already strong credit risk profile.

The telecom sector is exposed to material impact on the environment owing to higher electricity requirements at data centres and network infrastructure with increasing data consumption. Waste associated with end-of-life network equipment and hardware can pollute land resources as well. Telcos are also exposed to significant regulatory risk and operational disruption if data security breaches, loss of customer data and network disruptions occur. Moreover, the systemic importance of telecom services to society and the economy underscores the importance of resilient and accessible networks to the widest number of users. Ensuring access to affordable services for all customers is also relevant for companies' reputations. BAL has continuously focused on mitigating its environmental and social risks.

Key ESG highlights (as of March 2023):

- The company has been taking various measures to optimise energy consumption, water consumption, waste generation, reducing greenhouse gas (GHG) emissions and employee training and education.
- For GHG emission, the company has adopted science-based targets for reducing Scope 1&2 emissions by 50.2% and Scope 3 emissions by 42% by 2031 (taking fiscal 2021 as the baseline).
- For optimising energy consumption, the company has been working on solarisation of networks. About 177 of BAL's owned network sites have been solarised till fiscal 2023 and rooftop solar plants have been installed across 30 locations at data centres and main switching centres with total installed capacity of 1.2 megawatt peak (MWp).
- The company aims to achieve 100% wastewater recycling at all data centres and become water positive in the near future. During fiscal 2023, 18% of the water was consumed from recycled and harvested sources.
- For e-waste, the company ensures all scrap auctions are done through authorised partners who enable recycling.
- The governance structure is characterised by 55% of its board comprising independent directors, split in chairman and CEO positions, healthy investor grievance redressal and extensive disclosures.
- An ESG committee of the board and ESG management council have been set up to further sharpen the focus on ESG efforts.

There is growing importance of ESG among investors and lenders. BAL's commitment to ESG principles will play a key role in enhancing stakeholder confidence, given its moderate share of market borrowings in its overall debt and access to both domestic and foreign capital markets.

Outlook: Positive

The business risk profile will continue to benefit from its presence in diversified businesses and a healthy market position in the mobility business in India, while the financial risk profile will benefit from expected increase in cash accrual and moderation in capex.

Rating Sensitivity factors**Upward factors:**

- Sustained improvement in market shares and operating profits for the mobile segments in India and Africa amid steady performance in other businesses
- Sustenance of net leverage below 2-2.5 times, led by increase in cash accrual and timely execution of deleveraging plans

Downward factors:

- Decline in market share and operating profit impacting the business risk profile

- Larger-than-expected capex because of technological changes or debt-funded acquisition leading to net leverage sustaining above 2.5-2.7 times, resulting in revision in outlook to 'Stable'

About the Company

Headquartered in India, BAL is a global communications solutions provider with ~56 crore customers in 17 countries across South Asia and Africa as on March 31, 2024. The company ranks among the top three mobile operators globally and its networks cover over two billion people. Airtel is the largest integrated communications solutions provider in India and the second-largest mobile operator in Africa. Airtel's retail portfolio includes high speed 4G/5G mobile broadband, Airtel Xstream Fiber with convergence across linear and on-demand entertainment, streaming services spanning music and video, digital payments and financial services. For enterprise customers, Airtel offers a gamut of solutions that include secure connectivity, cloud and data centre services, cyber security, internet of things (IoT), ad tech and cloud-based communication. The company had 35.2 crore mobile subscribers in India and ~15 crore in Africa as on March 31, 2024.

Key Financial Indicators

As on / for the period ended March 31	Unit	2024*	2023
Operating revenue	Rs crore	1,49,982	1,39,526
Adjusted profit after tax (PAT)	Rs crore	7,123	12,287
Adjusted PAT margin	%	4.7	8.8
Adjusted debt/EBITDA	Times	2.8	3.2
Interest coverage**	Times	3.5	3.7

Note: These numbers are adjusted for the analytical treatment of CRISIL Ratings and may not represent the numbers reported by the company.

*Provisional

** Includes interest costs on lease liabilities, bank charges, forex hedging costs and losses etc.

Any other information: Not Applicable

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings' complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of the instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue size (Rs.Crore)	Complexity Level	Rating assigned with outlook
NA	Non-Convertible Debenture*	NA	NA	NA	3500	Simple	CRISIL AA+/Positive
NA	Commercial Paper	NA	NA	7-365 days	15000	Simple	CRISIL A1+
NA	Non-Fund Based Limit^	NA	NA	NA	6950	NA	CRISIL AA+/Positive
NA	Non-Fund Based Limit^	NA	NA	NA	600	NA	CRISIL A1+
NA	Long Term Loan	NA	NA	Mar-2027	900	NA	CRISIL AA+/Positive
NA	Long Term Loan	NA	NA	Mar-2027	5100	NA	CRISIL AA+/Positive
NA	Fund-Based Facilities^	NA	NA	NA	4055	NA	CRISIL AA+/Positive
NA	Proposed Long-Term Bank Loan Facility^	NA	NA	NA	2395	NA	CRISIL AA+/Positive

*Yet to be placed

^Interchangeable between Fund Based (all categories', including Intra-day overdraft) and Non Fund Based

Annexure - List of Entities Consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
Bharti Hexacom Ltd	Fully consolidated	Strong financial and business linkages
Nxtra Data Ltd	Fully consolidated	Strong financial and business linkages
SmarTx Services Ltd (up to November 18, 2020)	Fully consolidated	Strong financial and business linkages
Telesonic Networks Ltd (up to Jan 31, 2023)	Fully consolidated	Strong financial and business linkages

Airtel Digital Ltd (formerly, Wynk Ltd)	Fully consolidated	Strong financial and business linkages
Airtel Ltd (Incorporated w.e.f. March 16, 2021)	Fully consolidated	Strong financial and business linkages
Bharti Telemedia Ltd	Fully consolidated	Strong financial and business linkages
Indus Towers Ltd (Formerly, Bharti Infratel Ltd up to November 18, 2020)	Fully consolidated	Strong financial and business linkages
Nettle Infrastructure Investments Ltd (up to Jan 31, 2023)	Fully consolidated	Strong financial and business linkages
Bharti Airtel Services Ltd	Fully consolidated	Strong financial and business linkages
Airtel International LLP	Fully consolidated	Strong financial and business linkages
Indo Teleports Ltd	Fully consolidated	Strong financial and business linkages
Congo RDC Towers S.A.	Fully consolidated	Strong financial and business linkages
Gabon Towers S.A. #	Fully consolidated	Strong financial and business linkages
Madagascar Towers S.A.	Fully consolidated	Strong financial and business linkages
Malawi Towers Ltd	Fully consolidated	Strong financial and business linkages
Tanzania Towers Ltd #	Fully consolidated	Strong financial and business linkages
Africa Towers N.V. (Liquidated w.e.f. December 31, 2020)	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce B.V.	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Holdings B.V.	Fully consolidated	Strong financial and business linkages
Airtel Africa Mauritius Ltd	Fully consolidated	Strong financial and business linkages
Airtel Africa Plc	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Nigeria B.V.	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce (Seychelles) B.V.	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Congo B.V.	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Kenya B.V.	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Madagascar B.V.	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Malawi B.V.	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Rwanda B.V.	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Tchad B.V.	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Uganda B.V.	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Zambia B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Africa B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Chad Holdings B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Congo Holdings B.V.	Fully consolidated	Strong financial and business linkages

Bharti Airtel Developers Forum Ltd	Fully consolidated	Strong financial and business linkages
Bharti Airtel Holding (Mauritius) Ltd	Fully consolidated	Strong financial and business linkages
Bharti Airtel Overseas (Mauritius) Ltd	Fully consolidated	Strong financial and business linkages
Bharti Airtel Gabon Holdings B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel International (Mauritius) Ltd	Fully consolidated	Strong financial and business linkages
Bharti Airtel International (Netherlands) B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Kenya B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Kenya Holdings B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Madagascar Holdings B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Malawi Holdings B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Mali Holdings B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Niger Holdings B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Nigeria B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Nigeria Holdings II B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel RDC Holdings B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Rwanda Holdings Ltd	Fully consolidated	Strong financial and business linkages
Bharti Airtel Services B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Tanzania B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Uganda Holdings B.V.	Fully consolidated	Strong financial and business linkages
Bharti Airtel Zambia Holdings B.V.	Fully consolidated	Strong financial and business linkages
Celtel (Mauritius) Holdings Ltd	Fully consolidated	Strong financial and business linkages
Channel Sea Management Company (Mauritius) Ltd	Fully consolidated	Strong financial and business linkages
Indian Ocean Telecom Ltd	Fully consolidated	Strong financial and business linkages
Montana International	Fully consolidated	Strong financial and business linkages
Partnership Investments Sarl	Fully consolidated	Strong financial and business linkages
Société Malgache de Téléphone Cellulaire S.A.	Fully consolidated	Strong financial and business linkages
Bharti Airtel International (Mauritius) Investments Ltd	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce DRC B.V. (incorporated on April 9, 2020)	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Gabon B.V. (incorporated on April 9, 2020)	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Niger B.V. (incorporated on April 9, 2020)	Fully consolidated	Strong financial and business linkages
Airtel Digital Services Holdings B.V. (incorporated on November 12, 2020)	Fully consolidated	Strong financial and business linkages

Airtel Mobile Commerce (Kenya) Ltd	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce (Seychelles) Ltd	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce (Tanzania) Ltd	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce (Malawi) Ltd	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Madagascar S.A.	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce (Rwanda) Ltd	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Tchad S.A (formerly known as Airtel Mobile Commerce Tchad S.a.r.l.)	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Uganda Ltd	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce Zambia Ltd	Fully consolidated	Strong financial and business linkages
Airtel Money (RDC) S.A.	Fully consolidated	Strong financial and business linkages
Airtel Money Niger S.A.	Fully consolidated	Strong financial and business linkages
Airtel Money S.A. (Gabon)	Fully consolidated	Strong financial and business linkages
Airtel Money Transfer Ltd	Fully consolidated	Strong financial and business linkages
Mobile Commerce Congo S.A.	Fully consolidated	Strong financial and business linkages
Airtel Money Tanzania Ltd	Fully consolidated	Strong financial and business linkages
Airtel Mobile Commerce (Nigeria) Ltd	Fully consolidated	Strong financial and business linkages
Airtel Money Kenya Ltd (incorporated on June 29, 2020)	Fully consolidated	Strong financial and business linkages
Network i2i Ltd	Fully consolidated	Strong financial and business linkages
Network I2I (Kenya) Ltd	Fully consolidated	Strong financial and business linkages
Network i2i (UK) Ltd (incorporated w.e.f. May 19, 2020)	Fully consolidated	Strong financial and business linkages
Airtel (Seychelles) Ltd	Fully consolidated	Strong financial and business linkages
Airtel Congo (RDC) S.A.	Fully consolidated	Strong financial and business linkages
Airtel Congo S.A.	Fully consolidated	Strong financial and business linkages
Airtel Gabon S.A.	Fully consolidated	Strong financial and business linkages
Airtel Madagascar S.A.	Fully consolidated	Strong financial and business linkages
Airtel Malawi Plc	Fully consolidated	Strong financial and business linkages
Airtel Networks Kenya Ltd @	Fully consolidated	Strong financial and business linkages
Airtel Networks Ltd	Fully consolidated	Strong financial and business linkages
Airtel Rwanda Ltd	Fully consolidated	Strong financial and business linkages
Airtel Tanzania plc	Fully consolidated	Strong financial and business linkages

Airtel Tchad S.A.	Fully consolidated	Strong financial and business linkages
Airtel Uganda Ltd	Fully consolidated	Strong financial and business linkages
Bharti Airtel (France) SAS	Fully consolidated	Strong financial and business linkages
Bharti Airtel (Hong Kong) Ltd	Fully consolidated	Strong financial and business linkages
Bharti Airtel (Japan) Pvt Ltd	Fully consolidated	Strong financial and business linkages
Bharti Airtel (UK) Ltd	Fully consolidated	Strong financial and business linkages
Bharti Airtel (USA) Ltd	Fully consolidated	Strong financial and business linkages
Bharti Airtel Lanka (Pvt) Ltd	Fully consolidated	Strong financial and business linkages
Bharti International (Singapore) Pte. Ltd.	Fully consolidated	Strong financial and business linkages
CelTel Niger S.A.	Fully consolidated	Strong financial and business linkages
Airtel Networks Zambia Plc	Fully consolidated	Strong financial and business linkages
Airtel Africa Services (UK) Ltd (incorporated on November 2, 2020)	Fully consolidated	Strong financial and business linkages
Seynse Technologies Pvt Ltd	Equity method	Proportionate consolidation
Airtel Payments Bank Ltd	Equity method	Proportionate consolidation
Juggernaut Books Pvt Ltd	Equity method	Proportionate consolidation
Seychelles Cable Systems Company Ltd	Equity method	Proportionate consolidation
Robi Axiata Ltd	Equity method	Proportionate consolidation
RedDot Digital Ltd	Equity method	Proportionate consolidation
Indus Towers Ltd (up to November 18, 2020)	Equity method	Proportionate consolidation
Indus Towers Ltd (Formerly, Bharti Infratel Ltd) (w.e.f. November 19, 2020)	Equity method	Proportionate consolidation
FireFly Networks Ltd	Equity method	Proportionate consolidation
Bridge Mobile Pte Ltd	Equity method	Proportionate consolidation
Bharti Airtel Ghana Holdings B.V.	Equity method	Proportionate consolidation

Annexure - Rating History for last 3 Years

Instrument	Current			2024 (History)		2023		2022		2021		Start of 2021
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	12450.0	CRISIL AA+/Positive		--	27-12-23	CRISIL AA+/Stable	08-08-22	CRISIL AA+/Stable	29-11-21	CRISIL AA+/Stable	CRISIL AA+/Stable
			--		--	23-11-23	CRISIL AA+/Stable	11-04-22	CRISIL AA+/Stable	28-09-21	CRISIL AA+/Stable	--
			--		--	24-07-23	CRISIL AA+/Stable		--		--	--
			--		--	24-07-23	CRISIL AA+/Stable		--		--	--
			--		--	22-03-23	CRISIL AA+/Stable		--		--	--
Non-Fund Based Facilities	LT/ST	7550.0	CRISIL AA+/Positive / CRISIL A1+		--	27-12-23	CRISIL AA+/Stable / CRISIL A1+	08-08-22	CRISIL AA+/Stable	29-11-21	CRISIL AA+/Stable	--
			--		--	23-11-23	CRISIL AA+/Stable / CRISIL A1+	11-04-22	CRISIL AA+/Stable		--	--
			--		--	24-07-23	CRISIL AA+/Stable		--		--	--
			--		--	24-07-23	CRISIL AA+/Stable		--		--	--

			--	--	22-03-23	CRISIL AA+/Stable		--		--	--
Commercial Paper	ST	15000.0	CRISIL A1+	--	27-12-23	CRISIL A1+	08-08-22	CRISIL A1+	29-11-21	CRISIL A1+	CRISIL A1+
			--	--	23-11-23	CRISIL A1+	11-04-22	CRISIL A1+	28-09-21	CRISIL A1+	--
			--	--	24-07-23	CRISIL A1+		--		--	--
			--	--	24-07-23	CRISIL A1+		--		--	--
			--	--	22-03-23	CRISIL A1+		--		--	--
Non Convertible Debentures	LT	3500.0	CRISIL AA+/Positive	--	27-12-23	CRISIL AA+/Stable	08-08-22	CRISIL AA+/Stable	29-11-21	CRISIL AA+/Stable	Withdrawn
			--	--	23-11-23	CRISIL AA+/Stable	11-04-22	CRISIL AA+/Stable	28-09-21	CRISIL AA+/Stable	--
			--	--	24-07-23	CRISIL AA+/Stable		--		--	--
			--	--	24-07-23	CRISIL AA+/Stable		--		--	--
			--	--	22-03-23	CRISIL AA+/Stable		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Fund-Based Facilities ^{&}	3755	Citibank N. A.	CRISIL AA+/Positive
Fund-Based Facilities ^{&}	300	HDFC Bank Limited	CRISIL AA+/Positive
Long Term Loan	900	Axis Bank Limited	CRISIL AA+/Positive
Long Term Loan	5100	HDFC Bank Limited	CRISIL AA+/Positive
Non-Fund Based Limit ^{&}	250	IDBI Bank Limited	CRISIL A1+
Non-Fund Based Limit ^{&}	350	Deutsche Bank	CRISIL A1+
Non-Fund Based Limit ^{&}	800	Axis Bank Limited	CRISIL AA+/Positive
Non-Fund Based Limit ^{&}	500	IDFC FIRST Bank Limited	CRISIL AA+/Positive
Non-Fund Based Limit ^{&}	250	Kotak Mahindra Bank Limited	CRISIL AA+/Positive
Non-Fund Based Limit ^{&}	1500	ICICI Bank Limited	CRISIL AA+/Positive
Non-Fund Based Limit ^{&}	1500	State Bank of India	CRISIL AA+/Positive
Non-Fund Based Limit ^{&}	900	Standard Chartered Bank Limited	CRISIL AA+/Positive
Non-Fund Based Limit ^{&}	1500	IndusInd Bank Limited	CRISIL AA+/Positive
Proposed Long Term Bank Loan Facility ^{&}	2395	Not Applicable	CRISIL AA+/Positive

[&]Interchangeable between Fund Based (all categories', including Intra-day overdraft) and Non Fund Based

Criteria Details

Links to related criteria
CRISILs Approach to Financial Ratios
Rating criteria for manufacturing and service sector companies
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating Criteria for Mobile Telephony Services
CRISILs Criteria for rating short term debt

[CRISILs Criteria for Consolidation](#)

Media Relations	Analytical Contacts	Customer Service Helpdesk
<p>Prakruti Jani Media Relations CRISIL Limited M: +91 98678 68976 B: +91 22 3342 3000 PRAKRUTI.JANI@crisil.com</p> <p>Rutuja Gaikwad Media Relations CRISIL Limited B: +91 22 3342 3000 Rutuja.Gaikwad@ext-crisil.com</p>	<p>Manish Kumar Gupta Senior Director CRISIL Ratings Limited B:+91 124 672 2000 manish.gupta@crisil.com</p> <p>Anand Kulkarni Director CRISIL Ratings Limited B:+91 22 3342 3000 anand.kulkarni@crisil.com</p> <p>Mohini Chatterjee Manager CRISIL Ratings Limited B:+91 22 3342 3000 mohini.chatterjee@crisil.com</p>	<p>Timings: 10.00 am to 7.00 pm Toll free Number:1800 267 1301</p> <p>For a copy of Rationales / Rating Reports: CRISILratingdesk@crisil.com</p> <p>For Analytical queries: ratingsinvestordesk@crisil.com</p>

Note for Media:

This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper/magazine/agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to CRISIL Ratings. However, CRISIL Ratings alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites and portals.

About CRISIL Ratings Limited (A subsidiary of CRISIL Limited, an S&P Global Company)

CRISIL Ratings pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we set the standards in the credit rating business. We rate the entire range of debt instruments, such as bank loans, certificates of deposit, commercial paper, non-convertible/convertible/partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 33,000 large and mid-scale corporates and financial institutions. We have also instituted several innovations in India in the rating business, including ratings for municipal bonds, partially guaranteed instruments and infrastructure investment trusts (InvITs).

CRISIL Ratings Limited ('CRISIL Ratings') is a wholly-owned subsidiary of CRISIL Limited ('CRISIL'). CRISIL Ratings Limited is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI").

For more information, visit www.crisilratings.com

About CRISIL Limited

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

It is majority owned by S&P Global Inc, a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

For more information, visit www.crisil.com

Connect with us: [TWITTER](#) | [LINKEDIN](#) | [YOUTUBE](#) | [FACEBOOK](#)

CRISIL PRIVACY NOTICE

CRISIL respects your privacy. We may use your contact information, such as your name, address and email id to fulfil your request and service your account and to provide you with additional information from CRISIL. For further information on CRISIL's privacy policy please visit www.crisil.com.

DISCLAIMER

This disclaimer is part of and applies to each credit rating report and/or credit rating rationale ('report') provided by CRISIL Ratings Limited ('CRISIL Ratings'). For the avoidance of doubt, the term 'report' includes the information, ratings and other content forming part of the report. The report is intended for use only within the jurisdiction of India. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CRISIL Ratings provision or intention to provide any services in jurisdictions where CRISIL Ratings does not have the necessary licenses and/or registration to carry out its business activities. Access or use of this report does not create a client relationship between CRISIL Ratings and the user.

The report is a statement of opinion as on the date it is expressed, and it is not intended to and does not constitute investment advice within meaning of any laws or regulations (including US laws and regulations). The report is not an offer to sell or an offer to purchase or subscribe to any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The recipients of the report should rely on their own judgment and take their own professional advice before acting on the report in any way.

CRISIL Ratings and its associates do not act as a fiduciary. The report is based on the information believed to be reliable as of the date it is published, CRISIL Ratings does not perform an audit or undertake due diligence or independent verification of any information it receives and/or relies on for preparation of the report. THE REPORT IS PROVIDED ON "AS IS" BASIS. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS, CRISIL RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE. In no event shall CRISIL Ratings, its associates, third-party providers, as well as their directors, officers, shareholders, employees or agents be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.

The report is confidential information of CRISIL Ratings and CRISIL Ratings reserves all rights, titles and interest in the rating report. The report shall not be altered, disseminated, distributed, redistributed, licensed, sub-licensed, sold, assigned or published any content thereof or offer access to any third party without prior written consent of CRISIL Ratings.

CRISIL Ratings or its associates may have other commercial transactions with the entity to which the report pertains or its associates. Ratings are subject to revision or withdrawal at any time by CRISIL Ratings. CRISIL Ratings may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

CRISIL Ratings has in place a ratings code of conduct and policies for managing conflict of interest. For more detail, please refer to: <https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html>. Public ratings and analysis by CRISIL Ratings, as are required to be disclosed under the Securities and Exchange Board of India regulations (and other applicable regulations, if any), are made available on its websites, www.crisilratings.com and <https://www.ratingsanalytica.com> (free of charge). CRISIL Ratings shall not have the obligation to update the information in the CRISIL Ratings report following its publication although CRISIL Ratings may disseminate its opinion and/or analysis. Reports with more detail and additional information may be available for subscription at a fee. Rating criteria by CRISIL Ratings are available on the CRISIL Ratings website, www.crisilratings.com. For the latest rating information on any company rated by CRISIL Ratings, you may contact the CRISIL Ratings desk at crisilratingdesk@crisil.com, or at (0091) 1800 267 1301.

CRISIL Ratings uses the prefix 'PP-MLD' for the ratings of principal-protected market-linked debentures (PPMLD) with effect from November 1, 2011, to comply with the SEBI circular, "Guidelines for Issue and Listing of Structured Products/Market Linked Debentures". The revision in rating symbols for PPMLDs should not be construed as a change in the rating of the subject instrument. For details on CRISIL Ratings' use of 'PP-MLD' please refer to the notes to Rating scale for Debt Instruments and Structured Finance Instruments at the following link: <https://www.crisilratings.com/en/home/our-business/ratings/credit-ratings-scale.html>